



**Andy Beshear**  
Governor

**Commonwealth of Kentucky**  
FINANCE AND ADMINISTRATION CABINET  
**Office of Financial Management**  
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**Holly M. Johnson**  
Secretary

**Ryan Barrow**  
Executive Director

September 02, 2020

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

Dear Senator Girdler and Representative Thomas:

Listed below is information regarding various projects and reports that will be presented to the Capital Projects and Bond Oversight Committee (“CPBOC”) at the September 16, 2020, meeting.

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

<u>Fund A Loans</u>	
City of Pineville (Construction)	\$2,454,000
City of Calvert City	\$2,908,500
City of Dawson Springs	\$1,000,000
City of Lewisburg (Construction)	\$533,894
<u>Fund B Loan</u>	
City of Bardstown	\$1,472,400
<u>Fund C Loan</u>	
Crittenden-Livingston County Water District (Increase)	\$15,000
<u>Fund F Loans</u>	
City of Whitesburg	\$1,100,000

The Cabinet for Economic Development will present one (1) Economic Development Fund (EDF) grant for the Committee’s approval:

City of Bowling Green on behalf of CROWN Cork & Seal USA, Inc.	\$250,000
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Senator Girdler  
Representative Thomas  
September 02, 2020  
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The Office of Financial Management will present one (1) new bond issue report for the Committee's approval:

Northern Kentucky University General Receipts Bonds Series 2020 A and General Receipts Refunding Bonds Series 2020 B	\$10,000,000+
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+Not to Exceed

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

Ashland Independent	\$750,000*
Bellevue Independent	\$520,000*
Bellevue Independent	\$495,000*
Bourbon County	\$3,600,000*
Boyle County	\$1,445,000*
Bracken County	\$1,175,000*
Burgin Independent	\$1,945,000*
Caldwell County	\$5,995,000*
Fayette County	\$42,940,000*
LaRue County	\$3,330,000*
Menifee County	\$4,280,000*
Ohio County	\$2,780,000*
Russell Independent	\$4,060,000*
Scott County	\$18,310,000*
Walton Verona Independent	\$1,100,000*

\*Estimated

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

Sincerely,



Ryan Barrow,  
Executive Director

Attachments

**Kentucky Infrastructure Authority  
Projects for  
September 2020 Capital Projects Meeting**

- **Fund A Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Loan Total</u>	<u>County</u>
A20-004	City of Pineville (Construction)	\$ 2,454,000	\$ 2,600,000	Bell
A20-018	City of Calvert City	\$ 2,908,500	\$ 2,908,500	Marshall
A20-019	City of Dawson Springs	\$ 1,000,000	\$ 1,000,000	Hopkins
A21-001	City of Lewisburg (Construction)	\$ 533,894	\$ 750,000	Logan

- **Fund B Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Loan Total</u>	<u>County</u>
B20-005	City of Bardstown	\$ 1,472,400	\$ 1,472,400	Nelson

- **Fund C Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Loan Total</u>	<u>County</u>
C20-002	Crittenden-Livingston County Water District (Increase)	\$ 15,000	\$ 315,000	Livingston

- **Fund F Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Loan Total</u>	<u>County</u>
F20-026	City of Whitesburg	\$ 1,100,000	\$ 1,100,000	Letcher

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b> <b>REVOLVING LOAN FUND</b>		Reviewer	Sarah Parsley	
		Date	July 9, 2020	
		KIA Loan Number	A20-004	
		WRIS Number	SX21013003	
BORROWER	CITY OF PINEVILLE BELL COUNTY			
BRIEF DESCRIPTION				
The City of Pineville operates a combined sewer system (CSS) that contains two permitted combined sewer overflows (CSO) which discharge in the the Cumberland River. To comply with their Consent Judgement with KDOW, the CSS will have to be completely separated. This is the construction loan after the planning and design loan that will complete another phase in accomplishing this goal by separating the existing storm and sanitary sewers in the four block area surrounding Bell County Courthouse, around the Courthouse Square, and the side streets. The project constructs 4430 LF of sewer line and 4088 LF of storm sewers, inlets, curbs and gutters, and replacement of existing sidewalks.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$2,454,000	Administrative Expenses	RD Fee %	Actual %
KIA P&D Loan (A18-027)	146,000	Legal Expenses		
CDBG	1,000,000	Planning		
		Eng - Design / Const	7.2%	6.8%
		Eng - Insp	5.2%	3.8%
	-	Construction		
	-	Contingency		
TOTAL	\$3,600,000	TOTAL		\$3,600,000
REPAYMENT	Rate	0.50%	Est. Annual Payment	\$63,771
	Term	30 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Vaughn & Melton Consulting Engineers, Inc.		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Apr-21		
	Construction Start	Jun-21		
	Construction Stop	Mar-22		
DEBT PER CUSTOMER	Existing	\$8,576		
	Proposed	\$10,862		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	802	\$25.74	(for 4,000 gallons)
	Additional	0	\$25.74	(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 2017	853,071	472,247	380,824	1.8
Audited 2018	948,367	562,320	386,047	1.7
Audited 2019	609,096	551,594	57,502	1.1
Projected 2020	521,867	577,275	(55,408)	0.9
Projected 2021	722,532	522,067	200,466	1.4
Projected 2022	673,165	560,929	112,236	1.2
Projected 2023	671,869	607,456	64,413	1.1
Projected 2024	661,235	600,847	60,388	1.1

Reviewer: Sarah Parsley  
 Date: July 9, 2020  
 Loan Number: A20-004

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND A)  
 CITY OF PINEVILLE, BELL COUNTY  
 PROJECT REVIEW  
 SX21013003**

**I. PROJECT DESCRIPTION**

The City of Pineville is requesting a Fund A loan in the amount of \$2,454,000 for the Virginia Avenue/Courthouse Square Utility Replacements project. The purpose of this project is to separate the existing the storm and sanitary sewers in the four block area surrounding the Courthouse and the side streets.

The project consists of construction of approximately 4430 linear feet of gravity sewer line and 4088 linear feet of storm sewers, new storm sewer inlets, new curb and gutters, and replacement of existing sidewalks. This project is being funded with a previous planning and design loan as well as CDBG funds. This project will be funded for 30 years and is necessary to satisfy agreed order DOW CS 060162.

The City of Pineville serves 802 customers in Bell County.

**II. PROJECT BUDGET**

Administrative Expenses	\$	50,000
Legal Expenses		5,000
Planning		15,000
Engineering Fees - Design		174,000
Engineering Fees - Construction		44,000
Engineering Fees - Inspection		120,000
Construction		2,897,940
Contingency		294,060
<b>Total</b>		<b>\$ 3,600,000</b>

**III. PROJECT FUNDING**

Fund A Loan	\$2,454,000	68%
KIA P&D Loan (A18-027)	146,000	4%
CDBG	1,000,000	28%
<b>Total</b>	<b>\$3,600,000</b>	<b>100%</b>

#### IV. KIA DEBT SERVICE

Construction Loan	\$2,600,000
Less: Principal Forgiveness	<u>919,050</u>
Amortized Loan Amount	\$1,680,950
Interest Rate	0.50%
Loan Term (Years)	<u>30</u>
Estimated Annual Debt Service	\$ 60,409
Administrative Fee (0.20%)	<u>3,362</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 63,771</b>

#### V. PROJECT SCHEDULE

Bid Opening	April 1, 2021
Construction Start	June 1, 2021
Construction Stop	March 1, 2022

#### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

##### A) Customers

	Current	Proposed	Total
Residential	723	0	723
Commercial	79	0	79
Industrial	0	0	0
Total	<u>802</u>	<u>0</u>	<u>802</u>

##### B) Rates

	Current	Prior
Date of Last Rate Increase	<u>07/01/14</u>	<u>07/01/13</u>
Minimum	\$8.22	\$7.68
Next 9,000 Gallons	5.84	5.46
Over 10,000 Gallons	5.55	5.19
Cost for 4,000 gallons	<u>\$25.74</u>	<u>\$24.06</u>
Increase %	7.0%	
Affordability Index (Rate/MHI)	1.4%	

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2013-2017, the Utility’s service area population was 3,106 with a Median Household Income (MHI) of \$21,683. The median household income for the Commonwealth is \$46,535. The project will qualify for a 0.5% interest rate.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	2,599		34,330		June 2005	8.0%
1990	2,198	-15.4%	31,506	-8.2%	June 2010	12.7%
2000	2,093	-4.8%	30,060	-4.6%	June 2015	8.5%
2010	1,732	-17.2%	28,691	-4.6%	June 2018	7.4%
Current	1,734	0.1%	26,032	-9.3%		
Cumulative %		-33.3%		-24.2%		

**VIII. 2019 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of \$919,500 will be credited to the loan balance upon release of liens on all contracts and disbursement of the final draw request by KIA to the borrower.

**IX. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2017 through June 30, 2019. The non-cash impact of GASB 68, Accounting and Financial Reporting for Pensions, has been removed from fiscal 2016-2018 operating expenses and GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, has been removed from 2019 operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

**HISTORY**

Total revenues have decreased 6.8% from 2017 to 2019. This decrease was caused by two major customers closing during that time frame. Pineville Community Healthcare was restructured from 300 employees down to 60 employees. At the same

time, Rock Hampton Energy, a mining company, filed for bankruptcy in October 2019. The hospital will continue to be partially staffed but the mining company has reopened and income is expected to return to levels in previous years from the mining company. The City is also in the process of bringing a Wildlife Reserve Park, slated to open in spring 2022, which is expected to generate at least \$36,000-\$70,000 additional revenues. During the analysis, the City was very conservative with the estimates of increased revenue so we used the conservative figures.

The Utility has also been sending money to the City of Pineville in order to help out with the loss of hospital revenue. This amount has been \$10,000 monthly but has recently decreased to \$5,000 monthly. The Utility can suspend these payments if they find themselves in need of the funds.

Total operating expenses stayed pretty constant between 2017 to 2019 with only a \$1,682 decrease from 2017 to 2019.

The 2019 balance sheet reflects a current ratio of 1.0, a debt to equity ratio of 1.0, 48 days sales in accounts receivable, and 0.5 months operating expenses in unrestricted cash. The debt coverage ratio from 2017 to 2019 was 1.8, 1.7, and 1.1 respectively.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase after factoring in the addition of \$40,000 annually for the collection of city garbage fees, the mining company reopening, and the hospital reopening partially. The animal park is slated to open in the spring of 2022 and is expected to generate at least \$36,000 annually as well. An increase in revenue of 1% in 2023 and 1.5% in 2024 (in addition to the projected increases) will be needed to maintain the required debt coverage ratio unless revenues increase more than expected at this time.
- 2) Expenses will increase 2% per year for inflation. There has also been a payroll expense reduction of \$140,000 factored in. This decrease is expected to be permanent.
- 3) Debt service coverage is 1.11 in 2023 after the recommended revenue increases 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% (\$129,000 total) of the final amount borrowed (prior to principal forgiveness, if any) to be funded annually (\$4,300 yearly) each December 1 for 30 years and maintained for the life of the loan.



**X. DEBT OBLIGATIONS**

<b>Debt Issue</b>	<b>Outstanding</b>	<b>Maturity (Fiscal Year)</b>
KIA Loan (A209-05)	706,208	2032
KIA Loan (F01-03)	25,196	2021
KIA Loan (A11-051) \$300,486 remaining	489,553	2038
KIA Loan (F115-016)	-	2022
KIA Loan (B16-003)	247,948	2036
KIA Loan (B13-003)	1,218,585	2036
KIA Loan (F18-003)	172,764	TBD
KIA Loan A18-027 (P&D i/a/o \$146,000)	69,000	TBD
Home Federal Bank (LOC \$250k)		
First State Bank (Vehicle)	90,687	2020
KRWFC Bond Series 2012	3,187,917	2040
KRWFC Bond Series 2016C	670,000	2042
<b>Total</b>	<b>6,877,858</b>	

**XI. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Pineville
Authorized Official	David Scott Madon (Mayor)
County	Bell
Email	pinevillemayor@gmail.com
Phone	(606) 337-2958
Address	PO Box 688, 300 Virginia Ave Pineville, KY 40977

<b>Applicant Contact</b>	
Name	Robert Roan
Organization	Pineville Utility Commission
Email	robert.roan@mypuc.org
Phone	(606) 337-6611
Address	PO Box 277 Pineville, KY 40977

**Project Administrator**

Name	Robert Roan
Organization	Pineville Utility Commission
Email	robert.roan@mypuc.org
Phone	(606) 337-6611
Address	PO Box 277 Pineville, KY 40977

**Consulting Engineer**

PE Name	Mitchel Brunisma
Firm Name	Vaughn & Melton Consulting Engineers, Inc.
Email	mlbrunisma@vaughnmelton.com
Phone	(606) 248-6600
Address	109 South 24th Street, PO Box 1425 Middlesboro, KY 40965

**XII. RECOMMENDATIONS**

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

1. The City of Pineville will increase revenues by either instituting a rate increase ordinance that phases in rates over the time period of 2022 through 2024, or consider doing a CPI increase ordinance beginning in 2022. They will need to have a rate ordinance, effective no later than January 1, 2022 that raises sufficient revenues in place before we process the loan.

<b>CITY OF PINEVILLE</b>		Water Rev +/-	-3%	-4%	0%	4%	0%	1%	1%
<b>CASH FLOW ANALYSIS (JUNE YEAR END)</b>		Sewer Rev +/-	142%	-31%	0%	0%	0%	0%	0%
	2017	2018	2019	2020	2021	2022	2023	2024	
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	
<b>Operating Revenues</b>									
Sales and Service Charges	3,816,523	3,706,945	3,556,316	3,556,316	3,682,316	3,682,316	3,719,139	3,774,926	
Penalties	96,814	234,628	161,848	161,848	161,848	161,848	161,848	161,848	
Other Operating Revenues	111,845	55,457	73,733	73,733	73,733	73,733	73,733	73,733	
Other						9,000	36,000	36,000	
<b>Total Revenues</b>	<b>4,025,182</b>	<b>3,997,030</b>	<b>3,791,897</b>	<b>3,791,897</b>	<b>3,917,897</b>	<b>3,926,897</b>	<b>3,990,720</b>	<b>4,046,507</b>	
<b>Operating Expenses</b>									
OpExp +/-		-4.0%	4.1%	2.0%	-2.3%	2.0%	2.0%	2.0%	
Purchased Water (or Treatment) Cost	9,486	8,292	8,141	8,141	8,141	8,141	8,141	8,141	
Operating Expenses	3,204,395	3,075,809	3,202,713	3,266,767	3,192,102	3,255,944	3,321,063	3,387,484	
Depreciation	856,065	889,778	916,790	916,790	916,790	1,006,790	1,006,790	1,006,790	
Replacement Reserve	0			23,175	23,175	17,700	17,700	17,700	
<b>Total Expenses</b>	<b>4,069,946</b>	<b>3,973,879</b>	<b>4,127,644</b>	<b>4,214,873</b>	<b>4,140,208</b>	<b>4,288,575</b>	<b>4,353,694</b>	<b>4,420,115</b>	
<b>Net Operating Income</b>	<b>(44,764)</b>	<b>23,151</b>	<b>(335,747)</b>	<b>(422,976)</b>	<b>(222,311)</b>	<b>(361,678)</b>	<b>(362,974)</b>	<b>(373,608)</b>	
<b>Non-Operating Income and Expenses</b>									
Interest Income	41,770	35,438	28,053	28,053	28,053	28,053	28,053	28,053	
Other				0	0	0	0	0	
<b>Total Non-Operating Income &amp; Expenses</b>	<b>41,770</b>	<b>35,438</b>	<b>28,053</b>	<b>28,053</b>	<b>28,053</b>	<b>28,053</b>	<b>28,053</b>	<b>28,053</b>	
<b>Add Non-Cash Expenses</b>									
Depreciation	856,065	889,778	916,790	916,790	916,790	1,006,790	1,006,790	1,006,790	
<b>Cash Available for Debt Service</b>	<b>853,071</b>	<b>948,367</b>	<b>609,096</b>	<b>521,867</b>	<b>722,532</b>	<b>673,165</b>	<b>671,869</b>	<b>661,235</b>	
<b>Debt Service</b>									
Existing Principal	287,877	370,732	367,280	405,959	322,418	321,636	324,897	324,964	
Existing Interest	184,370	191,588	184,314	171,316	164,958	156,912	149,407	142,731	
Proposed KIA Loan (A20-004)						13,000	63,771	63,771	
KIA Loan F18-003					34,691	69,381	69,381	69,381	
<b>Total Debt Service</b>	<b>472,247</b>	<b>562,320</b>	<b>551,594</b>	<b>577,275</b>	<b>522,067</b>	<b>560,929</b>	<b>607,456</b>	<b>600,847</b>	
<b>Income After Debt Service</b>	<b>380,824</b>	<b>386,047</b>	<b>57,502</b>	<b>(55,408)</b>	<b>200,466</b>	<b>112,236</b>	<b>64,413</b>	<b>60,388</b>	
<b>Debt Coverage Ratio</b>	<b>1.81</b>	<b>1.69</b>	<b>1.10</b>	<b>0.90</b>	<b>1.38</b>	<b>1.20</b>	<b>1.11</b>	<b>1.10</b>	

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

	<u>Audited 2017</u>	<u>Audited 2018</u>	<u>Audited 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>	<u>Projected 2023</u>	<u>Projected 2024</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	1,790,621	1,806,035	1,250,256	1,194,877	1,412,043	1,525,479	1,598,392	1,666,180
Other Assets	22,093,179	22,503,250	22,014,520	21,097,730	26,104,530	25,097,740	24,090,950	23,084,160
<b>Total</b>	<b>23,883,800</b>	<b>24,309,285</b>	<b>23,264,776</b>	<b>22,292,607</b>	<b>27,516,573</b>	<b>26,623,219</b>	<b>25,689,342</b>	<b>24,750,340</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	2,097,856	1,069,919	1,272,221	949,358	951,776	958,237	961,604	963,254
Long Term Liabilities	8,398,347	10,041,785	10,201,024	9,878,606	12,683,001	12,358,104	12,033,140	11,709,926
<b>Total Liabilities</b>	<b>10,496,203</b>	<b>11,111,704</b>	<b>11,473,245</b>	<b>10,827,964</b>	<b>13,634,777</b>	<b>13,316,341</b>	<b>12,994,744</b>	<b>12,673,180</b>
<b>Net Assets</b>	<b>13,387,597</b>	<b>13,197,581</b>	<b>11,791,531</b>	<b>11,464,643</b>	<b>13,881,796</b>	<b>13,306,878</b>	<b>12,694,598</b>	<b>12,077,160</b>
<b>Cash Flow</b>								
Revenues	4,025,182	3,997,030	3,791,897	3,791,897	3,917,897	3,926,897	3,990,720	4,046,507
Operating Expenses	3,213,881	3,084,101	3,210,854	3,298,083	3,223,418	3,281,785	3,346,904	3,413,325
Other Income	41,770	35,438	28,053	28,053	28,053	28,053	28,053	28,053
<b>Cash Flow Before Debt Service</b>	<b>853,071</b>	<b>948,367</b>	<b>609,096</b>	<b>521,867</b>	<b>722,532</b>	<b>673,165</b>	<b>671,869</b>	<b>661,235</b>
<b>Debt Service</b>								
Existing Debt Service	472,247	562,320	551,594	577,275	522,067	560,929	607,456	600,847
Proposed KIA Loan	0	0	0	0	0	0	0	0
<b>Total Debt Service</b>	<b>472,247</b>	<b>562,320</b>	<b>551,594</b>	<b>577,275</b>	<b>522,067</b>	<b>560,929</b>	<b>607,456</b>	<b>600,847</b>
<b>Cash Flow After Debt Service</b>	<b>380,824</b>	<b>386,047</b>	<b>57,502</b>	<b>(55,408)</b>	<b>200,466</b>	<b>112,236</b>	<b>64,413</b>	<b>60,388</b>
<b>Ratios</b>								
Current Ratio	0.9	1.7	1.0	1.3	1.5	1.6	1.7	1.7
Debt to Equity	0.7	0.8	1.0	0.9	1.0	1.0	1.0	1.0
Days Sales in Accounts Receivable	49.6	73.6	48.4	48.4	48.4	48.4	48.4	48.4
Months Operating Expenses in Unrestricted Cash	2.5	1.2	0.5	0.2	1.0	1.4	1.6	1.8
Debt Coverage Ratio	1.8	1.7	1.1	0.9	1.4	1.2	1.1	1.1

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b> <b>REVOLVING LOAN FUND</b>		Reviewer	Meili Sun	
		Date	August 6, 2020	
		KIA Loan Number	A20-018	
		WRIS Number	SX21157039	
BORROWER	CITY OF CALVERT CITY MARSHALL COUNTY			
BRIEF DESCRIPTION				
This project will rehabilitate the influent lift station and headworks for the wastewater treatment plant, improve the disinfection, aeration and mixing systems, upgrade the SCADA and control system, and replace the outfall diffuser in the Tennessee River.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$2,908,500	RD Fee %	Actual %	
		Administrative Expenses		\$30,000
		Legal Expenses		3,000
		Eng - Design / Const	7.4%	7.1%
		Eng - Insp	4.3%	4.1%
		Eng - Other		42,800
		Construction		2,316,000
		Contingency		231,000
TOTAL	\$2,908,500	TOTAL		\$2,908,500
REPAYMENT	Rate	1.50%	Est. Annual Payment	\$174,685
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Rivercrest Engineering		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Jan-21		
	Construction Start	Apr-21		
	Construction Stop	Mar-22		
DEBT PER CUSTOMER	Existing	\$1,304		
	Proposed	\$4,266		
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	1,019	\$37.12	(for 4,000 gallons)
	Additional	0	\$37.12	(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 2017	332,675	156,966	175,709	2.1
Audited 2018	211,517	172,206	39,311	1.2
Audited 2019	471,789	176,927	294,862	2.7
Projected 2020	711,909	176,961	534,948	4.0
Projected 2021	723,763	225,249	498,514	3.2
Projected 2022	739,907	158,838	581,069	4.7
Projected 2023	746,397	272,035	474,362	2.7
Projected 2024	760,462	271,946	488,516	2.8

Reviewer: Meili Sun  
 Date: August 6, 2020  
 Loan Number: A20-018

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND A)  
 CALVERT CITY, MARSHALL COUNTY  
 PROJECT REVIEW  
 SX21157039**

**I. PROJECT DESCRIPTION**

Calvert City (“City”) is requesting a Fund A loan in the amount of \$2,908,500 for the WWTP Influent Lift Station and Plant Improvements project. This project will rehabilitate the influent lift station and headworks for the wastewater treatment plant, improve the disinfection, aeration and mixing systems, upgrade the SCADA and control system, and replace the outfall diffuser in the Tennessee River.

The City is currently under an Agreed Order issued by the Kentucky Department for Environmental Protection to upgrade its wastewater collection and treatment facilities. The work associated with this project has been identified as necessary in the Corrective Action Plan to restore the ability to comply with the terms of the KPDES permit.

The City treats wastewater for approximately 1,000 retailer customers and supplies drinking water to 1,700 retail customers in the City and Marshall County.

**II. PROJECT BUDGET**

	Total
Administrative Expenses	\$ 30,000
Legal Expenses	3,000
Engineering Fees – Design & Construction	180,700
Engineering Fees – Inspection	105,000
Engineering Fees – Other	42,800
Construction	2,316,000
Contingency	231,000
<b>Total</b>	<b>\$ 2,908,500</b>

**III. PROJECT FUNDING**

	Amount	%
<b>KIA Fund A Loan</b>	<b>\$ 2,908,500</b>	<b>100%</b>

#### IV. KIA DEBT SERVICE

Construction Loan	\$ 2,908,500
Less: Principal Forgiveness	0
Amortized Loan Amount	<u>\$ 2,908,500</u>
Interest Rate	1.50%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 168,868
Administrative Fee (0.20%)	<u>5,817</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 174,685</b>

#### V. PROJECT SCHEDULE

Bid Opening	January 2021
Construction Start	April 2021
Construction Stop	March 2022

#### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

##### A) Customers

	Current
Residential	882
Commercial	133
Industrial/Institutional	<u>4</u>
Total	1,019

##### B) Rates

	Sewer Inside City		
	Current	Prior	Prior
Date of Last Rate Increase	01/01/20	01/01/19	01/01/18
Minimum 2,000 Gallons	\$15.91	\$15.41	\$14.87
Over 2,000 Gallons	<u>7.07</u>	<u>6.85</u>	<u>6.61</u>
Cost for 4,000 gallons	\$37.12	\$35.96	\$28.09
Increase %	3.2%	28.0%	
Affordability Index (Rate/MHI)	0.8%	0.8%	0.6%

	<b>Sewer Outside City</b>		
	Current	Prior	Prior
Date of Last Rate Increase	01/01/20	01/01/19	01/01/18
Minimum 2,000 Gallons	\$23.85	\$23.09	\$22.29
Over 2,000 Gallons	10.65	10.31	9.95
Cost for 4,000 gallons	\$55.80	\$54.02	\$42.19
Increase %	3.3%	28.0%	
Affordability Index (Rate/MHI)	1.2%	1.2%	0.9%

	<b>Water Inside City</b>		
	Current	Prior	Prior
Date of Last Rate Increase	01/01/20	01/01/19	01/01/18
Minimum 2,000 Gallons	\$10.17	\$9.85	\$9.51
Next 5,000 Gallons	2.91	2.82	2.72
Cost for 4,000 gallons	\$18.90	\$18.31	\$14.95
Increase %	3.2%	22.5%	
Affordability Index (Rate/MHI)	0.4%	0.4%	0.3%

	<b>Water Outside City</b>		
	Current	Prior	Prior
Date of Last Rate Increase	01/01/20	01/01/19	01/01/18
Minimum 2,000 Gallons	\$15.31	\$14.83	\$14.31
Next 5,000 Gallons	4.42	4.28	4.13
Cost for 4,000 gallons	\$28.57	\$27.67	\$22.57
Increase %	3.3%	22.6%	
Affordability Index (Rate/MHI)	0.6%	0.6%	0.5%

## **VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2013-2017, the Utility's service area population was 2,424 with a Median Household Income (MHI) of \$54,234. The median household income for the Commonwealth is \$46,535. The City will qualify for a 20-year term at 1.50% interest rate for being under an Agreed Order.



Year	Population		County	% Change	County Unemployment	
	City	% Change			Date	Rate
1980	2,388		25,637		June 2005	6.5%
1990	2,531	6.0%	27,205	6.1%	June 2010	9.8%
2000	2,701	6.7%	30,125	10.7%	June 2015	5.3%
2010	2,566	-5.0%	31,448	4.4%	June 2019	5.0%
Current	2,519	-1.8%	31,177	-0.9%		
Cumulative %		5.5%		21.6%		

### **VIII. 2019 CAPITALIZATION GRANT EQUIVALENCIES**

Additional Subsidization – This project qualifies does not qualify for additional subsidization.

### **IX. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2017 through June 30, 2019. 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**

Consolidated water and sewer revenues increased 23.4% from \$1.63 million in 2017 to \$2.01 million in 2019 due to a combination of previously approved water and sewer rate increases, meter replacements, and industrial sales volume growth. Operating expenses increased 18.3% from \$1.31 million to \$1.55 million during the same period attributable to higher treatment, maintenance, and utility costs associated with volume increase. The debt coverage ratio was 0.9, 1.3, and 1.6 in 2017, 2018, and 2019 respectively.

The balance sheet reflects a current ratio of 4.3, a debt to equity ratio of 0.2, 49.3 days of sales in accounts receivable, and 8.5 months operating expenses in unrestricted cash.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues will go up 14% and sewer 11% based on the approved rate increases that took effect on January 1, 2019.
- 2) The City will continue to apply the CPI adjustments to both water and sewer rates annually.
- 3) Operating expenses will increase 2% each year for inflation.
- 4) Debt service coverage is 2.7 in 2023 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% (\$146,000 total) of the final amount borrowed to be funded annually (\$7,300 yearly) each December 1 for 20 years and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
KY League of Cities Lease	\$ 280,000	2022
KIA Loan A209-07	317,220	2031
KIA Loan B17-004	436,864	2037
KIA Loan B19-001 i.a.o. \$542,900		TBD
<b>Total</b>	<b>\$ 1,034,093</b>	

## XI. CONTACTS

<b>Legal Applicant</b>	
Name	City of Calvert City
Address	PO Box 36 Calvert City, KY 42029
County	Marshall
Authorized Official	Lynn Jones, Mayor
Phone	(270) 395-4124
Email	mayorjones@gmail.com

<b>Project Contact - Applicant</b>	
Name	Glenda Adair, City Clerk
Organization	City of Calvert City
Address	PO Box 36 Calvert City, KY 42029
Phone	(270) 395-7138
Email	gadair@calvertcity.com

<b>Project Administrator</b>	
Name	Roger Colburn, General Manager
Organization	City of Calvert City
Address	PO Box 36 Calvert City, KY 42029
Phone	(270) 395-7138
Email	rcolburn@calvertcity.com

<b>Consulting Engineer</b>	
Name	Charles McCann
Firm	Rivercrest Engineering
Address	7020 U.S. Highway 68 W. Paducah, KY 42003
Phone	(618) 521-5421
Email	cmccan@rivercresteng.com

**XII. RECOMMENDATIONS**

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

CITY OF CALVERT CITY  
CASH FLOW ANALYSIS (JUNE YEAR END)

	2017	2018	2019	2020	2021	2022	2023	2024
	Audited 2017	Audited 2018	Audited 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
<b>Operating Revenues</b>								
Water and Sewer Revenues	1,575,647	1,770,817	1,964,775	2,239,844	2,284,641	2,330,334	2,376,941	2,424,480
Penalties and Service Charges	51,242	73,512	42,785	42,785	42,785	42,785	42,785	42,785
Other								
<b>Total Revenues</b>	1,626,889	1,844,329	2,007,560	2,282,629	2,327,426	2,373,119	2,419,726	2,467,265
<b>Operating Expenses</b>								
Purchased Water (or Treatment) Cost								
Operating Expenses	1,306,770	1,640,873	1,546,218	1,577,142	1,608,685	1,640,859	1,673,676	1,707,150
Depreciation	479,634	501,755	532,805	532,805	546,378	619,091	619,091	619,091
Replacement Reserve	0			4,025	5,425	2,800	10,100	10,100
<b>Total Expenses</b>	1,786,404	2,142,628	2,079,023	2,113,972	2,160,488	2,262,750	2,302,867	2,336,341
<b>Net Operating Income</b>	(159,515)	(298,299)	(71,463)	168,657	166,939	110,370	116,860	130,925
<b>Non-Operating Income and Expenses</b>								
Interest Income	12,531	9,320	9,445	9,445	9,445	9,445	9,445	9,445
Service Fees	(5,002)	(6,156)	(4,430)	(4,430)	(4,430)	(4,430)	(4,430)	(4,430)
Rental & Miscellaneous Income	5,027	4,897	5,432	5,432	5,432	5,432	5,432	5,432
<b>Total Non-Operating Income &amp; Expenses</b>	12,556	8,061	10,447	10,447	10,447	10,447	10,447	10,447
<b>Add Non-Cash Expenses</b>								
Depreciation	479,634	501,755	532,805	532,805	546,378	619,091	619,091	619,091
<b>Cash Available for Debt Service</b>	<b>332,675</b>	<b>211,517</b>	<b>471,789</b>	<b>711,909</b>	<b>723,763</b>	<b>739,907</b>	<b>746,397</b>	<b>760,462</b>
<b>Debt Service</b>								
Existing Principal	115,416	129,083	139,572	140,723	161,907	103,126	44,380	45,671
Existing Interest	41,550	43,123	37,355	36,238	29,188	21,558	18,816	17,436
Proposed KIA Loan							174,685	174,685
KIA Loan B19-001					34,154	34,154	34,154	34,154
<b>Total Debt Service</b>	156,966	172,206	176,927	176,961	225,249	158,838	272,035	271,946
<b>Income After Debt Service</b>	<b>175,709</b>	<b>39,311</b>	<b>294,862</b>	<b>534,948</b>	<b>498,514</b>	<b>581,069</b>	<b>474,362</b>	<b>488,516</b>
<b>Debt Coverage Ratio</b>	2.1	1.2	2.7	4.0	3.2	4.7	2.7	2.8

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

	<u>Audited 2017</u>	<u>Audited 2018</u>	<u>Audited 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>	<u>Projected 2023</u>	<u>Projected 2024</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	1,844,039	1,437,748	1,488,446	1,632,536	1,738,238	1,860,652	1,961,825	2,065,928
Other Assets	12,504,847	12,763,336	13,049,949	12,949,127	13,349,886	16,106,951	15,877,450	15,659,272
<b>Total</b>	<b>14,348,886</b>	<b>14,201,084</b>	<b>14,538,395</b>	<b>14,581,663</b>	<b>15,088,125</b>	<b>17,967,603</b>	<b>17,839,275</b>	<b>17,725,200</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	286,920	243,305	346,518	370,036	340,800	429,979	433,770	437,699
Long Term Liabilities	1,886,426	2,225,937	2,551,106	2,389,199	2,801,828	5,493,378	5,275,137	5,055,567
<b>Total Liabilities</b>	<b>2,173,346</b>	<b>2,469,242</b>	<b>2,897,624</b>	<b>2,759,235</b>	<b>3,142,628</b>	<b>5,923,357</b>	<b>5,708,907</b>	<b>5,493,266</b>
<b>Net Assets</b>	<b>12,175,540</b>	<b>11,731,842</b>	<b>11,640,771</b>	<b>11,822,428</b>	<b>11,945,497</b>	<b>12,044,246</b>	<b>12,130,368</b>	<b>12,231,934</b>
<b>Cash Flow</b>								
Revenues	1,626,889	1,844,329	2,007,560	2,282,629	2,327,426	2,373,119	2,419,726	2,467,265
Operating Expenses	1,306,770	1,640,873	1,546,218	1,581,167	1,614,110	1,643,659	1,683,776	1,717,250
Other Income	12,556	8,061	10,447	10,447	10,447	10,447	10,447	10,447
<b>Cash Flow Before Debt Service</b>	<b>332,675</b>	<b>211,517</b>	<b>471,789</b>	<b>711,909</b>	<b>723,763</b>	<b>739,907</b>	<b>746,397</b>	<b>760,462</b>
<b>Debt Service</b>								
Existing Debt Service	156,966	172,206	176,927	176,961	225,249	158,838	97,350	97,261
Proposed KIA Loan	0	0	0	0	0	0	174,685	174,685
<b>Total Debt Service</b>	<b>156,966</b>	<b>172,206</b>	<b>176,927</b>	<b>176,961</b>	<b>225,249</b>	<b>158,838</b>	<b>272,035</b>	<b>271,946</b>
<b>Cash Flow After Debt Service</b>	<b>175,709</b>	<b>39,311</b>	<b>294,862</b>	<b>534,948</b>	<b>498,514</b>	<b>581,069</b>	<b>474,362</b>	<b>488,516</b>
<b>Ratios</b>								
Current Ratio	6.4	5.9	4.3	4.4	5.1	4.3	4.5	4.7
Debt to Equity	0.2	0.2	0.2	0.2	0.3	0.5	0.5	0.4
Days Sales in Accounts Receivable	56.5	59.0	49.3	49.3	49.3	49.3	49.3	49.3
Months Operating Expenses in Unrestricted Cash	14.0	7.9	8.5	9.1	9.7	10.3	10.8	11.3
Debt Coverage Ratio	2.1	1.2	2.7	4.0	3.2	4.7	2.7	2.8

<b>EXECUTIVE SUMMARY</b>		Reviewer	Meili Sun	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	August 6, 2020	
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number	A20-019	
<b>REVOLVING LOAN FUND</b>		WRIS Number	SX21107025	
<b>BORROWER</b>		CITY OF DAWSON SPRINGS HOPKINS COUNTY		
<b>BRIEF DESCRIPTION</b>				
This is a two-prong approach to solving the problems that exist within the City's wastewater system. The collection system improvement portion involves an SSES investigation phase followed by a rehabilitation (construction) phase. The WWTP portion includes clarifier improvements, bar screen and scrapper mechanism replacement, grit removal equipment, and cleaning and repair of the effluent line. The purpose of the project is to improve sewer lines and reduce inflow and infiltration.				
<b>PROJECT FINANCING</b>		<b>PROJECT BUDGET</b>		
Fund A Loan	\$1,000,000	Administrative Expenses	RD Fee %	Actual %
CDBG	1,000,000	Legal Expenses		
DRA	408,000	Planning		
		Eng - Design / Const	7.8%	7.8%
		Eng - Insp	5.2%	5.0%
		Construction		
		Contingency		
<b>TOTAL</b>	<b>\$2,408,000</b>	<b>TOTAL</b>		<b>\$2,408,000</b>
<b>REPAYMENT</b>	Rate	0.50%	Est. Annual Payment	\$19,898
	Term	30 Years	1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	GRW Engineers		
	Bond Counsel	Rubin & Hays		
<b>PROJECT SCHEDULE</b>	Bid Opening	Sep-20		
	Construction Start	Dec-20		
	Construction Stop	Sep-21		
<b>DEBT PER CUSTOMER</b>	Existing	\$2,702		
	Proposed	\$2,805		
<b>OTHER DEBT</b>	See Attached			
<b>RESIDENTIAL RATES</b>		<u>Users</u>	<u>Avg. Bill</u>	
	Current	845	\$35.85 (for 4,000 gallons)	
	Additional	0	\$35.85 (for 4,000 gallons)	
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.			
<b>CASHFLOW</b>	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2017	232,338	246,329	(13,991)	0.9
Audited 2018	288,253	226,052	62,201	1.3
Audited 2019	322,390	207,378	115,012	1.6
Projected 2020	456,143	203,296	252,847	2.2
Projected 2021	433,824	201,070	232,754	2.2
Projected 2022	405,653	208,623	197,030	1.9
Projected 2023	383,323	222,196	161,127	1.7
Projected 2024	354,014	219,658	134,356	1.6

Reviewer: Meili Sun  
Date: August 6, 2020  
Loan Number: A20-019

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND A)  
CITY OF DAWSON SPRINGS, HOPKINS COUNTY  
PROJECT REVIEW  
SX21107025**

**I. PROJECT DESCRIPTION**

The City of Dawson Springs is requesting a Fund A loan in the amount of \$1,000,000 for the Sanitary Sewer Rehab and Wastewater Treatment Plant Improvements project. This project is a two-prong approach to solving the problems that exist within the City's wastewater system. The collection system improvement portion involves an SSES investigation phase followed by a rehabilitation (construction) phase. The WWTP portion includes clarifier improvements, bar screen and scrapper mechanism replacement, grit removal equipment, and cleaning and repair of the effluent line. These efforts will address an Agreed Order issued by the Kentucky Department for Environmental Protection and bring the system in compliance with the KPDES permit.

The City serves approximately 800 sewer customers and 950 water customers while providing wholesale water to the South Hopkins Water District. The Agreement between the City and the District expires in 2069 and permits rate adjustments every two years beginning in 2021 subject to the PSC approval.

**II. PROJECT BUDGET**

	<b>Total</b>
Administrative Expenses	\$ 50,000
Legal Expenses	5,000
Planning	280,000
Engineering Fees - Design	115,000
Engineering Fees - Construction	29,000
Engineering Fees - Inspection	92,600
Construction	1,768,000
Contingency	68,400
<b>Total</b>	<b>\$ 2,408,000</b>

### III. PROJECT FUNDING

	Amount	%
Fund A Loan	\$ 1,000,000	42%
CDBG	1,000,000	42%
Delta Regional Authority	408,000	16%
<b>Total</b>	<b>\$ 2,408,000</b>	<b>100%</b>

### IV. KIA DEBT SERVICE

Construction Loan	\$ 1,000,000
Less: Principal Forgiveness	475,500
Amortized Loan Amount	\$ 524,500
Interest Rate	0.50%
Loan Term (Years)	30
Estimated Annual Debt Service	\$ 18,849
Administrative Fee (0.20%)	1,049
<b>Total Estimated Annual Debt Service</b>	<b>\$ 19,898</b>

### V. PROJECT SCHEDULE

Bid Opening	September 2020
Construction Start	December 2020
Construction Stop	September 2021

### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

#### A) Customers

	Current
Residential	717
Commercial	101
Institutional	27
Total	845



## B) Rates

	<b>Sewer Inside &amp; Outside City</b>		
	Current	Prior	Prior
Date of Last Rate Increase	01/01/19	08/01/17	06/01/14
First 267 Per Cubic Foot	\$18.80	\$16.35	\$15.72
Next 401 Per Cubic Foot	0.06370	0.05540	0.05330
Next 2,006 Per Cubic Foot	0.05740	0.04990	0.04800
<b>Cost for 4,000 gallons</b>	<b>\$35.85</b>	<b>\$31.18</b>	<b>\$29.99</b>
Increase %	15.0%	4.0%	
Affordability Index (Rate/MHI)	1.8%	1.5%	1.5%

	<b>Water Inside &amp; Outside City</b>		
	Current	Prior	Prior
Date of Last Rate Increase	01/01/19	08/01/17	06/01/14
First 267 Per Cubic Foot	\$15.44	\$15.15	\$14.84
Next 401 Per Cubic Foot	0.04994	0.04896	0.04800
Next 2,006 Per Cubic Foot	0.04214	0.04131	0.04050
<b>Cost for 4,000 gallons</b>	<b>\$28.81</b>	<b>\$28.26</b>	<b>\$27.69</b>
Increase %	2.0%	2.0%	
Affordability Index (Rate/MHI)	1.4%	1.4%	1.4%

	07/01/19	07/01/14
Wholesale per 1,000 gallons	2.19	1.87
	17.1%	

## VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2013-2017, the Utility's service area population was 2,674 with a Median Household Income (MHI) of \$24,198. The median household income for the Commonwealth is \$46,535. The project will qualify for a 30-year term at 0.50% interest rate.

Year	Population			Unemployment		
	City	% Change	County	% Change	Date	Rate
1980	3,275		46,174		June 2005	6.0%
1990	3,129	-4.5%	46,126	-0.1%	June 2010	9.7%
2000	2,980	-4.8%	46,519	0.9%	June 2015	6.1%
2010	2,764	-7.2%	46,920	0.9%	June 2019	5.1%
Current	2,711	-1.9%	45,985	-2.0%		
Cumulative %		-17.2%		-0.4%		

### **VIII. 2019 CAPITALIZATION GRANT EQUIVALENCIES**

Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of 50% of the assistance amount, not to exceed \$475,500 will be credited to the loan balance upon release of liens on all contracts and disbursement of the final draw request by KIA to the borrower.

### **IX. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2017 through June 30, 2019 for the Waterworks and Sewer System. 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**

Revenues increased 16.3% from \$1.44 million in 2017 to \$1.68 in 2019 due to previously approved water and sewer rate increases. Wholesale water revenues to South Hopkins Water District increased 30.4% or \$200,000 from volume increase related to the escalated water losses in the District. Operating expenses increased 12.0% from \$1.21 million to \$1.35 million during the same period attributable to higher treatment costs for the increased wholesale volume. The debt coverage ratio was 0.9, 1.3, and 1.6 in 2017, 2018, and 2019 respectively.

The balance sheet reflects a current ratio of 1.4, a debt to equity ratio of 0.7, 36.3 days of sales in accounts receivable, and 1.4 months of operating expenses in unrestricted cash.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Retail water and sewer revenues will continue to grow from the rate increases effective January 1, 2019.
- 2) Wholesale water revenues will go up 17% for a rate increase approved by the PSC to take effect on July 1, 2019.
- 3) Wholesale volume may decrease as the South Hopkins Water District improves the water loss control, which is expected to be offset by a combination of declined operating costs and periodic rate adjustments.
- 4) Expenses will increase 2% each year for inflation.
- 5) Debt service coverage is 1.9 in 2022 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% (\$50,000 total) of the final amount borrowed to be funded annually (\$2,500 yearly) each December 1 for 20 years and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
KRWFC 2012C	\$ 603,615	2028
KIA Loan F209-12	584,808	2031
KIA Loan B14-012	244,373	2036
2004 Revenue Bonds	386,000	2044
2007 Revenue Bonds	464,000	2046
<b>Total</b>	<b>\$ 2,282,796</b>	

## XI. CONTACTS

<b>Legal Applicant</b>	
Name	City of Dawson Springs
Authorized Official	Chris Smiley, Mayor
County	Hopkins
Email	mayor@dawsonspringsky.com
Phone	(270) 871-5526
Address	200 West Arcadia Ave, PO 345 Dawson Springs, KY 42408

<b>Project Contact - Applicant</b>	
Name	Michael Midkiff
Organization	Dawson Springs Water and Sewer
Email	dawsoncitywater@bellsouth.net
Phone	(270) 797-2844
Address	200 West Arcadia Avenue Dawson Springs, KY 42408

<b>Project Administrator</b>	
Name	Kyle Cunningham
Organization	Pennyrile Area Development District
Email	kyle.cunningham@ky.gov
Phone	(270) 886-9484
Address	300 Hammond Drive Hopkinsville, KY 42240

<b>Consulting Engineer</b>	
PE Name	James Hilborn
Firm Name	GRW Engineers
Email	jhilborn@grwinc.com
Phone	(615) 366-1600
Address	404 BNA Drive, Suite 201 Nashville, TN 37217

**XII. RECOMMENDATIONS**

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

**CITY OF DAWSON SPRINGS  
CASH FLOW ANALYSIS (JUNE YEAR END)**

	2017	2018	2019	2020	2021	2022	2023	2024
	Audited 2017	Audited 2018	Audited 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
<b>Operating Revenues</b>								
Water Revenues	392,687	393,193	389,901	393,800	393,800	393,800	393,800	393,800
Wholesale Water	638,799	737,913	832,744	975,143	975,143	975,143	975,143	975,143
Sewer Revenues	377,431	395,780	426,876	458,892	458,892	458,892	458,892	458,892
Other	31,778	28,061	25,754	25,754	25,754	25,754	25,754	25,754
<b>Total Revenues</b>	<b>1,440,695</b>	<b>1,554,947</b>	<b>1,675,275</b>	<b>1,853,589</b>	<b>1,853,589</b>	<b>1,853,589</b>	<b>1,853,589</b>	<b>1,853,589</b>
<b>Operating Expenses</b>								
Purchased Water (or Treatment) Cost								
Operating Expenses	1,208,478	1,267,106	1,353,851	1,380,928	1,408,547	1,436,718	1,465,452	1,494,761
Depreciation	394,867	394,984	395,809	395,809	395,809	456,009	456,009	456,009
Replacement Reserve	0			17,484	12,184	12,184	5,780	5,780
<b>Total Expenses</b>	<b>1,603,345</b>	<b>1,662,090</b>	<b>1,749,660</b>	<b>1,794,221</b>	<b>1,816,540</b>	<b>1,904,911</b>	<b>1,927,241</b>	<b>1,956,550</b>
<b>Net Operating Income</b>	<b>(162,650)</b>	<b>(107,143)</b>	<b>(74,385)</b>	<b>59,368</b>	<b>37,049</b>	<b>(51,322)</b>	<b>(73,652)</b>	<b>(102,961)</b>
<b>Non-Operating Income and Expenses</b>								
Interest Income	121	412	966	966	966	966	966	966
Other				0	0	0	0	0
<b>Total Non-Operating Income &amp; Expenses</b>	<b>121</b>	<b>412</b>	<b>966</b>	<b>966</b>	<b>966</b>	<b>966</b>	<b>966</b>	<b>966</b>
<b>Add Non-Cash Expenses</b>								
Depreciation	394,867	394,984	395,809	395,809	395,809	456,009	456,009	456,009
<b>Cash Available for Debt Service</b>	<b>232,338</b>	<b>288,253</b>	<b>322,390</b>	<b>456,143</b>	<b>433,824</b>	<b>405,653</b>	<b>383,323</b>	<b>354,014</b>
<b>Debt Service</b>								
Existing Principal	173,083	152,727	137,183	138,762	139,932	140,934	147,978	148,542
Existing Interest	73,246	73,325	70,195	64,534	61,138	57,740	54,320	51,218
Proposed KIA Loan						9,949	19,898	19,898
<b>Total Debt Service</b>	<b>246,329</b>	<b>226,052</b>	<b>207,378</b>	<b>203,296</b>	<b>201,070</b>	<b>208,623</b>	<b>222,196</b>	<b>219,658</b>
<b>Income After Debt Service</b>	<b>(13,991)</b>	<b>62,201</b>	<b>115,012</b>	<b>252,847</b>	<b>232,754</b>	<b>197,030</b>	<b>161,127</b>	<b>134,356</b>
<b>Debt Coverage Ratio</b>	<b>0.9</b>	<b>1.3</b>	<b>1.6</b>	<b>2.2</b>	<b>2.2</b>	<b>1.9</b>	<b>1.7</b>	<b>1.6</b>

**CITY OF DAWSON SPRINGS  
FINANCIAL SUMMARY (JUNE YEAR END)**

	<u>Audited 2017</u>	<u>Audited 2018</u>	<u>Audited 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>	<u>Projected 2023</u>	<u>Projected 2024</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	281,752	341,287	389,293	434,926	481,477	520,883	553,109	579,980
Other Assets	8,460,017	8,304,628	7,945,483	7,765,788	7,547,234	9,653,201	9,316,041	8,963,869
<b>Total</b>	<b>8,741,769</b>	<b>8,645,915</b>	<b>8,334,776</b>	<b>8,200,714</b>	<b>8,028,711</b>	<b>10,174,084</b>	<b>9,869,150</b>	<b>9,543,849</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	284,205	262,872	284,887	286,492	305,377	312,821	313,885	315,343
Long Term Liabilities	3,024,305	3,359,571	3,216,758	3,076,826	2,918,409	3,277,447	3,111,422	2,944,439
<b>Total Liabilities</b>	<b>3,308,510</b>	<b>3,622,443</b>	<b>3,501,645</b>	<b>3,363,318</b>	<b>3,223,786</b>	<b>3,590,269</b>	<b>3,425,307</b>	<b>3,259,782</b>
<b>Net Assets</b>	<b>5,433,259</b>	<b>5,023,472</b>	<b>4,833,131</b>	<b>4,837,396</b>	<b>4,804,925</b>	<b>6,583,815</b>	<b>6,443,843</b>	<b>6,284,067</b>
<b>Cash Flow</b>								
Revenues	1,440,695	1,554,947	1,675,275	1,853,589	1,853,589	1,853,589	1,853,589	1,853,589
Operating Expenses	1,208,478	1,267,106	1,353,851	1,398,412	1,420,731	1,448,902	1,471,232	1,500,541
Other Income	121	412	966	966	966	966	966	966
<b>Cash Flow Before Debt Service</b>	<b>232,338</b>	<b>288,253</b>	<b>322,390</b>	<b>456,143</b>	<b>433,824</b>	<b>405,653</b>	<b>383,323</b>	<b>354,014</b>
<b>Debt Service</b>								
Existing Debt Service	246,329	226,052	207,378	203,296	201,070	198,674	202,298	199,760
Proposed KIA Loan	0	0	0	0	0	9,949	19,898	19,898
<b>Total Debt Service</b>	<b>246,329</b>	<b>226,052</b>	<b>207,378</b>	<b>203,296</b>	<b>201,070</b>	<b>208,623</b>	<b>222,196</b>	<b>219,658</b>
<b>Cash Flow After Debt Service</b>	<b>(13,991)</b>	<b>62,201</b>	<b>115,012</b>	<b>252,847</b>	<b>232,754</b>	<b>197,030</b>	<b>161,127</b>	<b>134,356</b>
<b>Ratios</b>								
Current Ratio	1.0	1.3	1.4	1.5	1.6	1.7	1.8	1.8
Debt to Equity	0.6	0.7	0.7	0.7	0.7	0.5	0.5	0.5
Days Sales in Accounts Receivable	37.6	39.4	36.3	36.3	36.3	36.3	36.3	36.3
Months Operating Expenses in Unrestricted Cash	0.6	1.0	1.4	1.8	2.2	2.5	2.7	2.8
Debt Coverage Ratio	0.9	1.3	1.6	2.2	2.2	1.9	1.7	1.6

<b>EXECUTIVE SUMMARY</b>		Reviewer	Meili Sun	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	August 6, 2020	
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number	A21-001	
<b>REVOLVING LOAN FUND</b>		WRIS Number	SX21141014	
BORROWER	CITY OF LEWISBURG LOGAN COUNTY			
BRIEF DESCRIPTION				
This is the construction portion of the Sewer System Upgrade project, which will rehabilitate approximately 3,650 linear feet of sanitary sewer line and 14 manholes in the City's collection system in order to reduce inflow and infiltration. The rehabilitation work will decrease sanitary sewer overflows (SSOs), improve services to the existing customers, and reduce the loading on the wastewater treatment plant.				
The project also includes upgrades to the wastewater treatment plant to improve its operational efficiency, and to replace obsolete equipment and structures that have exceeded their useful lives.				
PROJECT FINANCING		PROJECT BUDGET		
KIA P&D B18-007	\$216,106	RD Fee %	Actual %	
KIA A21-001 Construction	533,894	Administrative Expenses		\$20,000
CDBG	750,000	Legal Expenses		5,000
		Planning		19,000
		Eng - Design / Const	8.6%	7.8%
		Eng - Insp	6.8%	6.7%
		Eng - Other		95,000
		Construction		1,085,106
		Contingency		102,894
TOTAL	\$1,500,000	TOTAL		\$1,500,000
REPAYMENT	Rate	0.25%	Est. Annual Payment	\$13,732
	Term	30 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	McGhee Engineering, Inc		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Dec-20		
	Construction Start	Mar-21		
	Construction Stop	Nov-21		
DEBT PER CUSTOMER	Existing	\$2,847		
	Proposed	\$3,215		
OTHER DEBT	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	359	\$40.57	(for 4,000 gallons)
	Additional	0	\$40.57	(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 2017	59,303	123,202	(63,899)	0.5
Audited 2018	75,879	124,947	(49,068)	0.6
Audited 2019	61,892	124,517	(62,625)	0.5
Projected 2020	52,459	122,581	(70,122)	0.4
Projected 2021	102,495	121,691	(19,196)	0.8
Projected 2022	140,347	121,801	18,546	1.2
Projected 2023	145,879	131,899	13,980	1.1
Projected 2024	152,848	134,746	18,102	1.1

Reviewer: Meili Sun  
Date: August 6, 2020  
Loan Number: A21-001

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND A)  
CITY OF LEWISBURG, LOGAN COUNTY  
PROJECT REVIEW  
SX21141014**

**I. PROJECT DESCRIPTION**

The City of Lewisburg (“City”) is requesting a KIA Fund A loan in the amount of \$750,000 to fund the construction portion of the Sewer System Upgrade project. The total project cost is \$1,500,000 including a KIA Fund B P&D loan previously approved on December 6, 2017 and a \$750,000 CDBG grant. This project will rehabilitate approximately 3,650 linear feet of sanitary sewer line and 14 manholes in the City’s collection system in order to reduce inflow and infiltration. The rehabilitation work will decrease sanitary sewer overflows (SSOs), improve services to the existing customers, and reduce the loading on the wastewater treatment plant. The wastewater treatment plant will also be upgraded to improve its operational efficiency by replacing obsolete equipment and structures that have exceeded their useful lives.

The purpose of this project is to address an Agreed Order issued by the Kentucky Department for Environmental Protection. The scope of work is proposed in the City’s plan for Corrective Actions (CAP) to bring its facility and collection system into compliance with its KPDES permit.

The City is a home rule-class city in Logan County, purchasing 100% of its water supply from Logan-Todd Regional Water Commission while treating all of its wastewater to serve approximately 360 customers within the service area.

**II. PROJECT BUDGET**

	<u>Total</u>
Administrative Expenses	\$ 20,000
Legal Expenses	5,000
Planning	19,000
Engineering Fees – Design	65,000
Engineering Fees – Construction	28,000
Engineering Fees – Inspection	80,000
Engineering Fees – Other	95,000
Construction	1,085,106
Contingencies	<u>102,894</u>
<b>Total</b>	<b>\$ 1,500,000</b>



### III. PROJECT FUNDING

	Amount	%
KIA Construction Loan A21-001	\$ 533,894	36%
KIA P&D Loan B18-007	216,106	14%
CDBG Grant	750,000	50%
<b>Total</b>	<b>\$ 1,500,000</b>	<b>100%</b>

### IV. KIA DEBT SERVICE

KIA Construction Loan	\$ 750,000
Principal Forgiveness	375,000
Amortized Loan Amount	\$ 375,000
Interest Rate	0.25%
Loan Term (Year)	30
Estimated Annual Debt Service	\$ 12,982
Administrative Fee (0.20%)	750
<b>Annual Debt Service</b>	<b>\$ 13,732</b>

### V. PROJECT SCHEDULE

Estimated Bid Opening	December 2020
Estimated Construction Start	March 2021
Estimated Construction Completion	November 2021

### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

#### A) Customers

	Current
Residential	313
Commercial	39
Other – Governmental Entity	7
Total	359

**B) Rates**

	Sewer		
	Approved	Current	Prior
Date of Last Rate Increase	07/01/21	07/01/20	09/25/17
Minimum 2,000 Gallons	\$20.28	\$19.13	\$17.70
Over 2,000 Gallons	10.14	9.57	8.85
Cost for 4,000 gallons	\$40.57	\$38.27	\$35.40
Increase %	6.0%	8.1%	
Affordability Index (Rate/MHI)	1.4%	1.3%	1.2%

	Water Inside City		
	Approved	Current	Prior
Date of Last Rate Increase	07/01/21	07/01/20	08/18/14
Minimum 2,000 Gallons	\$18.90	\$17.83	\$16.49
Next 15,000 Gallons	11.37	10.73	9.92
Cost for 4,000 gallons	\$41.65	\$39.29	\$36.33
Increase %	6.0%	8.1%	
Affordability Index (Rate/MHI)	1.4%	1.3%	1.2%

	Water Outside City		
	Approved	Current	Prior
Date of Last Rate Increase	07/01/21	07/01/20	08/18/14
Minimum 2,000 Gallons	\$25.59	\$24.14	\$22.32
Next 15,000 Gallons	19.41	18.31	16.93
Cost for 4,000 gallons	\$64.41	\$60.76	\$56.18
Increase %	6.0%	8.2%	
Affordability Index (Rate/MHI)	2.2%	2.1%	1.9%

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2014-2018, the Utility’s service area population was 856 with a Median Household Income (MHI) of \$35,071. The median household income for the Commonwealth is \$48,392. The project will qualify for the 0.25% non-standard interest rate and up to 50% in principal forgiveness.

Year	Population		County	% Change	County Unemployment	
	City	% Change			Date	Rate
1980	972		24,138		June 2005	6.9%
1990	772	-20.6%	24,416	1.2%	June 2010	9.9%
2000	903	17.0%	26,573	8.8%	June 2015	5.0%
2010	810	-10.3%	26,835	1.0%	June 2019	4.5%
Current	783	-3.3%	26,849	0.1%		
Cumulative %		-19.4%		11.2%		

### **VIII. 2020 CAPITALIZATION GRANT EQUIVALENCIES**

Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of 50% of the assistance amount, not to exceed \$375,000 will be credited to the loan balance upon release of liens on all contracts and disbursement of the final draw request by KIA to the borrower.

### **IX. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2017 through June 30, 2019. 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**

Combined water and sewer revenues increased 7.8% from \$0.72 million in 2017 to \$0.78 million in 2019 due to previously approved sewer rate increase. Combined operating expenses increased 8.1% from \$0.67 million to \$0.72 million during the same period. The increase in expenses was attributable to additional repair & maintenance for line breakage and meter failures and higher utility and chemical usage in 2019. The debt coverage ratio was 0.5, 0.6, and 0.5 for 2017, 2018, and 2019 respectively.

The balance sheet reflects a current ratio of 1.9, debt to equity ratio of 1.5, 34.0 day sales in accounts receivable, and 5.7 months of operating expenses in unrestricted cash.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Combined water and sewer revenues will go up 8% in FY2021 and again 6% in FY2022 from the approved rate increases. Starting FY2023, the City will either apply the annual CPI adjustment or raise rates as needed to ensure that debt service requirements are met.
- 2) The City will receive a \$750,000 grant from CDBG prior to KIA assistance agreement to co-fund the project.
- 3) Expenses will increase 2% each year for inflation.
- 4) Debt coverage ratio is 1.1 in FY2023 when full year 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% (\$38,000 total) of the final amount borrowed to be funded annually (\$1,900 yearly) each December 1 for 20 years and maintained for the life of the loan Replacement reserve is not required for a planning and design loan.

## X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
RD Bonds 1989 Series	\$ 233,800	2029
RD Bonds 1990 Series	265,000	2030
RD Bonds 1999 Series	97,500	2038
KRWFC Bonds 2002 Series	227,000	2026
RD Bonds 2003 Series	144,500	2043
<b>Total</b>	<b>\$ 967,800</b>	

## XI. CONTACTS

<b>Legal Applicant</b>	
Name	City of Lewisburg
Address	PO Box 239 Lewisburg, KY 42256
County	Logan
Authorized Official	Teddy Harper, Mayor
Phone	(270) 755-2388
Email	mayorcityoflewisburg@logantele.com

<b>Project Contact - Applicant</b>	
Name	Elly Saye, City Clerk
Organization	City of Lewisburg
Address	PO Box 239 Lewisburg, KY 42101
Phone	(270) 755-4687
Email	lewisky@logantele.com

<b>Project Administrator</b>	
Name	Katie Ford
Organization	BRADD
Address	177 Graham Ave Bowling Green, KY 42240
Phone	(270) 781-2381
Email	kford@bradd.org

<b>Consulting Engineer</b>	
Name	Michael Wayne McGhee
Firm	McGhee Engineering, Inc
Address	202 S Ewing St, PO Box 267 Guthrie, KY 42234
Phone	(270) 519-7675
Email	mike.mcghee@mcgheeengineering.com

**XII. RECOMMENDATIONS**

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

**CITY OF LEWISBURG  
CASH FLOW ANALYSIS (JUNE YEAR END)**

	2017	2018	2019	2020	2021	2022	2023	2024
	Audited 2017	Audited 2018	Audited 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
<b>Operating Revenues</b>								
Water Revenues	571,828	577,341	594,125	594,125	642,249	680,784	694,400	708,288
Sewer Revenues	112,731	128,856	140,646	140,646	152,179	161,310	164,536	167,827
Tapping and Reconnects	15,460	9,200	15,888	15,888	15,888	15,888	15,888	15,888
Penalties and Miscellaneous	24,890	18,250	30,809	30,809	30,809	30,809	30,809	30,809
Additional Revenues								
<b>Total Revenues</b>	724,909	733,647	781,468	781,468	841,125	888,791	905,633	922,812
<b>Operating Expenses</b>								
Purchased Water (or Treatment) Cost	251,730	212,372	249,028	249,028	249,028	249,028	249,028	249,028
Operating Expenses	415,060	446,509	471,630	481,063	490,684	500,498	510,508	520,718
Depreciation	131,047	131,456	130,192	130,192	130,192	167,692	205,192	205,192
Replacement Reserve	0						1,300	1,300
<b>Total Expenses</b>	797,837	790,337	850,850	860,283	869,904	917,218	966,028	976,238
<b>Net Operating Income</b>	(72,928)	(56,690)	(69,382)	(78,815)	(28,779)	(28,427)	(60,395)	(53,426)
<b>Non-Operating Income and Expenses</b>								
Interest Income	1,184	1,113	1,082	1,082	1,082	1,082	1,082	1,082
Other								
<b>Total Non-Operating Income &amp; Expenses</b>	1,184	1,113	1,082	1,082	1,082	1,082	1,082	1,082
<b>Add Non-Cash Expenses</b>								
Depreciation	131,047	131,456	130,192	130,192	130,192	167,692	205,192	205,192
<b>Cash Available for Debt Service</b>	<b>59,303</b>	<b>75,879</b>	<b>61,892</b>	<b>52,459</b>	<b>102,495</b>	<b>140,347</b>	<b>145,879</b>	<b>152,848</b>
<b>Debt Service</b>								
Existing Principal	66,100	71,000	72,900	77,500	80,500	84,700	85,300	92,600
Existing Interest	57,102	53,947	51,617	45,081	41,191	37,101	32,867	28,414
Proposed KIA Loan							13,732	13,732
<b>Total Debt Service</b>	123,202	124,947	124,517	122,581	121,691	121,801	131,899	134,746
<b>Income After Debt Service</b>	<b>(63,899)</b>	<b>(49,068)</b>	<b>(62,625)</b>	<b>(70,122)</b>	<b>(19,196)</b>	<b>18,546</b>	<b>13,980</b>	<b>18,102</b>
<b>Debt Coverage Ratio</b>	0.5	0.6	0.5	0.4	0.8	1.2	1.1	1.1

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

	<u>Audited 2017</u>	<u>Audited 2018</u>	<u>Audited 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>	<u>Projected 2023</u>	<u>Projected 2024</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	531,980	488,326	481,820	411,747	398,151	421,097	436,677	456,379
Other Assets	2,815,242	2,724,266	2,642,228	2,512,036	2,381,844	3,714,152	3,508,960	3,303,768
<b>Total</b>	<b>3,347,222</b>	<b>3,212,592</b>	<b>3,124,048</b>	<b>2,923,783</b>	<b>2,779,995</b>	<b>4,135,249</b>	<b>3,945,637</b>	<b>3,760,147</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	222,445	209,613	250,368	254,662	260,162	262,162	270,862	274,662
Long Term Liabilities	1,422,492	1,453,463	1,628,355	1,547,855	1,463,155	1,752,855	1,660,255	1,565,255
<b>Total Liabilities</b>	<b>1,644,937</b>	<b>1,663,076</b>	<b>1,878,723</b>	<b>1,802,517</b>	<b>1,723,317</b>	<b>2,015,017</b>	<b>1,931,117</b>	<b>1,839,917</b>
<b>Net Assets</b>	<b>1,702,285</b>	<b>1,549,516</b>	<b>1,245,325</b>	<b>1,121,266</b>	<b>1,056,678</b>	<b>2,120,232</b>	<b>2,014,520</b>	<b>1,920,230</b>
<b>Cash Flow</b>								
Revenues	724,909	733,647	781,468	781,468	841,125	888,791	905,633	922,812
Operating Expenses	666,790	658,881	720,658	730,091	739,712	749,526	760,836	771,046
Other Income	1,184	1,113	1,082	1,082	1,082	1,082	1,082	1,082
<b>Cash Flow Before Debt Service</b>	<b>59,303</b>	<b>75,879</b>	<b>61,892</b>	<b>52,459</b>	<b>102,495</b>	<b>140,347</b>	<b>145,879</b>	<b>152,848</b>
<b>Debt Service</b>								
Existing Debt Service	123,202	124,947	124,517	122,581	121,691	121,801	118,167	121,014
Proposed KIA Loan	0	0	0	0	0	0	13,732	13,732
<b>Total Debt Service</b>	<b>123,202</b>	<b>124,947</b>	<b>124,517</b>	<b>122,581</b>	<b>121,691</b>	<b>121,801</b>	<b>131,899</b>	<b>134,746</b>
<b>Cash Flow After Debt Service</b>	<b>(63,899)</b>	<b>(49,068)</b>	<b>(62,625)</b>	<b>(70,122)</b>	<b>(19,196)</b>	<b>18,546</b>	<b>13,980</b>	<b>18,102</b>
<b>Ratios</b>								
Current Ratio	2.4	2.3	1.9	1.6	1.5	1.6	1.6	1.7
Debt to Equity	1.0	1.1	1.5	1.6	1.6	1.0	1.0	1.0
Days Sales in Accounts Receivable	26.5	26.9	34.0	34.0	34.1	34.0	34.1	34.1
Months Operating Expenses in Unrestricted Cash	7.1	6.3	5.7	4.4	4.1	4.3	4.5	4.7
Debt Coverage Ratio	0.5	0.6	0.5	0.4	0.8	1.2	1.1	1.1

<b>EXECUTIVE SUMMARY</b>		Reviewer	Meili Sun	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	August 6, 2020	
<b>FUND B, INFRASTRUCTURE</b>		KIA Loan Number	B20-005	
<b>REVOLVING LOAN FUND</b>		WRIS Number	SX21179030	
BORROWER	CITY OF BARDSTOWN NELSON COUNTY			
BRIEF DESCRIPTION				
This project will increase the capacities of Corman's Crossing, Royal Crest, and American Greetings pump stations. New controls and valve vaults will be installed at all 3 pump stations. Other improvements include conversion from suction lift or dry pit submersible to wet pit submersible pumps, access road upgrades, and an emergency generator.				
The project will allow these stations to meet current and anticipated demand efficiently and replace components that are at the end of their useful life expectancy. It will also make the stations safer to maintain by reducing confined space entry hazards.				
PROJECT FINANCING		PROJECT BUDGET		
Fund B Loan	\$1,472,400	RD Fee %	Actual %	
		Legal Expenses		5,000
		Land, Easements		10,000
		Planning		7,500
		Eng - Design / Const	8.5%	10.4%
		Eng - Insp	5.3%	3.9%
		Eng - Other		10,000
		Construction		1,160,000
		Contingency		100,800
TOTAL	\$1,472,400	TOTAL		\$1,472,400
REPAYMENT	Rate	1.50%	Est. Annual Payment	\$88,433
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	HDR Engineering, Inc		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Sep-20		
	Construction Start	Dec-20		
	Construction Stop	Jun-21		
DEBT PER CUSTOMER	Existing	\$1,243		
	Proposed	\$1,811		
OTHER DEBT	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	8,018	\$25.93	(for 4,000 gallons)
	Additional	101	\$25.93	(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 2017	5,974,080	1,735,035	4,239,045	3.4
Audited 2018	8,035,097	1,785,327	6,249,770	4.5
Audited 2019	6,661,877	1,822,038	4,839,839	3.7
Projected 2020	6,436,934	1,764,536	4,672,398	3.6
Projected 2021	6,224,573	1,861,588	4,362,985	3.3
Projected 2022	5,969,626	1,097,286	4,872,340	5.4
Projected 2023	5,700,644	1,097,285	4,603,359	5.2
Projected 2024	5,425,752	1,097,386	4,328,366	4.9



Reviewer: Meili Sun  
 Date: August 6, 2020  
 Loan Number: B20-005

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND B)  
 CITY OF BARDSTOWN, NELSON COUNTY  
 PROJECT REVIEW  
 SX21179030**

**I. PROJECT DESCRIPTION**

The City of Bardstown (“City”) is requesting a Fund B loan in the amount of \$1,472,400 for the Pump Station Improvements 2020 project. This project will increase the capacities of the Corman’s Crossing, the Royal Crest, and the American Greetings pump stations. Other improvements include new valve vaults, conversions from suction lift or dry pit submersible to wet pit submersible pumps, access road upgrades, and an emergency generator. The improvements will allow the pump stations to meet current and anticipated demands efficiently and replace components that are at the end of the useful life expectancy. They will also make the stations safer to maintain by reducing confined space entry hazards.

The Bardstown Sewer System is a regional provider that serves approximately 8,000 retail customers and treats wastewater for the Bloomfield Wastewater Collection System through the Kentucky Inter-System Operational Permit (KISOP).

**II. PROJECT BUDGET**

	Total
Legal Expenses	\$ 5,000
Land, Easements	10,000
Planning	7,500
Engineering Fees – Design	98,200
Engineering Fees – Construction	32,300
Engineering Fees – Inspection	48,600
Engineering Fees – Other	10,000
Construction	1,160,000
Contingency	100,800
<b>Total</b>	<b>\$ 1,472,400</b>

**III. PROJECT FUNDING**

	Amount	%
<b>KIA Fund B Loan</b>	<b>\$ 1,472,400</b>	<b>100%</b>

#### IV. KIA DEBT SERVICE

Construction Loan	\$ 1,472,400
Principal Forgiveness	0
<b>Amortized Loan Amount</b>	<b>\$ 1,472,400</b>
Interest Rate	1.50%
Loan Term (Year)	20
<b>Estimated Annual Debt Service</b>	<b>\$ 85,488</b>
Administrative Fee (0.20%)	2,945
<b>Total Estimated Annual Debt Service</b>	<b>\$ 88,433</b>

#### V. PROJECT SCHEDULE

Bid Opening	September 2020
Construction Start	December 2020
Construction Stop	June 2021

#### VI. RATE STRUCTURE

##### A. Customers

Customers	Current	Proposed
Residential	6,190	101
Commercial	1,225	0
Industrial	603	0
Total	8,018	101

##### B. Rates

	Sewer Inside City		Sewer Outside City	
	Current	Prior	Current	Prior
Date of Last Rate Increase	09/01/11	07/15/09	09/01/11	07/15/09
First 2,000 Gallons (Minimum)	\$17.25	\$15.00	\$18.94	\$15.60
Next 2,000	4.34	3.77	5.66	4.92
Cost for 4,000 gallons	\$25.93	\$22.54	\$30.26	\$25.44
Increase %	15.0%		18.9%	
Affordability Index (Rate/MHI)	0.6%	0.5%	0.7%	0.6%

	Water Inside City		Water Outside City	
	Current	Prior	Current	Prior
Date of Last Rate Increase	07/03/11	06/28/09	07/03/11	06/28/09
First 2,000 Gallons (Minimum)	\$10.49	\$9.49	\$15.37	\$13.75
Next 2,000	3.30	2.95	3.30	2.95
Cost for 4,000 gallons	\$17.09	\$15.39	\$21.97	\$19.65
Increase %	11.0%		11.8%	
Affordability Index (Rate/MHI)	0.4%	0.4%	0.5%	0.5%

## VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2013-2017, the Utility's service area population was 17,207 with a Median Household Income (MHI) of \$50,790. The median household income for the Commonwealth is \$46,535. As a regional provider, the City will qualify for a 20-year loan term at 1.50% interest rate.

Year	Population		County		County Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	6,155		27,584		June 2005	5.9%
1990	6,801	10.5%	29,710	7.7%	June 2010	10.3%
2000	10,374	52.5%	37,477	26.1%	June 2015	5.1%
2010	11,700	12.8%	43,437	15.9%	June 2019	4.9%
Current	13,034	11.4%	45,131	3.9%		
Cumulative %		111.8%		63.6%		

## VIII. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2017 through June 30, 2019. The financial reporting of the City's Proprietary Funds consolidates electric, water, wastewater treatment, garbage pickup, cable TV, and internet operations. 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

Revenues increased 6.4% from \$36.86 million in 2017 to \$39.24 in 2019 while operating expenses increased 6.2% from \$30.94 million to \$32.85 million during the same period primarily due to volume growth. Consolidated cash flow before debt service averaged \$6.89 million in the 3 audited years. Sewer cash flow averaged \$1.87 million or 27.2% of consolidated cash flow before debt service. The debt coverage ratio was 3.4, 4.5, and 3.7 in 2017, 2018, and 2019 respectively.

The balance sheet reflects a current ratio of 2.7, a debt to equity ratio of 0.4, 25.2 days of sales in accounts receivable, and 5.0 months of operating expenses in unrestricted cash.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Consolidated revenues will go up steadily due to wholesale rate increases and volume growth.
- 2) Wholesale water rate will increase 22.5% from \$2.00 to \$2.45 per thousand gallons in January, 2020 and grow incrementally each July 1 through 2023 based on the rate schedule approved by the PSC.

<b><u>Effective Date</u></b>	<b><u>Rate Per 1,000 Gallons</u></b>
January 1, 2020	\$2.45
July 1, 2020	\$2.49
July 1, 2021	\$2.56
July 1, 2022	\$2.64
July 1, 2023	\$2.72

- 3) Expenses will increase 2% annually for inflation.
- 4) Debt service coverage is 5.4 in 2022 when 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% (\$74,000 total) of the final amount borrowed to be funded annually (\$3,700 yearly) each December 1 for 20 years and maintained for the life of the loan.

**IX. DEBT OBLIGATIONS**

	Outstanding	Maturity
General Obligation Bond Series 2010	\$ 2,445,000	2021
KIA Loan A10-014	1,291,538	2033
KIA Loan B17.008	1,142,978	2037
KIA Loan B17-012	1,088,603	2039
KIA Loan C09-01	1,439,188	2034
KIA Loan C09-02	2,621,762	2033
KIA Loan A19-047 i.a.o. \$6,471,088		TBD
<b>Total</b>	<b>\$ 10,029,069</b>	

**X. CONTACTS**

<b>Legal Applicant</b>	
Name	City of Bardstown
Address	220 N Fifth Street Bardstown, KY 40004
County	Nelson
Authorized Official	Richard Heaton, Mayor
Phone	(502) 348-5947
Email	mayorheaton@bardstowncable.net

<b>Project Contact - Applicant</b>	
Name	Jessica Filiatreau, PE
Organization	City of Bardstown
Address	220 N Fifth Street Bardstown, KY 40004
Phone	(502) 348-5947
Email	jhfiliatreau@bardstowncable.net

<b>Project Administrator</b>	
Name	Bob Sturdivant
Organization	HDR Engineering, Inc.
Address	2517 Sir Barton Way Lexington, KY 40509
Phone	(859) 629-4826
Email	bob.sturdivant@hdrinc.com

<b>Consulting Engineer</b>	
Name	Rich Smith
Firm	HDR Engineering, Inc.
Address	881 Corporate Dr., Suite 100 Lexington, KY 40503
Phone	(502) 223-3755
Email	rich.smith@hdrinc.com

**XI. RECOMMENDATIONS**

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

**CITY OF BARDSTOWN  
CASH FLOW ANALYSIS (JUNE YEAR END)**

	2017	2018	2019	2020	2021	2022	2023	2024
Electric, Water, Sewer, Cable, & Garbage	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>Operating Revenues</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Utility Revenues	35,752,052	38,873,729	38,025,435	38,099,840	38,174,245	38,197,394	38,223,849	38,250,304
Intergovernmental	3,000	0	0	0	0	0	0	0
Penalties	340,094	308,097	322,727	322,727	322,727	322,727	322,727	322,727
Misc.	768,565	827,232	891,371	891,371	891,371	891,371	891,371	891,371
Additional Revenues - New Customers						31,427	31,427	31,427
<b>Total Revenues</b>	<b>36,863,711</b>	<b>40,009,058</b>	<b>39,239,533</b>	<b>39,313,938</b>	<b>39,388,343</b>	<b>39,442,919</b>	<b>39,469,375</b>	<b>39,495,830</b>
<b>Operating Expenses</b>								
Purchased Electric & Cable Costs	18,775,613	19,789,544	18,932,096	18,932,096	18,932,096	18,932,096	18,932,096	18,932,096
Operating Expenses	12,161,351	12,327,812	13,919,882	14,198,280	14,482,246	14,771,891	15,067,329	15,368,676
Depreciation	3,538,351	3,648,634	3,808,266	3,808,266	4,020,076	4,020,076	4,020,076	4,020,076
Replacement Reserve	0			20,950	23,750	43,628	43,628	43,628
<b>Total Expenses</b>	<b>34,475,315</b>	<b>35,765,990</b>	<b>36,660,244</b>	<b>36,959,592</b>	<b>37,458,168</b>	<b>37,767,691</b>	<b>38,063,129</b>	<b>38,364,476</b>
<b>Net Operating Income</b>	<b>2,388,396</b>	<b>4,243,068</b>	<b>2,579,289</b>	<b>2,354,346</b>	<b>1,930,175</b>	<b>1,675,228</b>	<b>1,406,246</b>	<b>1,131,354</b>
<b>Non-Operating Income and Expenses</b>								
Interest Income - Water	47,333	143,395	274,322	274,322	274,322	274,322	274,322	274,322
Other				0	0	0	0	0
<b>Total Non-Operating Income &amp; Expenses</b>	<b>47,333</b>	<b>143,395</b>	<b>274,322</b>	<b>274,322</b>	<b>274,322</b>	<b>274,322</b>	<b>274,322</b>	<b>274,322</b>
<b>Add Non-Cash Expenses</b>								
Depreciation	3,538,351	3,648,634	3,808,266	3,808,266	4,020,076	4,020,076	4,020,076	4,020,076
<b>Cash Available for Debt Service</b>	<b>5,974,080</b>	<b>8,035,097</b>	<b>6,661,877</b>	<b>6,436,934</b>	<b>6,224,573</b>	<b>5,969,626</b>	<b>5,700,644</b>	<b>5,425,752</b>
<b>Debt Service</b>								
Existing Principal	1,331,753	1,400,471	1,460,095	1,533,143	1,668,645	439,494	450,632	462,066
Existing Interest	403,282	384,856	361,943	231,393	192,943	162,255	151,116	139,783
Proposed KIA Loan A19-047						88,433	88,433	88,433
						407,104	407,104	407,104
<b>Total Debt Service</b>	<b>1,735,035</b>	<b>1,785,327</b>	<b>1,822,038</b>	<b>1,764,536</b>	<b>1,861,588</b>	<b>1,097,286</b>	<b>1,097,285</b>	<b>1,097,386</b>
<b>Income After Debt Service</b>	<b>4,239,045</b>	<b>6,249,770</b>	<b>4,839,839</b>	<b>4,672,398</b>	<b>4,362,985</b>	<b>4,872,340</b>	<b>4,603,359</b>	<b>4,328,366</b>
<b>Debt Coverage Ratio</b>	<b>3.4</b>	<b>4.5</b>	<b>3.7</b>	<b>3.6</b>	<b>3.3</b>	<b>5.4</b>	<b>5.2</b>	<b>4.9</b>

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

	<u>Audited 2017</u>	<u>Audited 2018</u>	<u>Audited 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>	<u>Projected 2023</u>	<u>Projected 2024</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	14,588,035	16,907,475	18,096,875	19,036,516	19,914,213	20,892,481	21,814,952	22,682,426
Other Assets	72,630,750	75,366,181	76,278,434	76,229,036	85,686,145	85,607,569	85,313,808	84,800,052
<b>Total</b>	<b>87,218,785</b>	<b>92,273,656</b>	<b>94,375,309</b>	<b>95,265,552</b>	<b>105,600,358</b>	<b>106,500,050</b>	<b>107,128,760</b>	<b>107,482,478</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	4,899,502	6,561,926	6,806,382	7,011,481	6,250,404	6,333,942	6,419,176	6,516,410
Long Term Liabilities	15,407,788	20,344,086	19,804,306	18,202,231	25,309,051	24,461,244	23,602,004	22,720,829
<b>Total Liabilities</b>	<b>20,307,290</b>	<b>26,906,012</b>	<b>26,610,688</b>	<b>25,213,712</b>	<b>31,559,455</b>	<b>30,795,187</b>	<b>30,021,180</b>	<b>29,237,240</b>
<b>Net Assets</b>	<b>66,911,495</b>	<b>65,367,644</b>	<b>67,764,621</b>	<b>70,051,840</b>	<b>74,040,903</b>	<b>75,704,863</b>	<b>77,107,580</b>	<b>78,245,238</b>
<b>Cash Flow</b>								
Revenues	36,863,711	40,009,058	39,239,533	39,313,938	39,388,343	39,442,919	39,469,375	39,495,830
Operating Expenses	30,936,964	32,117,356	32,851,978	33,151,326	33,438,092	33,747,615	34,043,053	34,344,400
Other Income	47,333	143,395	274,322	274,322	274,322	274,322	274,322	274,322
<b>Cash Flow Before Debt Service</b>	<b>5,974,080</b>	<b>8,035,097</b>	<b>6,661,877</b>	<b>6,436,934</b>	<b>6,224,573</b>	<b>5,969,626</b>	<b>5,700,644</b>	<b>5,425,752</b>
<b>Debt Service</b>								
Existing Debt Service	1,735,035	1,785,327	1,822,038	1,764,536	1,861,588	1,008,853	1,008,852	1,008,953
Proposed KIA Loan	0	0	0	0	0	88,433	88,433	88,433
<b>Total Debt Service</b>	<b>1,735,035</b>	<b>1,785,327</b>	<b>1,822,038</b>	<b>1,764,536</b>	<b>1,861,588</b>	<b>1,097,286</b>	<b>1,097,285</b>	<b>1,097,386</b>
<b>Cash Flow After Debt Service</b>	<b>4,239,045</b>	<b>6,249,770</b>	<b>4,839,839</b>	<b>4,672,398</b>	<b>4,362,985</b>	<b>4,872,340</b>	<b>4,603,359</b>	<b>4,328,366</b>
<b>Ratios</b>								
Current Ratio	3.0	2.6	2.7	2.7	3.2	3.3	3.4	3.5
Debt to Equity	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Days Sales in Accounts Receivable	23.0	28.7	25.2	25.2	25.2	25.2	25.2	25.2
Months Operating Expenses in Unrestricted Cash	4.1	4.4	5.0	5.3	5.5	5.8	6.1	6.4
Debt Coverage Ratio	3.4	4.5	3.7	3.6	3.3	5.4	5.2	4.9



<b>EXECUTIVE SUMMARY</b>		Reviewer	Meili Sun	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	September 24, 2020	
<b>FUND C, GOVERNMENTAL AGENCIES FUND</b>		KIA Loan Number	C20-002 (Increase)	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21139031	
BORROWER	CRITTENDEN-LIVINGSTON COUNTY WATER DISTRICT LIVINGSTON COUNTY			
BRIEF DESCRIPTION				
The Crittenden-Livingston County Water District is requesting an increase of \$15,000 to the Fund C loan initially approved on May 7, 2020. The increase will fund the overage due to higher bids than budgeted costs and will not involve additional work or change of scope. This project will replace 1,400 customer meters in the Crittenden-Livingston service area, primarily in Livingston County, with radio read meters. The installation of new meters will help the District save operating and maintenance costs by reducing up to 50% of the time and labor required for meter reading.				
PROJECT FINANCING		PROJECT BUDGET		
Fund C Loan	\$315,000	RD Fee %	Actual %	
		Administrative Expenses	\$7,250	
		Equipment	305,000	
		Contingency	2,750	
TOTAL	\$315,000	TOTAL	\$315,000	
REPAYMENT	Rate	2.75%	Est. Annual Payment	\$21,212
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	N/A		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Aug-20		
	Construction Start	Sep-20		
	Construction Stop	Feb-21		
DEBT PER CUSTOMER	Existing	\$3,218		
	Proposed	\$2,750		
OTHER DEBT	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	3,613	\$56.03	(for 4,000 gallons)
	Additional	0	\$56.03	(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 2016	918,643	1,051,589	(132,946)	0.9
Audited 2017	1,101,988	1,099,080	2,908	1.0
Audited 2018	1,024,194	1,162,226	(138,032)	0.9
Projected 2019	1,139,012	1,067,179	71,833	1.1
Projected 2020	1,378,922	1,054,623	324,299	1.3
Projected 2021	1,596,865	1,061,590	535,275	1.5
Projected 2022	1,702,180	1,096,973	605,207	1.6
Projected 2023	1,672,484	1,099,216	573,268	1.5

Reviewer: Meili Sun  
 Date: September 24, 2020  
 Loan Number: C20-002 Increase

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 GOVERNMENTAL AGENCIES LOAN FUND (FUND C)  
 CRITTENDEN-LIVINGSTON COUNTY WATER DISTRICT, LIVINGSTON COUNTY  
 PROJECT REVIEW  
 WX21139031**

**I. PROJECT DESCRIPTION**

The Crittenden-Livingston County Water District (“District”) is requesting an increase of \$15,000 to the Fund C loan initially approved on May 7, 2020. The new total loan amount of \$315,000 will cover the overage due to higher bids than budgeted costs without additional work or change of scope. The Automatic Meter Reading (AMR) Replacement project will replace 1,400 aging customer meters in the Crittenden-Livingston service area, primarily in Livingston County, with radio read meters. The installation of new meters will help the District save operating and maintenance costs by reducing up to 50% of the time and labor required for meter reading.

A PSC regulated system, the District is a regional provider that serves approximately 3,600 retail customers and wholesales to 2 water districts and 4 municipals. All retail and wholesale rates are subject to PSC approval.

**II. PROJECT BUDGET**

	Total
Administrative Expenses	\$ 7,250
Equipment	305,000
Contingency	2,750
<b>Total</b>	<b>\$ 315,000</b>

**III. PROJECT FUNDING**

	Amount	%
<b>KIA Fund C Loan</b>	<b>\$ 315,000</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Fund C Loan	\$ 315,000
Interest Rate	2.75%
Loan Term (Year)	20
Estimated Annual Debt Service	\$ 20,582
Administrative Fee (0.20%)	630
<b>Total Annual Debt Service</b>	<b>\$ 21,212</b>

**V. PROJECT SCHEDULE**

Bid Opening	August 2020
Construction Start	September 2020
Construction Stop	February 2021

**VI. RATE STRUCTURE**

**A. Customers**

Customers	Current
Residential	3,586
Commercial	17
Industrial	10
Total	3,613

**B. Rates**

	Retail			
	Current	Prior	Proposed	Proposed
Date of Last Rate Increase	05/23/19	05/01/15	05/23/20	05/23/21
Minimum	\$20.72	\$17.84	\$22.70	\$24.76
Next 9,000 Gallons	11.77	10.14	12.89	14.08
Over 10,000 Gallons	10.09	8.69	11.05	12.06
Cost for 4,000 gallons	\$56.03	\$48.26	\$61.37	\$67.00
Increase %	16.1%		9.53%	9.17%
Affordability Index (Rate/MHI)	1.7%	1.4%	1.8%	2.0%
	Wholesale			
	Current	Prior	Proposed	Proposed
Date of Last Rate Increase	05/23/19	05/01/15	05/23/20	05/23/21
Per 1,000 Gallons	2.83	2.58	3.08	3.34
Increase %	9.69%		8.83%	8.44%

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2013-2017, the Utility’s service area population was 9,023 with a Median Household Income (MHI) of \$40,121. The median household income for the Commonwealth is \$46,535. This project will qualify for a standard loan term at 2.75% interest rate.

Year	Population		County Unemployment	
	County	% Change	Date	Rate
1980	9,219		June 2005	5.9%
1990	9,062	-1.7%	June 2010	11.8%
2000	9,804	8.2%	June 2015	7.0%
2010	9,519	-2.9%	June 2019	5.7%
Current	9,288	-2.4%		
Cumulative %		0.7%		

## VIII. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended December 31, 2016 through December 31, 2018. The non-cash impacts of GASB 68 - Accounting and Financial Reporting for Pensions and GASB 75 - Other Postemployment Benefit had been removed from 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 5.1% from \$2.29 million in 2016 to \$2.41 million in 2018 while operating expenses increased less than 1% from \$1.40 million to \$1.41 million during the same period. The debt coverage ratio was 0.9, 1.0, and 0.9 for 2016, 2017, and 2018 respectively.

The balance sheet reflected a current ratio of 0.7, a debt to equity ratio of 2.0, 31.9 days of sales in accounts receivable, and 0.2 month of operating expenses in unrestricted cash.

### PROJECTIONS

Projections are based on the following assumptions:

- 1) Water rates will go up in 3 phases as approved by the PSC in May, 2019:
  - Phase 1 – 16.1% retail and 9.7% wholesale, effective May 23, 2019
  - Phase 2 - 9.5% retail and 8.8% wholesale, effective May 23, 2020
  - Phase 3 - 9.2% retail and 8.4% wholesale, effective May 23, 2021.
- 2) Operating expenses will increase 2% each year for inflation.
- 3) The District will use force labor with the help of an outside contractor to install the new meters.
- 4) Debt coverage ratio is 1.5 in 2021 when full year principal and interest repayments are expected to begin.

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

**REPLACEMENT RESERVE**

The replacement reserve will be 5% (\$16,000 total) of the final amount borrowed to be funded annually (\$800 yearly) each December 1 for 20 years and maintained for the life of the loan.

**IX. DEBT OBLIGATIONS**

	Outstanding	Maturity
Waterworks Revenue Bonds 2008 Series	\$ 925,000	2030
2013 KRWFC Bonds	2,705,000	2029
2013 KRWFC Bonds	1,870,000	2040
KIA Loan B11-010	413,106	2023
KIA Loan F01-005	229,019	2023
KIA Loan F16-021	918,763	2037
KACO Lease 2017C	2,300,000	2039
KACO Lease 2018 B	2,020,000	2040
Farmers Bank Line of Credit	10,157	2019
<b>Total</b>	<b>\$ 11,391,045</b>	

**X. CONTACTS**

<b>Legal Applicant</b>	
Name	Crittenden-Livingston County Water District
Address	620 E Main St Salem, KY 42078
County	Livingston
Authorized Official	Randell O’Bryan, Chairman
Phone	(270) 988-2680

<b>Project Contact - Applicant</b>	
Name	Ronnie Slayden, Superintendent
Organization	Crittenden-Livingston County Water District
Address	620 E Main St Salem, KY 42078
Phone	(270) 988-2680
Email	slaydenronnie@yahoo.com

<b>Project Administrator</b>	
Name	Kyle Cunningham, Infrastructure Coordinator
Organization	Pennyrile ADD
Address	300 Hammond Dr Hopkinsville, KY 42240
Phone	(270) 886-9484
Email	kyle.cunningham@ky.gov

**XI. RECOMMENDATIONS**

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

CRITTENDEN-LIVINGSTON COUNTY WATER DISTRICT  
CASH FLOW ANALYSIS (DECEMBER YEAR END)

	2016	2017	2018	2019	2020	2021	2022	2023
	Audited 2016	Audited 2017	Audited 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023
<b>Operating Revenues</b>								
Water Revenues	2,222,519	2,351,468	2,340,739	2,487,035	2,755,635	3,003,642	3,138,806	3,138,806
Other	69,185	66,275	66,814	66,814	66,814	66,814	66,814	66,814
<b>Total Revenues</b>	<b>2,291,704</b>	<b>2,417,743</b>	<b>2,407,553</b>	<b>2,553,849</b>	<b>2,822,449</b>	<b>3,070,456</b>	<b>3,205,620</b>	<b>3,205,620</b>
<b>Operating Expenses</b>								
Purchased Water (or Treatment) Cost				0	0	0	0	0
Operating Expenses	1,398,318	1,340,456	1,406,376	1,434,504	1,463,194	1,492,458	1,522,307	1,552,753
Depreciation	665,072	665,746	677,669	677,669	677,669	698,669	698,669	698,669
Replacement Reserve	0			3,350	3,350	4,150	4,150	3,400
<b>Total Expenses</b>	<b>2,063,390</b>	<b>2,006,202</b>	<b>2,084,045</b>	<b>2,115,523</b>	<b>2,144,213</b>	<b>2,195,277</b>	<b>2,225,126</b>	<b>2,254,822</b>
<b>Net Operating Income</b>	<b>228,314</b>	<b>411,541</b>	<b>323,508</b>	<b>438,326</b>	<b>678,236</b>	<b>875,179</b>	<b>980,494</b>	<b>950,798</b>
<b>Non-Operating Income and Expenses</b>								
Interest Income	507	1,681	4,167	4,167	4,167	4,167	4,167	4,167
Tap-On Fees	24,750	23,020	18,850	18,850	18,850	18,850	18,850	18,850
<b>Total Non-Operating Income &amp; Expenses</b>	<b>25,257</b>	<b>24,701</b>	<b>23,017</b>	<b>23,017</b>	<b>23,017</b>	<b>23,017</b>	<b>23,017</b>	<b>23,017</b>
<b>Add Non-Cash Expenses</b>								
Depreciation	665,072	665,746	677,669	677,669	677,669	698,669	698,669	698,669
<b>Cash Available for Debt Service</b>	<b>918,643</b>	<b>1,101,988</b>	<b>1,024,194</b>	<b>1,139,012</b>	<b>1,378,922</b>	<b>1,596,865</b>	<b>1,702,180</b>	<b>1,672,484</b>
<b>Debt Service</b>								
Existing Principal	560,481	569,690	661,250	651,062	663,369	685,877	738,431	771,032
Existing Interest	491,108	529,390	500,976	416,117	391,254	365,107	337,330	306,972
Proposed KIA Loan						10,606	21,212	21,212
<b>Total Debt Service</b>	<b>1,051,589</b>	<b>1,099,080</b>	<b>1,162,226</b>	<b>1,067,179</b>	<b>1,054,623</b>	<b>1,061,590</b>	<b>1,096,973</b>	<b>1,099,216</b>
<b>Income After Debt Service</b>	<b>(132,946)</b>	<b>2,908</b>	<b>(138,032)</b>	<b>71,833</b>	<b>324,299</b>	<b>535,275</b>	<b>605,207</b>	<b>573,268</b>
<b>Debt Coverage Ratio</b>	<b>0.9</b>	<b>1.0</b>	<b>0.9</b>	<b>1.1</b>	<b>1.3</b>	<b>1.5</b>	<b>1.6</b>	<b>1.5</b>

**CRITTENDEN-LIVINGSTON COUNTY WATER DISTRICT  
FINANCIAL SUMMARY (DECEMBER YEAR END)**

	<u>Audited</u> <u>2016</u>	<u>Audited</u> <u>2017</u>	<u>Audited</u> <u>2018</u>	<u>Projected</u> <u>2019</u>	<u>Projected</u> <u>2020</u>	<u>Projected</u> <u>2021</u>	<u>Projected</u> <u>2022</u>	<u>Projected</u> <u>2023</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	445,375	484,330	503,380	530,559	618,918	747,673	880,515	995,168
Other Assets	21,022,320	20,852,855	19,701,562	19,084,709	18,669,830	18,722,681	18,512,327	18,275,673
<b>Total</b>	<b>21,467,695</b>	<b>21,337,185</b>	<b>20,204,942</b>	<b>19,615,268</b>	<b>19,288,748</b>	<b>19,470,354</b>	<b>19,392,842</b>	<b>19,270,841</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	1,613,922	744,023	720,830	733,990	773,148	826,602	860,103	836,971
Long Term Liabilities	12,306,339	13,094,014	12,708,712	12,045,343	11,343,716	10,904,535	10,117,753	9,355,003
<b>Total Liabilities</b>	<b>13,920,261</b>	<b>13,838,037</b>	<b>13,429,542</b>	<b>12,779,333</b>	<b>12,116,864</b>	<b>11,731,137</b>	<b>10,977,856</b>	<b>10,191,974</b>
<b>Net Assets</b>	<b>7,547,434</b>	<b>7,499,148</b>	<b>6,775,400</b>	<b>6,835,935</b>	<b>7,171,884</b>	<b>7,739,217</b>	<b>8,414,986</b>	<b>9,078,867</b>
<b>Cash Flow</b>								
Revenues	2,291,704	2,417,743	2,407,553	2,553,849	2,822,449	3,070,456	3,205,620	3,205,620
Operating Expenses	1,398,318	1,340,456	1,406,376	1,437,854	1,466,544	1,496,608	1,526,457	1,556,153
Other Income	25,257	24,701	23,017	23,017	23,017	23,017	23,017	23,017
<b>Cash Flow Before Debt Service</b>	<b>918,643</b>	<b>1,101,988</b>	<b>1,024,194</b>	<b>1,139,012</b>	<b>1,378,922</b>	<b>1,596,865</b>	<b>1,702,180</b>	<b>1,672,484</b>
<b>Debt Service</b>								
Existing Debt Service	1,051,589	1,099,080	1,162,226	1,067,179	1,054,623	1,050,984	1,075,761	1,078,004
Proposed KIA Loan	0	0	0	0	0	10,606	21,212	21,212
<b>Total Debt Service</b>	<b>1,051,589</b>	<b>1,099,080</b>	<b>1,162,226</b>	<b>1,067,179</b>	<b>1,054,623</b>	<b>1,061,590</b>	<b>1,096,973</b>	<b>1,099,216</b>
<b>Cash Flow After Debt Service</b>	<b>(132,946)</b>	<b>2,908</b>	<b>(138,032)</b>	<b>71,833</b>	<b>324,299</b>	<b>535,275</b>	<b>605,207</b>	<b>573,268</b>
<b>Ratios</b>								
Current Ratio	0.3	0.7	0.7	0.7	0.8	0.9	1.0	1.2
Debt to Equity	1.8	1.8	2.0	1.9	1.7	1.5	1.3	1.1
Days Sales in Accounts Receivable	27.3	32.0	31.9	31.9	31.9	31.9	31.9	31.9
Months Operating Expenses in Unrestricted Cash	0.4	0.4	0.2	0.3	0.8	1.7	2.6	3.4
Debt Coverage Ratio	0.9	1.0	0.9	1.1	1.3	1.5	1.6	1.5



<b>EXECUTIVE SUMMARY</b>		Reviewer	Meili Sun	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	August 6, 2020	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F20-026	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21133100	
BORROWER	CITY OF WHITESBURG LETCHER COUNTY			
BRIEF DESCRIPTION				
This project will replace two tanks in the Whitesburg Water System. Both tanks have been experiencing leaks that are cost ineffective to repair. The Shady Drive tank is a 175,000 gallon tank which will be replaced with a 200,000 gallon tank to lessen pump cycling. The new tank will increase the overall storage for the system and improve the techniques of isolating areas during leaks. Hale Drive tank will also be replaced, but will remain at its current capacity of 275,000 gallons.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$1,100,000	RD Fee %	Actual %	
		Administrative Expenses		\$50,000
		Legal Expenses		5,000
		Planning		5,000
		Eng - Design / Const	9.0%	9.0%
		Eng - Insp	5.8%	5.8%
		Eng - Other		10,000
		Construction		822,500
		Contingency		75,000
TOTAL	\$1,100,000	TOTAL		\$1,100,000
REPAYMENT	Rate	0.50%	Est. Annual Payment	\$42,281
	Term	30 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Nesbitt Engineering, Inc.		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Mar-21		
	Construction Start	Apr-21		
	Construction Stop	Sep-22		
DEBT PER CUSTOMER	Existing	\$1,294		
	Proposed	\$1,780		
OTHER DEBT	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	1,372	\$24.40	(for 4,000 gallons)
	Additional	0	\$24.40	(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 2017	276,742	353,670	(76,928)	0.8
Audited 2018	90,184	313,104	(222,920)	0.3
Audited 2019	431,264	193,307	237,957	2.2
Projected 2020	693,601	174,809	518,792	4.0
Projected 2021	685,748	167,626	518,122	4.1
Projected 2022	662,438	144,498	517,940	4.6
Projected 2023	635,862	158,127	477,736	4.0
Projected 2024	611,611	186,116	425,495	3.3

Reviewer: Meili Sun  
 Date: August 6, 2020  
 Loan Number: F20-026

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND F)  
 CITY OF WHITESBURG, LETCHER COUNTY  
 PROJECT REVIEW  
 WX21133100**

**I. PROJECT DESCRIPTION**

The City of Whitesburg (“City”) is requesting a Fund F loan in the amount of \$1,100,000 for the Water Storage Tank Replacement project. This project will replace two tanks in the Whitesburg Water System. Both tanks have been experiencing leaks that are cost ineffective to repair. The Shady Drive tank is a 175,000 gallon tank which will be replaced with a 200,000 gallon tank to lessen pump cycling. The new tank will increase the overall storage for the system and improve the techniques of isolating areas during leaks. Hale Drive tank will also be replaced, but will remain at its current capacity of 275,000 gallons. The replacements will ensure that the tanks are in an adequate and safe condition to continue serving the existing customers in the City and surrounding area.

The City provides retail water to approximately 1,400 customers and wholesale water to the Letcher County Water and Sewer District, which is a PSC regulated entity. Wholesale water is less than 10% of the total usage.

**II. PROJECT BUDGET**

	Total
Administrative Expenses	\$ 50,000
Legal Expenses	5,000
Planning	5,000
Engineering Fees – Design	65,000
Engineering Fees – Construction	15,500
Engineering Fees – Inspection	52,000
Engineering Fees – Other	10,000
Construction	822,500
Contingency	75,000
<b>Total</b>	<b>\$ 1,100,000</b>

**III. PROJECT FUNDING**

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

#### IV. KIA DEBT SERVICE

Construction Loan	\$ 1,100,000
Principal Forgiveness	0
<b>Amortized Loan Amount</b>	<b>\$ 1,100,000</b>
Interest Rate	0.50%
Loan Term (Year)	30
<b>Estimated Annual Debt Service</b>	<b>\$ 39,531</b>
Administrative Fee (0.25%)	2,750
<b>Total Estimated Annual Debt Service</b>	<b>\$ 42,281</b>

#### V. PROJECT SCHEDULE

Bid Opening	March 2021
Construction Start	April 2021
Construction Stop	September 2022

#### VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

##### A) Customers

Customers	Current
Residential	1,141
Commercial	231
Industrial	0
Total	1,372

##### B) Rates

	Water Inside City		Water Outside City	
	Current	Prior	Current	Prior
Date of Last Rate Increase	07/01/19	01/11/08	07/01/19	01/11/08
Minimum 2,000 Gallons	\$13.40	\$9.40	\$24.00	\$20.00
Next 2,000 Gallons (Per 1,000 Gallons)	5.50	3.50	9.00	7.00
Next 1,000 Gallons	8.00	6.00	9.50	7.50
Next 1,000 Gallons & after	11.56	9.56	16.56	14.56
Cost for 4,000 gallons	\$24.40	\$16.40	\$42.00	\$34.00
Increase %	48.8%		23.5%	
Affordability Index (Rate/MHI)	0.8%	0.6%	1.5%	1.2%

Date of Last Rate Increase	Sewer Inside City		Sewer Outside City	
	Current	Prior	Current	Prior
	07/01/19	07/01/09	07/01/19	07/01/09
Minimum 2,000 Gallons	\$15.41	\$12.67	\$27.60	\$12.67
Next 2,000 Gallons (Per 1,000 Gallons)	6.33	8.57	10.35	8.57
Next 1,000 Gallons	9.20	8.57	10.93	8.57
Cost for 4,000 gallons	\$28.07	\$29.81	\$48.30	\$29.81
Increase %	-5.8%		62.0%	
Affordability Index (Rate/MHI)	1.0%	1.0%	1.7%	1.0%

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2013-2017, the Utility’s service area population was 3,203 with a Median Household Income (MHI) of \$34,559. The median household income for the Commonwealth is \$46,535. The project will qualify for the disadvantaged community interest rate at 0.5%.

Year	Population		County		County Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	1,525		30,687		June 2005	7.8%
1990	1,636	7.3%	27,000	-12.0%	June 2010	11.1%
2000	1,600	-2.2%	25,277	-6.4%	June 2015	11.6%
2010	2,139	33.7%	24,519	-3.0%	June 2019	7.6%
Current	2,230	4.3%	23,011	-6.2%		
Cumulative %		46.2%		-25.0%		

**VIII. 2019 CAPITALIZATION GRANT EQUIVALENCIES**

Additional Subsidization – This project does not qualify for additional subsidization.

**IX. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2017 through June 30, 2019. The City’s proprietary funds consolidate water, sewer, and sanitation operations. 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.

On December 20, 2017, the Kentucky Auditor of Public Accounts released an Examination of Certain Policies, Procedures, and Financial Activity of the City of Whitesburg, Kentucky, which identified several findings regarding the City's financial and accounting practices. The Examination revealed more than \$350,000 in delinquent money for billing of water and sewer department. The cause of the delinquent payments was a combination of improper meter readings and erroneous customer billings. Based on the APA recommendations, the City had made drastic improvements to implement sound procedures for collecting all accounts receivable, establish a consistent process for the treatment of past-due accounts, and apply policies and procedures to the adjustment of water utility accounts. In 2019, a restatement of approximately \$550,000 was made to write off aged or inactive accounts.

## HISTORY

Combined operating revenues of proprietary funds increased 3.8% from \$1.50 million in 2017 to \$1.55 million in 2019 while operating expenses decreased 8.1% during the same period as a result of less repairs and maintenance required. Consolidated cash flow before debt service was \$336,580 in 2019. Sewer cash flow was \$77,158 or 22.9% of consolidated cash flow before debt service. The debt coverage ratios of 2017 and 2018 were below 1.1 as there had been no rate increases since 2009. The ratio went up to 2.2 in 2019 after the City paid off 3 existing debts.

The balance sheet reflects a current ratio of 1.8, a debt to equity ratio of 0.6, 56.2 days of sales in accounts receivable, and 1.2 months of operating expenses in unrestricted cash.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Inside City water revenues will go up 48.8% and outside city rates up 23.5% from the rate increases that took effect in July, 2019.
- 2) Wholesale water will remain at the current rate.
- 3) Expenses will increase 2% annually for inflation.
- 4) Debt service coverage is 4.0 in 2023 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% (\$56,000 total) of the final amount borrowed to be funded annually (\$2,800 yearly) each December 1 for 20 years and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

	Outstanding	Maturity
USDA RD 91-03 Bonds	\$ 42,000	2024
USDA RD 92-05 Bonds	116,000	2029
USDA RD 92-07 Bonds	37,900	2041
USDA RD 92-09 Bonds	809,500	2047
KIA Loan F209-03	47,215	2030
KIA Loan A07-03	648,601	2031
TCF Equipment Finance	65,716	2021
Community Trust Bank	8,040	2020
<b>Total</b>	<b>\$ 1,774,972</b>	

**XI. CONTACTS**

<b>Legal Applicant</b>	
Name	City of Whitesburg
Address	38 E Main St Whitesburg, KY 4185
County	Letcher
Authorized Official	James W Craft, Mayor
Phone	(606) 633-3700
Email	ewcabc@gmail.com

<b>Project Contact - Applicant</b>	
Name	Jessica Keene
Organization	City of Whitesburg
Address	38 E Main St Whitesburg, KY 41858
Phone	(606) 633-3705
Email	whitesburgcityclerk@gmail.com

<b>Project Administrator</b>	
Name	Angelia Hall
Organization	Kentucky River Area Development District
Address	941 N Main St Hazard, KY 41701
Phone	(606) 436-3158
Email	angelia@kradd.org

**Consulting Engineer**

Name	Paul Nesbitt
Firm	Nesbitt Engineering, Inc.
Address	227 North Upper Street Lexington, KY 40507
Phone	(859) 233-3111
Email	pnesbitt@nei-ky.com

**XII. RECOMMENDATIONS**

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

CITY OF WHITESBURG	Water Rev +/-	0.0956061	-0.0528549	0.193196	-1.08E-07	0	0	0
CASH FLOW ANALYSIS (JUNE YEAR END)	Sewer Rev +/-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	2017	2018	2019	2020	2021	2022	2023	2024
	Audited	Audited	Audited	Projected	Projected	Projected	Projected	Projected
	2017	2018	2019	2020	2021	2022	2023	2024
<b>Operating Revenues</b>								
Water, Sewer, and Sanitation Revenues	1,495,125	1,638,068	1,551,488	1,851,229	1,851,229	1,851,229	1,851,229	1,851,229
Sewer Revenues								
Penalties and Service Charges								
Other								
<b>Total Revenues</b>	1,495,125	1,638,068	1,551,488	1,851,229	1,851,229	1,851,229	1,851,229	1,851,229
<b>Operating Expenses</b>								
OpExp +/-		27.0%	-27.6%	2.0%	2.0%	2.0%	2.0%	2.0%
Purchased Water (or Treatment) Cost				0	0	0	0	0
Operating Expenses	1,218,533	1,548,126	1,120,224	1,142,628	1,165,481	1,188,791	1,212,567	1,236,818
Depreciation	483,529	464,975	461,410	461,410	461,410	461,410	488,910	488,910
Replacement Reserve	0			15,000			2,800	2,800
<b>Total Expenses</b>	1,702,062	2,013,101	1,581,634	1,619,038	1,626,891	1,650,201	1,704,277	1,728,528
<b>Net Operating Income</b>	(206,937)	(375,033)	(30,146)	232,191	224,338	201,028	146,952	122,701
<b>Non-Operating Income and Expenses</b>								
Interest Income	150	242	0	0	0	0	0	0
Other								
<b>Total Non-Operating Income &amp; Expenses</b>	150	242	0	0	0	0	0	0
<b>Add Non-Cash Expenses</b>								
Depreciation	483,529	464,975	461,410	461,410	461,410	461,410	488,910	488,910
<b>Cash Available for Debt Service</b>	<b>276,742</b>	<b>90,184</b>	<b>431,264</b>	<b>693,601</b>	<b>685,748</b>	<b>662,438</b>	<b>635,862</b>	<b>611,611</b>
<b>Debt Service</b>								
Existing Principal	278,598	252,537	146,349	122,775	118,698	98,348	93,048	102,154
Existing Interest	75,072	60,567	46,958	52,034	48,928	46,150	43,938	41,681
Proposed KIA Loan							21,141	42,281
<b>Total Debt Service</b>	353,670	313,104	193,307	174,809	167,626	144,498	158,127	186,116
<b>Income After Debt Service</b>	(76,928)	(222,920)	237,957	518,792	518,122	517,940	477,736	425,495
<b>Debt Coverage Ratio</b>	0.8	0.3	2.2	4.0	4.1	4.6	4.0	3.3



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

	<u>Audited 2017</u>	<u>Audited 2018</u>	<u>Audited 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>	<u>Projected 2023</u>	<u>Projected 2024</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	500,899	488,905	348,105	497,989	601,614	705,202	800,749	885,848
Other Assets	9,151,148	8,996,404	8,012,424	7,981,048	7,934,135	7,887,077	8,883,156	8,737,442
<b>Total</b>	<b>9,652,047</b>	<b>9,485,309</b>	<b>8,360,529</b>	<b>8,479,037</b>	<b>8,535,749</b>	<b>8,592,279</b>	<b>9,683,905</b>	<b>9,623,290</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	371,482	338,578	192,470	189,238	169,788	165,388	212,061	220,807
Long Term Liabilities	2,605,757	3,143,947	2,888,340	2,769,642	2,671,294	2,578,246	3,539,425	3,392,759
<b>Total Liabilities</b>	<b>2,977,239</b>	<b>3,482,525</b>	<b>3,080,810</b>	<b>2,958,880</b>	<b>2,841,082</b>	<b>2,743,634</b>	<b>3,751,486</b>	<b>3,613,565</b>
<b>Net Assets</b>	<b>6,674,808</b>	<b>6,002,784</b>	<b>5,279,719</b>	<b>5,520,157</b>	<b>5,694,667</b>	<b>5,848,645</b>	<b>5,932,419</b>	<b>6,009,724</b>
<b>Cash Flow</b>								
Revenues	1,495,125	1,638,068	1,551,488	1,851,229	1,851,229	1,851,229	1,851,229	1,851,229
Operating Expenses	1,218,533	1,548,126	1,120,224	1,157,628	1,165,481	1,188,791	1,215,367	1,239,618
Other Income	150	242	0	0	0	0	0	0
<b>Cash Flow Before Debt Service</b>	<b>276,742</b>	<b>90,184</b>	<b>431,264</b>	<b>693,601</b>	<b>685,748</b>	<b>662,438</b>	<b>635,862</b>	<b>611,611</b>
<b>Debt Service</b>								
Existing Debt Service	353,670	313,104	193,307	174,809	167,626	144,498	136,986	143,835
Proposed KIA Loan	0	0	0	0	0	0	21,141	42,281
<b>Total Debt Service</b>	<b>353,670</b>	<b>313,104</b>	<b>193,307</b>	<b>174,809</b>	<b>167,626</b>	<b>144,498</b>	<b>158,127</b>	<b>186,116</b>
<b>Cash Flow After Debt Service</b>	<b>(76,928)</b>	<b>(222,920)</b>	<b>237,957</b>	<b>518,792</b>	<b>518,122</b>	<b>517,940</b>	<b>477,736</b>	<b>425,495</b>
<b>Ratios</b>								
Current Ratio	1.3	1.4	1.8	2.6	3.5	4.3	3.8	4.0
Debt to Equity	0.4	0.6	0.6	0.5	0.5	0.5	0.6	0.6
Days Sales in Accounts Receivable	99.8	87.4	56.2	56.2	56.2	56.2	56.2	56.2
Months Operating Expenses in Unrestricted Cash	0.9	0.7	1.2	2.2	3.3	4.2	5.1	5.8
Debt Coverage Ratio	0.8	0.3	2.2	4.0	4.1	4.6	4.0	3.3



**CABINET FOR ECONOMIC DEVELOPMENT**

**Andy Beshear**  
Governor

Old Capitol Annex  
300 West Broadway  
Frankfort, Kentucky 40601

**Larry Hayes**  
Interim Secretary

August 13, 2020

Holly M. Johnson, Secretary  
Finance and Administration Cabinet  
Room 383, Capitol Annex  
Frankfort, KY 40601

**RE: Economic Development Fund Grant - \$250,000 to the City of Bowling Green on behalf of CROWN Cork & Seal USA, Inc.**

Dear Secretary Johnson:

In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$250,000 in Economic Development Fund (EDF) funds for the purpose of making a grant to the City of Bowling Green on behalf of CROWN Cork & Seal USA, Inc.

CROWN Cork & Seal USA, Inc. is a subsidiary of Crown Holdings, Inc., a leading manufacturer of metal beverage cans, aerosol cans, promotional packaging, metal food packaging and closures. The company is considering establishing a metal beverage cans manufacturing facility in Bowling Green to serve existing and new customers. The proposed EDF grant funds will be used to offset the capital investment costs associated with the project.

In consideration of this EDF grant, CROWN Cork & Seal USA, Inc. will be required to make investment and create new, full-time Kentucky resident jobs (excluding contract or temporary employees) paying the following wages in Bowling Green in accordance with the following schedule:

Compliance Date	Full-time, Kentucky-Resident Jobs Required	Job Type	Average Wage Required	Average Wage Type
December 31, 2023	126	Create	\$31.00	Total Hourly Compensation (includes benefits)
December 31, 2024	126	Create	\$31.00	Total Hourly Compensation (includes benefits)
December 31, 2025	126	Create	\$31.00	Total Hourly Compensation (includes benefits)
December 31, 2026	126	Create	\$31.00	Total Hourly Compensation (includes benefits)

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

Secretary Holly M. Johnson  
August 13, 2020  
Page Two

Under the terms of the EDF grant agreement, disbursement of grant funds will occur after the annual compliance reporting has occurred. The amount of the disbursements will be based on the performance requirements achieved. If CROWN Cork & Seal USA, Inc. fails to create or maintain the job target as of each compliance date, then the amount of the grant payable after each compliance measurement date will be reduced by the sum of \$496 for each new, full-time job not created or maintained by the company at each of the four annual measurement dates. Furthermore, if CROWN Cork & Seal USA, Inc. fails to pay these new jobs the average hourly wage of \$31.00, including benefits, the amount of the grant payable after each compliance measurement date will be reduced by a pro rata portion of the EDF grant based on a formula to be outlined in the EDF grant agreement.

Any funds repaid to the City of Bowling Green by CROWN Cork & Seal USA, Inc. must be used for economic development purposes as approved by the Cabinet for Economic Development. In no event will the repayment of EDF grant proceeds exceed the EDF grant amount of \$250,000.

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

Sincerely,



Larry Hayes  
Interim Secretary

AGREED TO AND APPROVED BY:

  
Secretary, Finance and Administration Cabinet    Date

cc:    Jeff Taylor  
       Kristina Slattery  
       Katie Smith

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

**Date:** August 27, 2020  
**Grantee:** City of Bowling Green  
**Beneficiary:** CROWN Cork & Seal USA, Inc.  
**City:** Bowling Green **County:** Warren  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** A. Luttner **OFS Staff:** D. Phillips

**Project Description:** CROWN Cork & Seal USA, Inc. is a subsidiary of Crown Holdings, Inc., a leading manufacturer of metal beverage cans, aerosol cans, promotional packaging, metal food packaging and closures. The company is considering establishing a metal beverage cans manufacturing facility in Bowling Green to serve existing and new customers. The EDF funds will be used to offset the capital/fixed-asset investment costs associated with the project.

**Anticipated Project Investment - Owned**

	<b>Total Investment</b>
Land	
Building/Improvements	\$41,400,000
Equipment	\$98,400,000
Other Start-up Costs	\$7,750,000
<b>TOTAL</b>	<b>\$147,550,000</b>

**Anticipated Project Funding**

	<b>Amount</b>	<b>% of Total</b>
Economic Development Fund Grant (State)	\$250,000	0.2%
Bank Loan	\$50,000,000	33.9%
Local Grant		0.0%
Company Equity	\$97,300,000	65.9%
Other		0.0%
<b>TOTAL</b>	<b>\$147,550,000</b>	<b>100.0%</b>

**Job and Wage Requirement Table**

Compliance Date	Full-time, Kentucky-Resident Jobs Required	Job Type	Average Wage Required	Average Wage Type
12/31/2023	126	Create	\$31.00	Total Hourly Compensation (includes benefits)
12/31/2024	126	Create	\$31.00	Total Hourly Compensation (includes benefits)
12/31/2025	126	Create	\$31.00	Total Hourly Compensation (includes benefits)
12/31/2026	126	Create	\$31.00	Total Hourly Compensation (includes benefits)

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

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

**Job Penalty Provision:** \$496 per job not created or maintained

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

**Disbursement:**

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

12/31/2023	\$62,500
12/31/2024	\$62,500
12/31/2025	\$62,500
12/31/2026	\$62,500

**RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT:**

**\$250,000**

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

CROWN Holdings, Inc. - Morrisville, PA

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

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Feb 27, 2020	KBI	Approve-Prelim	\$3,000,000
Feb 27, 2020	KEIA	Approve-Final	\$1,000,000

**Unemployment Rate:**

County: 5.2%

Kentucky: 4.8%

**Recommendation:**

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

PRELIMINARY NEW BOND ISSUE REPORT \*

Issue: Northern Kentucky University General Receipts Bonds Series 2020 A and General Receipts Refunding Bonds Series 2020 B

Purpose of Issue: To (i) finance new housing project(s); and (ii) refund certain outstanding Northern Kentucky University Bonds for present value savings; and (iii) pay costs of issuance.

Date of Sale: October 12, 2020

Date of Delivery: November 2, 2020

Ratings:

Moody's TBD

	Series 2020 A (\$)	Series 2020 B (\$)	Total (\$)
<b>Sources:</b>			
Par amount of bonds:	3,660,908.58	6,300,051.02	9,960,959.60
<b>Total Sources:</b>	3,660,908.58	6,300,051.02	9,960,959.60

Uses:

Project Fund Deposit:	3,600,000.00	-	3,600,000.00
Refunding Escrow Deposit:	-	6,195,233.52	6,195,233.52
Issuance Cost:	60,908.58	104,817.50	165,726.08
<b>Total Uses:</b>	3,660,908.58	6,300,051.02	9,960,959.60

All-in True Interest Cost:	1.1005%	1.1024%
Final Maturity Date:	9/1/2027	9/1/2027
Average Annual Debt Service:	\$ 549,531.59	\$ 945,579.35
Total Debt Service:	\$ 3,753,606.06	\$ 6,458,832.25
Average Life (years):	3.85	3.84

Refunding Summary:

Bond Issue Being Refinanced:	2010 Series B
Par Amount of Refunded Bonds:	\$ 6,140,000.00
Net PV Savings:	\$ 580,327.95
Percentage Savings of Refunded Bonds:	9.4516%

Method of Sale: Competitive

Bond Counsel: Dinsmore & Shohl, LLP

Underwriter: TBD

Underwriters' Counsel: TBD

Trustee: U.S. Bank

Financial Advisor: Baird

Based off cashflows as of 8/26/2020 and rates as of 8/7/2020  
 Preliminary Subject to Change

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

**PROFESSIONAL SERVICES:**

<u>Firm</u>	<u>Service</u>	<u>Series A Fee (\$)</u>	<u>Series B Fee (\$)</u>
Dinsmore & Shohl	Bond Counsel	7,350.51	12,649.49
Baird	Financial Advisor	7,350.51	12,649.49
OFM	Financial Advisor	578.39	995.36
TBD	Underwriter's Discount / Underwriter's Counsel	37,031.74	63,727.86
US Bank	Trustee	367.53	632.47
Moody's	Rating Service	6,615.46	11,384.54
Misc./Contingency		1,614.44	2,778.29
<b>TOTAL</b>		<b>60,908.58</b>	<b>104,817.50</b>

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**BOND DEBT SERVICE**

**Northern Kentucky University  
Hypothetical General Receipts Refunding Bonds (New Money)  
Illustration: \$3 Million New Money Project  
Assumptions: BQ, Moody's A1 Underlying and Enhanced  
Hypothetical Interest Rates as of 8/7/2020**

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
11/02/2020					
03/01/2021			6,971.32	6,971.32	
06/30/2021					6,971.32
09/01/2021	515,148.36	0.390%	10,544.86	525,693.22	
03/01/2022			9,540.32	9,540.32	
06/30/2022					535,233.54
09/01/2022	517,265.02	0.430%	9,540.32	526,805.34	
03/01/2023			8,428.20	8,428.20	
06/30/2023					535,233.54
09/01/2023	519,572.15	0.460%	8,428.20	528,000.35	
03/01/2024			7,233.18	7,233.18	
06/30/2024					535,233.53
09/01/2024	522,150.87	0.530%	7,233.18	529,384.05	
03/01/2025			5,849.48	5,849.48	
06/30/2025					535,233.53
09/01/2025	525,136.23	0.610%	5,849.48	530,985.71	
03/01/2026			4,247.82	4,247.82	
06/30/2026					535,233.53
09/01/2026	528,694.07	0.740%	4,247.82	532,941.89	
03/01/2027			2,291.65	2,291.65	
06/30/2027					535,233.54
09/01/2027	532,941.88	0.860%	2,291.65	535,233.53	
06/30/2028					535,233.53
	3,660,908.58		92,697.48	3,753,606.06	3,753,606.06



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**BOND DEBT SERVICE**

**Northern Kentucky University  
Hypothetical General Receipts Refunding Bonds (CR 2010B)  
CR of General Receipts Bonds, Series 2010 Series B  
Illustration: Current Refund All Callable Maturities  
Assumptions: BQ, Moody's A1 Underlying and Enhanced, Uniform Savings  
Hypothetical Interest Rates as of 8/7/2020**

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
11/02/2020					
03/01/2021	22,995.39	0.390%	11,977.39	34,972.78	
06/30/2021					34,972.78
09/01/2021	885,984.14	0.390%	18,072.22	904,056.36	
03/01/2022			16,344.55	16,344.55	
06/30/2022					920,400.91
09/01/2022	891,453.43	0.430%	16,344.55	907,797.98	
03/01/2023			14,427.93	14,427.93	
06/30/2023					922,225.91
09/01/2023	891,282.51	0.460%	14,427.93	905,710.44	
03/01/2024			12,377.98	12,377.98	
06/30/2024					918,088.42
09/01/2024	895,605.81	0.530%	12,377.98	907,983.79	
03/01/2025			10,004.62	10,004.62	
06/30/2025					917,988.41
09/01/2025	894,645.34	0.610%	10,004.62	904,649.96	
03/01/2026			7,275.95	7,275.95	
06/30/2026					911,925.91
09/01/2026	903,018.29	0.740%	7,275.95	910,294.24	
03/01/2027			3,934.78	3,934.78	
06/30/2027					914,229.02
09/01/2027	915,066.11	0.860%	3,934.78	919,000.89	
06/30/2028					919,000.89
	6,300,051.02		158,781.23	6,458,832.25	6,458,832.25

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**SUMMARY OF BONDS REFUNDED**

**Northern Kentucky University  
Hypothetical General Receipts Refunding Bonds, Series 2020  
Illustration: Current Refund 2010B and \$3.6 Million New Money Project  
Assumptions: BQ, Moody's A1 Underlying and Enhanced  
Hypothetical Interest Rates as of 8/7/2020**

<b>Bond</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Par Amount</b>	<b>Call Date</b>	<b>Call Price</b>
General Receipts Bonds, 2010 Series B:					
SERIAL	09/01/2021	3.500%	790,000.00	12/02/2020	100.000
	09/01/2022	3.500%	820,000.00	12/02/2020	100.000
	09/01/2023	3.500%	845,000.00	12/02/2020	100.000
	09/01/2024	3.500%	875,000.00	12/02/2020	100.000
	09/01/2025	3.500%	900,000.00	12/02/2020	100.000
	09/01/2026	3.625%	935,000.00	12/02/2020	100.000
	09/01/2027	3.750%	975,000.00	12/02/2020	100.000
			6,140,000.00		

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Notes:

Robert W. Baird & Co. Incorporated ('Baird') is not recommending any action to you. Baird is not acting as an advisor to you and does not owe you a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934. Baird is acting for its own interests. You should discuss the information contained herein with any and all internal or external advisors and experts you deem appropriate before acting on the information. Baird seeks to serve as an underwriter (or placement agent) on a future transaction and not as a financial advisor or municipal advisor. The primary role of an underwriter (or placement agent) is to purchase, or arrange for the placement of, securities in an arm's length commercial transaction with the issuer, and it has financial and other interests that differ from those of the issuer. The information provided is for discussion purposes only, in seeking to serve as underwriter (or placement agent). See 'Important Disclosures' contained herein.

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**SAVINGS**

**Northern Kentucky University  
Hypothetical General Receipts Refunding Bonds, Series 2020  
Illustration: Current Refund 2010B and \$3.6 Million New Money Project  
Assumptions: BQ, Moody's A1 Underlying and Enhanced  
Hypothetical Interest Rates as of 8/7/2020**

<b>Date</b>	<b>Prior Debt Service</b>	<b>Refunding Debt Service</b>	<b>Savings</b>	<b>Present Value to 11/02/2020 @ 0.6562758%</b>
06/30/2021	109,253.13	34,972.78	74,280.35	74,119.65
06/30/2022	994,681.26	920,400.91	74,280.35	73,619.98
06/30/2023	996,506.26	922,225.91	74,280.35	73,179.38
06/30/2024	992,368.76	918,088.42	74,280.34	72,742.36
06/30/2025	992,268.76	917,988.41	74,280.35	72,308.58
06/30/2026	986,206.26	911,925.91	74,280.35	71,877.63
06/30/2027	988,509.38	914,229.02	74,280.36	71,451.07
06/30/2028	993,281.25	919,000.89	74,280.36	71,029.32
	7,053,075.06	6,458,832.25	594,242.81	580,327.95

**Savings Summary**

PV of savings from cash flow	580,327.95
Potential Net PV Savings	580,327.95

Note: Present Value savings are net of hypothetical costs of issuance based on Baird's experience with similar transactions.



## School Facilities Construction Commission

Finance and Administration Cabinet

700 Louisville Rd

Carriage House

Frankfort, Kentucky 40601

(502) 564-5582

(888) 979-6152 Fax

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

**ANDY BESHEAR**

Governor

**MS. HOLLY M. JOHNSON**

Secretary

**DAVID PRATER**

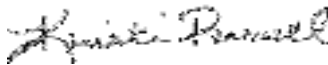
Chairman

**CHELSEY BIZZLE**

Executive Director

### **MEMORANDUM**

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

**FROM:** Kristi Russell, SFCC 

**DATE:** August 31, 2020

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

The following information is submitted for consideration by CPBO at their next meeting tentatively scheduled for September 16, 2020:

Ashland Independent- \$750,000 estimated – High School improvements. State estimated annual debt service is \$49,970 and local is \$0. No tax increase is necessary to finance this project.

Bellevue Independent- \$495,000 estimated – Refunding of 2008 bonds. State estimated annual debt service is \$54,978 and local is \$15,189. No tax increase is necessary to finance this project.

Bellevue Independent- \$520,000 estimated – Refunding of 2011 bonds. State estimated annual debt service is \$7,246 and local is \$47,079. No tax increase is necessary to finance this project.

Bourbon County- \$3,600,000 estimated – Refunding of 2011 bonds. State estimated annual debt service is \$24,039 and local is \$350,448. No tax increase is necessary to finance this project.

Boyle County- \$1,455,000 estimated – Refunding of 2011 bonds. State estimated annual debt service is \$108,283 and local is \$38,886. No tax increase is necessary to finance this project.

Bracken County- \$1,175,000 estimated – Refunding of 2010 bonds. State estimated annual debt service is \$25,426 and local is \$100,236. No tax increase is necessary to finance this project.

Burgin Independent- \$1,945,000 estimated – Refunding of 2011 bonds. State estimated annual debt service is \$194 and local is \$199,379. No tax increase is necessary to finance this project.

Caldwell County- \$5,995,000 estimated – Refunding of 2011 bonds. State estimated annual debt service is \$54,695 and local is \$561,872. No tax increase is necessary to finance this project.



Fayette County- \$42,940,000 estimated – Refunding of 2013 bonds. State estimated annual debt service is \$169,865 and local is \$3,610,697. No tax increase is necessary to finance this project.

LaRue County- \$3,330,000 estimated – Refunding of 2010 bonds. State estimated annual debt service is \$25,086 and local is \$600,761. No tax increase is necessary to finance this project.

Menifee County- \$4,280,000 estimated – Refunding of 2011 bonds. State estimated annual debt service is \$196,309 and local is \$246,418. No tax increase is necessary to finance this project.

Ohio County- \$2,780,000 estimated – Elementary and gym improvements. State estimated annual debt service is \$45,679 and local is \$134,750. No tax increase is necessary to finance this project.

Russell Independent- \$4,060,000 estimated- Refunding of 2011 bonds. State estimated annual debt service is \$109,730 and local is \$325,067. No tax increase is necessary to finance this project.

Scott County- \$18,310,000 estimated – Refunding of 2012 bonds. State estimated annual debt service is \$180,615 and local is \$1,700,118. No tax increase is necessary to finance this project.

Walton Verona Independent- \$1,100,000 estimated – Refunding of 2011 bonds. State estimated annual debt service is \$47,613 and local is \$64,051. No tax increase is necessary to finance this project.

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



An Equal Opportunity Employer M/F/D

# Memo

**To:** KSFCC  
**From:** Lincoln Theinert  
**Subject:** Bond Payee Disclosure Form –Ashland Independent School District Series 2020  
**Date:** August 21, 2020  
**cc:** File

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

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

# BOND PAYEE DISCLOSURE FORM

Par Amount: **\$ 750,000**  
 Issue Name: Ashland Independent School District Finance Corporation School Building Revenue Bonds, Series 2020  
 Purpose: Improvements at Paul G. Blazer High School  
 Projected Sale Date of Bonds: 30-Sep-20  
 First Call Date: 10/1/27 @ 100  
 Method of Sale: Competitive Bids  
 Place/time of sale: SFCC  
 Bond Rating: Moody's: "A1"  
 Bond Counsel: Steptoe & Johnson, Louisville, KY  
 Fiscal Agent: RSA Advisors  
 Date received by SFCC:  *To be filled in by SFCC*  
 Date scheduled for Committee review:  *To be filled in by SFCC*  
Month Day Year

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

SFCC Portion	Local Portion	Total
\$ 750,000	\$ 0	\$ 750,000
100.00%	0.00%	
\$ 49,970	\$ 0	\$ 49,970
\$ 0	\$ 0	\$ 0

**Estimated Cost of Issuance:**

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

\$ 8,250	\$ 0	\$ 8,250
\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0
\$ 9,000	\$ 0	\$ 9,000
\$ 15,000	\$ 0	\$ 15,000
\$ 3,750	\$ 0	\$ 3,750
\$ 36,000	\$ 0	\$ 36,000

**Anticipated Interest Rates:**

5 Years: 2.000% 10 Years: 2.700% 15 Years: 3.000%  
20 Years: 3.200%

**Note: No Local Tax increase is required.**

# Ashland Independent School District

## Projected Plan of Financing

Date of Report: August 21, 2020

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Projected 2020B Bond Issue (100% SFCC)..... 1-3



**ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2020B (100% SFCC)**

**Debt Service Schedule**

Part 1 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/21/2020	-	-	-	-	-
04/01/2021	-	-	9,077.78	9,077.78	-
06/30/2021	-	-	-	-	9,077.78
10/01/2021	30,000.00	2.000%	10,212.50	40,212.50	-
04/01/2022	-	-	9,912.50	9,912.50	-
06/30/2022	-	-	-	-	50,125.00
10/01/2022	30,000.00	2.000%	9,912.50	39,912.50	-
04/01/2023	-	-	9,612.50	9,612.50	-
06/30/2023	-	-	-	-	49,525.00
10/01/2023	30,000.00	2.000%	9,612.50	39,612.50	-
04/01/2024	-	-	9,312.50	9,312.50	-
06/30/2024	-	-	-	-	48,925.00
10/01/2024	30,000.00	2.000%	9,312.50	39,312.50	-
04/01/2025	-	-	9,012.50	9,012.50	-
06/30/2025	-	-	-	-	48,325.00
10/01/2025	30,000.00	2.000%	9,012.50	39,012.50	-
04/01/2026	-	-	8,712.50	8,712.50	-
06/30/2026	-	-	-	-	47,725.00
10/01/2026	35,000.00	2.000%	8,712.50	43,712.50	-
04/01/2027	-	-	8,362.50	8,362.50	-
06/30/2027	-	-	-	-	52,075.00
10/01/2027	35,000.00	2.500%	8,362.50	43,362.50	-
04/01/2028	-	-	7,925.00	7,925.00	-
06/30/2028	-	-	-	-	51,287.50
10/01/2028	35,000.00	2.500%	7,925.00	42,925.00	-
04/01/2029	-	-	7,487.50	7,487.50	-
06/30/2029	-	-	-	-	50,412.50
10/01/2029	35,000.00	2.600%	7,487.50	42,487.50	-
04/01/2030	-	-	7,032.50	7,032.50	-

**ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2020B (100% SFCC)**

**Debt Service Schedule**

Part 2 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/30/2030	-	-	-	-	49,520.00
10/01/2030	35,000.00	2.700%	7,032.50	42,032.50	-
04/01/2031	-	-	6,560.00	6,560.00	-
06/30/2031	-	-	-	-	48,592.50
10/01/2031	40,000.00	2.800%	6,560.00	46,560.00	-
04/01/2032	-	-	6,000.00	6,000.00	-
06/30/2032	-	-	-	-	52,560.00
10/01/2032	40,000.00	3.000%	6,000.00	46,000.00	-
04/01/2033	-	-	5,400.00	5,400.00	-
06/30/2033	-	-	-	-	51,400.00
10/01/2033	40,000.00	3.000%	5,400.00	45,400.00	-
04/01/2034	-	-	4,800.00	4,800.00	-
06/30/2034	-	-	-	-	50,200.00
10/01/2034	40,000.00	3.000%	4,800.00	44,800.00	-
04/01/2035	-	-	4,200.00	4,200.00	-
06/30/2035	-	-	-	-	49,000.00
10/01/2035	40,000.00	3.000%	4,200.00	44,200.00	-
04/01/2036	-	-	3,600.00	3,600.00	-
06/30/2036	-	-	-	-	47,800.00
10/01/2036	45,000.00	3.200%	3,600.00	48,600.00	-
04/01/2037	-	-	2,880.00	2,880.00	-
06/30/2037	-	-	-	-	51,480.00
10/01/2037	45,000.00	3.200%	2,880.00	47,880.00	-
04/01/2038	-	-	2,160.00	2,160.00	-
06/30/2038	-	-	-	-	50,040.00
10/01/2038	45,000.00	3.200%	2,160.00	47,160.00	-
04/01/2039	-	-	1,440.00	1,440.00	-
06/30/2039	-	-	-	-	48,600.00
10/01/2039	50,000.00	3.200%	1,440.00	51,440.00	-

**ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2020B (100% SFCC)**

**Debt Service Schedule**

Part 3 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/01/2040	-	-	640.00	640.00	-
06/30/2040	-	-	-	-	52,080.00
10/01/2040	40,000.00	3.200%	640.00	40,640.00	-
06/30/2041	-	-	-	-	40,640.00
<b>Total</b>	<b>\$750,000.00</b>	<b>-</b>	<b>\$249,390.28</b>	<b>\$999,390.28</b>	<b>-</b>

**Yield Statistics**

Bond Year Dollars	\$8,453.33
Average Life	11.271 Years
Average Coupon	2.9502005%
Net Interest Cost (NIC)	2.9502005%
True Interest Cost (TIC)	2.9292089%
Bond Yield for Arbitrage Purposes	2.9292089%
All Inclusive Cost (AIC)	2.9292089%

**IRS Form 8038**

Net Interest Cost	2.9502005%
Weighted Average Maturity	11.271 Years

# Memo

**To:** KSFCC  
**From:** Lincoln Theinert  
**Subject:** Bond Payee Disclosure Form –Bellevue Independent School District Series 2020  
**Date:** August 26, 2020  
**cc:** File

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

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

# BOND PAYEE DISCLOSURE FORM

Par Amount:	<b>\$ 520,000</b>
Issue Name:	Bellevue Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series 2020
Purpose:	Refinance Series 2011
Projected Sale Date of Bonds:	30-Sep-20
First Call Date:	5/1/20 @ 100
Method of Sale:	Competitive Bids
Place/time of sale:	PARITY/SFCC
Bond Rating:	Moody's: "A1"
Bond Counsel:	Steptoe & Johnson, Louisville, KY
Fiscal Agent:	RSA Advisors, LLC, Lexington, Kentucky
Date received by SFCC:	<div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div> <i>To be filled in by SFCC</i>
Date scheduled for Committee review:	<div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div> <i>To be filled in by SFCC</i>
	Month Day Year

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

SFCC Portion	Local Portion	Total
\$ 69,357	\$ 450,643	\$ 520,000
13.34%	86.66%	
\$ 7,246	\$ 47,079	\$ 54,325
\$ 0	\$ 0	\$ 0

**Estimated Cost of Issuance:**

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

\$ 934	\$ 6,066	\$ 7,000
\$ 0	\$ 0	\$ 0
\$ 133	\$ 867	\$ 1,000
\$ 667	\$ 4,333	\$ 5,000
\$ 694	\$ 4,506	\$ 5,200
\$ 400	\$ 2,600	\$ 3,000
<b>\$ 2,828</b>	<b>\$ 18,372</b>	<b>\$ 21,200</b>

**Anticipated Interest Rates:**

5 Years 1.200% 10 Years 2.300% 15 Years:  
 20 Years: N/A

**Note: No Local Tax increase is required.**

# Bellevue Independent School District

## Projected Plan of Refinancing

Date of Report: August 26, 2020



<b>Prior Bonds Call Reports</b>	
2011 Call Report.....	1-2
<b>2020 Series Refunding Bonds</b>	
Total Savings Report.....	3-4
Escrow Fund Cash Flow.....	5
Savings Summary.....	6

**Bellevue Independent School District Finance Corporation**  
**Series 2020 REFINANCING OF SERIES 2011**

**Debt Service To Maturity And To Call**

Part 1 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded DIS
11/15/2020	-	-	-	-	-	-	-
05/01/2021	490,000.00	10,535.00	500,535.00	35,000.00	4.300%	10,535.00	45,535.00
11/01/2021	-	-	-	-	-	9,782.50	9,782.50
05/01/2022	-	-	-	40,000.00	4.300%	9,782.50	49,782.50
11/01/2022	-	-	-	-	-	8,922.50	8,922.50
05/01/2023	-	-	-	40,000.00	4.300%	8,922.50	48,922.50
11/01/2023	-	-	-	-	-	8,062.50	8,062.50
05/01/2024	-	-	-	40,000.00	4.300%	8,062.50	48,062.50
11/01/2024	-	-	-	-	-	7,202.50	7,202.50
05/01/2025	-	-	-	45,000.00	4.300%	7,202.50	52,202.50
11/01/2025	-	-	-	-	-	6,235.00	6,235.00
05/01/2026	-	-	-	45,000.00	4.300%	6,235.00	51,235.00
11/01/2026	-	-	-	-	-	5,267.50	5,267.50
05/01/2027	-	-	-	45,000.00	4.300%	5,267.50	50,267.50
11/01/2027	-	-	-	-	-	4,300.00	4,300.00
05/01/2028	-	-	-	45,000.00	4.300%	4,300.00	49,300.00
11/01/2028	-	-	-	-	-	3,332.50	3,332.50
05/01/2029	-	-	-	50,000.00	4.300%	3,332.50	53,332.50
11/01/2029	-	-	-	-	-	2,257.50	2,257.50
05/01/2030	-	-	-	50,000.00	4.300%	2,257.50	52,257.50
11/01/2030	-	-	-	-	-	1,182.50	1,182.50
05/01/2031	-	-	-	55,000.00	4.300%	1,182.50	56,182.50
<b>Total</b>	<b>\$490,000.00</b>	<b>\$10,535.00</b>	<b>\$500,535.00</b>	<b>\$490,000.00</b>	-	<b>\$123,625.00</b>	<b>\$613,625.00</b>

**Bellevue Independent School District Finance Corporation**

Series 2020 REFINANCING OF SERIES 2011

**Debt Service To Maturity And To Call**

Part 2 of 2

**Yield Statistics**

Base date for Avg. Life & Avg. Coupon Calculation	11/15/2020
Average Life	5.828 Years
Average Coupon	4.3000000%
Weighted Average Maturity (Par Basis)	5.828 Years
Weighted Average Maturity (Original Price Basis)	5.828 Years

**Refunding Bond Information**

Refunding Dated Date	11/15/2020
Refunding Delivery Date	11/15/2020



**Bellevue Independent School District Finance Corporation**  
**Series 2020 REFINANCING OF SERIES 2011**

**Debt Service Comparison**

Part 1 of 2

Date	Total P+I	Net New D/S	Old Net D/S	Savings
06/30/2021	43,518.28	43,518.28	45,535.00	2,016.72
06/30/2022	57,230.00	57,230.00	59,565.00	2,335.00
06/30/2023	51,730.00	51,730.00	57,845.00	6,115.00
06/30/2024	51,280.00	51,280.00	56,125.00	4,845.00
06/30/2025	55,830.00	55,830.00	59,405.00	3,575.00
06/30/2026	55,330.00	55,330.00	57,470.00	2,140.00
06/30/2027	49,830.00	49,830.00	55,535.00	5,705.00
06/30/2028	49,065.00	49,065.00	53,600.00	4,535.00
06/30/2029	53,300.00	53,300.00	56,665.00	3,365.00
06/30/2030	52,200.00	52,200.00	54,515.00	2,315.00
06/30/2031	51,100.00	51,100.00	57,365.00	6,265.00
<b>Total</b>	<b>\$570,413.28</b>	<b>\$570,413.28</b>	<b>\$613,625.00</b>	<b>\$43,211.72</b>

**Bellevue Independent School District Finance Corporation**  
Series 2020 REFINANCING OF SERIES 2011

**Debt Service Comparison**

Part 2 of 2

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings	38,217.39
Net PV Cashflow Savings @ 2.336%(AIC)	38,217.39
Contingency or Rounding Amount	3,516.78
Net Present Value Benefit	\$41,734.17
Net PV Benefit / \$490,000 Refunded Principal	8.517%
Net PV Benefit / \$520,000 Refunding Principal	8.026%

**Refunding Bond Information**

Refunding Dated Date	11/15/2020
Refunding Delivery Date	11/15/2020

**Belleve Independent School District Finance Corporation**  
**Series 2020 REFINANCING OF SERIES 2011**

**Escrow Fund Cashflow**

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
11/15/2020	-	-	-	0.22	-	0.22
05/01/2021	500,283.00	0.1110%	251.78	500,534.78	500,535.00	-
<b>Total</b>	<b>\$500,283.00</b>	-	<b>\$251.78</b>	<b>\$500,535.00</b>	<b>\$500,535.00</b>	-

**Investment Parameters**

Investment Model [PV, GIC, or Securities] Securities  
 Default investment yield target Bond Yield

Cash Deposit 0.22  
 Cost of Investments Purchased with Bond Proceeds 500,283.00  
 Total Cost of Investments \$500,283.22

Target Cost of Investments at bond yield \$496,579.20  
 Actual positive or (negative) arbitrage (3,704.02)

Yield to Receipt 0.1091463%  
 Yield for Arbitrage Purposes 1.7281673%

State and Local Government Series (SLGS) rates for 8/26/2020

Bellevue Independent School District Finance Corporation  
 School Building Refunding Revenue Taxable Bonds, Series 2020  
 Refunding of Prior Series 2011 Bonds - Dated Date of 05.01.2011

Fiscal Year	(A) Current Bond Payments			(B) New Bond Payments			(C) Savings
	Principal Portion	Interest Portion	Total Payment	Principal Portion	Interest Portion	Payment Totals	
Closing							
2021	\$35,000	\$10,535	\$45,535	\$40,000	\$3,518	\$43,518	\$2,017
2022	\$40,000	\$19,565	\$59,565	\$50,000	\$7,230	\$57,230	\$2,335
2023	\$40,000	\$17,845	\$57,845	\$45,000	\$6,730	\$51,730	\$6,115
2024	\$40,000	\$16,125	\$56,125	\$45,000	\$6,280	\$51,280	\$4,845
2025	\$45,000	\$14,405	\$59,405	\$50,000	\$5,830	\$55,830	\$3,575
2026	\$45,000	\$12,470	\$57,470	\$50,000	\$5,330	\$55,330	\$2,140
2027	\$45,000	\$10,535	\$55,535	\$45,000	\$4,830	\$49,830	\$5,705
2028	\$45,000	\$8,600	\$53,600	\$45,000	\$4,065	\$49,065	\$4,535
2029	\$50,000	\$6,665	\$56,665	\$50,000	\$3,300	\$53,300	\$3,365
2030	\$50,000	\$4,515	\$54,515	\$50,000	\$2,200	\$52,200	\$2,315
2031	\$55,000	\$2,365	\$57,365	\$50,000	\$1,100	\$51,100	\$6,265
<b>Totals:</b>	\$490,000	\$123,625	\$613,625	\$520,000	\$50,413	\$570,413	\$43,212

Net Savings Summary

Gross Savings Amount: \$43,212  
 Present Value Savings Amount: \$38,217  
 NPV Savings % of Prior: 8.510%  
 Negative Arbitrage (\$3,704)  
 Efficiency Ratio 91.43%

Interest Rate Reduction Summary

Series 2011 Average Coupon: 4.300%  
 Series 2020 Total Interest Cost: 1.910%  
 Interest Rate Reduction: 2.390%



# Memo

**To:** KSFCC  
**From:** Lincoln Theinert  
**Subject:** Bond Payee Disclosure Form –Bellevue Independent School District Series 2020  
**Date:** August 25, 2020  
**cc:** File

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

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

# BOND PAYEE DISCLOSURE FORM

Par Amount:	<b>\$ 495,000</b>	
Issue Name:	Bellevue Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series 2020	
Purpose:	Refinance Series 2008	
Projected Sale Date of Bonds:	30-Sep-20	
First Call Date:	5/1/20 @ 100	
Method of Sale:	Competitive Bids	
Place/time of sale:	PARITY/SFCC	
Bond Rating:	Moody's: "A1"	
Bond Counsel:	Stephens & Johnson, Louisville, KY	
Fiscal Agent:	RSA Advisors, LLC, Lexington, Kentucky	
Date received by SFCC:		To be filled in by SFCC
Date scheduled for Committee review:		To be filled in by SFCC

Month Day Year

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

SFCC Portion	Local Portion	Total
\$ 387,848	\$ 107,152	\$ 495,000
78.35%	21.65%	
\$ 54,978	\$ 15,189	\$ 70,167
\$ 0	\$ 0	\$ 0

**Estimated Cost of Issuance:**

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

\$ 1,567	\$ 433	\$ 2,000
\$ 0	\$ 0	\$ 0
\$ 784	\$ 216	\$ 1,000
\$ 2,351	\$ 649	\$ 3,000
\$ 3,878	\$ 1,072	\$ 4,950
\$ 784	\$ 216	\$ 1,000
<b>\$ 9,363</b>	<b>\$ 2,587</b>	<b>\$ 11,950</b>

**Anticipated Interest Rates:**

5 Years 1.200% 10 Years 2.300% 15 Years:  
 20 Years: N/A

**Note: No Local Tax increase is required.**

# Bellevue Independent School District

## Projected Plan of Refinancing

Date of Report: August 25, 2020

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<b>Prior Bonds Call Reports</b>	
2008 Call Report.....	1-2
<b>2020 Series Refunding Bonds</b>	
Total Savings Report.....	3

**Bellevue Independent School District Finance Corporation**  
 Bellevue Ind. Series 2008

**Debt Service To Maturity And To Call**

Part 1 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
11/01/2020	-	-	-	-	-	-	-
12/01/2020	475,000.00	4,512.50	479,512.50	-	-	-	-
03/01/2021	-	-	-	50,000.00	3.800%	9,025.00	59,025.00
09/01/2021	-	-	-	-	-	8,075.00	8,075.00
03/01/2022	-	-	-	55,000.00	3.800%	8,075.00	63,075.00
09/01/2022	-	-	-	-	-	7,030.00	7,030.00
03/01/2023	-	-	-	55,000.00	3.800%	7,030.00	62,030.00
09/01/2023	-	-	-	-	-	5,985.00	5,985.00
03/01/2024	-	-	-	60,000.00	3.800%	5,985.00	65,985.00
09/01/2024	-	-	-	-	-	4,845.00	4,845.00
03/01/2025	-	-	-	60,000.00	3.800%	4,845.00	64,845.00
09/01/2025	-	-	-	-	-	3,705.00	3,705.00
03/01/2026	-	-	-	60,000.00	3.800%	3,705.00	63,705.00
09/01/2026	-	-	-	-	-	2,565.00	2,565.00
03/01/2027	-	-	-	65,000.00	3.800%	2,565.00	67,565.00
09/01/2027	-	-	-	-	-	1,330.00	1,330.00
03/01/2028	-	-	-	70,000.00	3.800%	1,330.00	71,330.00
<b>Total</b>	<b>\$475,000.00</b>	<b>\$4,512.50</b>	<b>\$479,512.50</b>	<b>\$475,000.00</b>	-	<b>\$76,095.00</b>	<b>\$551,095.00</b>



**Bellevue Independent School District Finance Corporation**

Bellevue Ind. Series 2008

**Debt Service To Maturity And To Call**

Part 2 of 2

**Yield Statistics**

Base date for Avg. Life & Avg. Coupon Calculation	11/01/2020
Average Life	4.049 Years
Average Coupon	3.8000002%
Weighted Average Maturity (Par Basis)	4.049 Years
Weighted Average Maturity (Original Price Basis)	4.049 Years

**Refunding Bond Information**

Refunding Dated Date	11/01/2020
Refunding Delivery Date	11/01/2020

**Bellevue Independent School District Finance Corporation**

Series 2020 REFINANCING OF SERIES 2008

**Debt Service Comparison**

Date	Total P+I	Net New D/S	Old Net D/S	Savings
06/30/2021	57,565.00	57,565.00	59,025.00	1,460.00
06/30/2022	66,870.00	66,870.00	71,150.00	4,280.00
06/30/2023	65,970.00	65,970.00	69,060.00	3,090.00
06/30/2024	70,070.00	70,070.00	71,970.00	1,900.00
06/30/2025	64,095.00	64,095.00	69,690.00	5,595.00
06/30/2026	63,195.00	63,195.00	67,410.00	4,215.00
06/30/2027	67,295.00	67,295.00	70,130.00	2,835.00
06/30/2028	71,190.00	71,190.00	72,660.00	1,470.00
<b>Total</b>	<b>\$526,250.00</b>	<b>\$526,250.00</b>	<b>\$551,095.00</b>	<b>\$24,845.00</b>

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings	22,947.89
Net PV Cashflow Savings @ 2.354%(AIC)	22,947.89
Contingency or Rounding Amount	1,569.02
Net Present Value Benefit	\$24,516.91
Net PV Benefit / \$475,000 Refunded Principal	5.161%
Net PV Benefit / \$495,000 Refunding Principal	4.953%

**Refunding Bond Information**

Refunding Dated Date	11/01/2020
Refunding Delivery Date	11/01/2020



August 19, 2020

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

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

Dear Ms. Bizzle:

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

\$3,600,000 (est.)  
Bourbon County  
School District Finance Corporation  
School Building Refunding Revenue Taxable Bonds,  
Series of 2020

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

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

If you need any additional information, please do not hesitate to call me at 502.588.8476.

Sincerely,

*/s/ Michael Oldiges*

Michael Oldiges  
Vice President

## BOND PAYEE DISCLOSURE FORM

Par Amount:	\$3,600,000
Issue Name:	Bourbon County School District Finance Corporation School Building Refunding Revenue Taxable Bonds, Series of 2020
Purpose:	Advance refund the 2011 Bonds with taxable bonds
Projected Sale Date of Bonds:	Late 2020/Early 2021
First Call Date:	TBD
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "A1" – Moody's
Bond Counsel:	Steptoe & Johnson
Fiscal Agent:	Baird

Date Received by SFCC:

/	/	/
/	/	/

*To be filled in by SFCC*

Date Scheduled for Committee Review:

/	/	/
/	/	/

*To be filled in by SFCC*

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$244,738	\$3,355,262	\$3,600,000
% Share of total Bonds:	7%	93%	100%
Estimated average annual debt service:	24,039	350,448	374,487
Estimated debt service reserve:	0	0	0
<b>Estimated Costs of Issuance (1):</b>			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	1,863	25,537	27,400
Special Tax Counsel	0	0	0
Number Verifications	136	1,864	2,000
Bond Rating	680	9,320	10,000
Underwriter's Discount	1,958	26,842	28,800
Paying Agent/Escrow Agent Bank	306	4,194	4,500
<b>Total Cost of Issuance:</b>	<b>4,943</b>	<b>67,757</b>	<b>72,700</b>

**Anticipated Interest Rates:**

1 Years: 0.36%	5 Years: 0.84%	
7 Years: 1.18%	12 Years: 1.7%	

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

SOURCES AND USES OF FUNDS

Bourbon County Schools  
2020 Taxable Refunding Bonds (Ref '11)

Dated Date 10/02/2020  
Delivery Date 10/02/2020

Sources:	Refunding SFCC Portion	Refunding District Portion	Total
Bond Proceeds:			
Par Amount	244,738.00	3,355,262.00	3,600,000.00
	244,738.00	3,355,262.00	3,600,000.00
Uses:	Refunding SFCC Portion	Refunding District Portion	Total
Refunding Escrow Deposits:			
PV cost of cashflows	223,024.85	3,300,926.02	3,523,950.87
Cost of Issuance:			
FA/BC	1,862.73	25,537.27	27,400.00
Rating	679.83	9,320.17	10,000.00
Paying/Escrowe Agent	305.92	4,194.08	4,500.00
Verification Agent	135.97	1,864.03	2,000.00
	2,984.45	40,915.55	43,900.00
Underwriter's Discount:			
Underwriter's Discount	1,957.90	26,842.10	28,800.00
Other Uses of Funds:			
Additional Proceeds	16,770.80	-13,421.67	3,349.13
	244,738.00	3,355,262.00	3,600,000.00



BOND DEBT SERVICE

Bourbon County Schools  
2020 Taxable Refunding Bonds (Ref '11)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	5,000	0.360%	26,483.05	31,483.05	
06/30/2021					31,483.05
10/01/2021	25,000	0.360%	26,622.00	51,622.00	
04/01/2022			26,577.00	26,577.00	
06/30/2022					78,199.00
10/01/2022	55,000	0.460%	26,577.00	81,577.00	
04/01/2023			26,450.50	26,450.50	
06/30/2023					108,027.50
10/01/2023	60,000	0.630%	26,450.50	86,450.50	
04/01/2024			26,261.50	26,261.50	
06/30/2024					112,712.00
10/01/2024	60,000	0.740%	26,261.50	86,261.50	
04/01/2025			26,039.50	26,039.50	
06/30/2025					112,301.00
10/01/2025	60,000	0.840%	26,039.50	86,039.50	
04/01/2026			25,787.50	25,787.50	
06/30/2026					111,827.00
10/01/2026	65,000	1.030%	25,787.50	90,787.50	
04/01/2027			25,452.75	25,452.75	
06/30/2027					116,240.25
10/01/2027	60,000	1.180%	25,452.75	85,452.75	
04/01/2028			25,098.75	25,098.75	
06/30/2028					110,551.50
10/01/2028	60,000	1.350%	25,098.75	85,098.75	
04/01/2029			24,693.75	24,693.75	
06/30/2029					109,792.50
10/01/2029	1,035,000	1.450%	24,693.75	1,059,693.75	
04/01/2030			17,190.00	17,190.00	
06/30/2030					1,076,883.75
10/01/2030	1,050,000	1.550%	17,190.00	1,067,190.00	
04/01/2031			9,052.50	9,052.50	
06/30/2031					1,076,242.50
10/01/2031	1,065,000	1.700%	9,052.50	1,074,052.50	
06/30/2032					1,074,052.50
	3,600,000		518,312.55	4,118,312.55	4,118,312.55



BOND DEBT SERVICE

Bourbon County Schools  
Refunding SFCC Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	2,193	0.360%	1,307.31	3,500.31	
06/30/2021					3,500.31
10/01/2021	4,388	0.360%	1,310.67	5,698.67	
04/01/2022			1,302.77	1,302.77	
06/30/2022					7,001.44
10/01/2022	23,290	0.460%	1,302.77	24,592.77	
04/01/2023			1,249.20	1,249.20	
06/30/2023					25,841.97
10/01/2023	23,418	0.630%	1,249.20	24,667.20	
04/01/2024			1,175.44	1,175.44	
06/30/2024					25,842.64
10/01/2024	23,578	0.740%	1,175.44	24,753.44	
04/01/2025			1,088.20	1,088.20	
06/30/2025					25,841.64
10/01/2025	23,765	0.840%	1,088.20	24,853.20	
04/01/2026			988.38	988.38	
06/30/2026					25,841.58
10/01/2026	23,989	1.030%	988.38	24,977.38	
04/01/2027			864.84	864.84	
06/30/2027					25,842.22
10/01/2027	24,255	1.180%	864.84	25,119.84	
04/01/2028			721.74	721.74	
06/30/2028					25,841.58
10/01/2028	24,564	1.350%	721.74	25,285.74	
04/01/2029			555.93	555.93	
06/30/2029					25,841.67
10/01/2029	24,911	1.450%	555.93	25,466.93	
04/01/2030			375.32	375.32	
06/30/2030					25,842.25
10/01/2030	25,287	1.550%	375.32	25,662.32	
04/01/2031			179.35	179.35	
06/30/2031					25,841.67
10/01/2031	21,100	1.700%	179.35	21,279.35	
06/30/2032					21,279.35
	244,738		19,620.32	264,358.32	264,358.32



BOND DEBT SERVICE

Bourbon County Schools  
Refunding District Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	2,807	0.360%	25,175.74	27,982.74	
06/30/2021					27,982.74
10/01/2021	20,612	0.360%	25,311.33	45,923.33	
04/01/2022			25,274.23	25,274.23	
06/30/2022					71,197.56
10/01/2022	31,710	0.460%	25,274.23	56,984.23	
04/01/2023			25,201.30	25,201.30	
06/30/2023					82,185.53
10/01/2023	36,582	0.630%	25,201.30	61,783.30	
04/01/2024			25,086.06	25,086.06	
06/30/2024					86,869.36
10/01/2024	36,422	0.740%	25,086.06	61,508.06	
04/01/2025			24,951.30	24,951.30	
06/30/2025					86,459.36
10/01/2025	36,235	0.840%	24,951.30	61,186.30	
04/01/2026			24,799.12	24,799.12	
06/30/2026					85,985.42
10/01/2026	41,011	1.030%	24,799.12	65,810.12	
04/01/2027			24,587.91	24,587.91	
06/30/2027					90,398.03
10/01/2027	35,745	1.180%	24,587.91	60,332.91	
04/01/2028			24,377.01	24,377.01	
06/30/2028					84,709.92
10/01/2028	35,436	1.350%	24,377.01	59,813.01	
04/01/2029			24,137.82	24,137.82	
06/30/2029					83,950.83
10/01/2029	1,010,089	1.450%	24,137.82	1,034,226.82	
04/01/2030			16,814.68	16,814.68	
06/30/2030					1,051,041.50
10/01/2030	1,024,713	1.550%	16,814.68	1,041,527.68	
04/01/2031			8,873.15	8,873.15	
06/30/2031					1,050,400.83
10/01/2031	1,043,900	1.700%	8,873.15	1,052,773.15	
06/30/2032					1,052,773.15
	3,355,262		498,692.23	3,853,954.23	3,853,954.23





CPBO SAVINGS REPORT FOR K-12

Bourbon County Schools  
2020 Taxable Refunding Bonds (Ref '11)

Date	Prior Debt Service	Refunding Debt Service	Refunding Net Cash Flow	Savings	Present Value to 10/02/2020 @ 1.537535%
06/30/2021	59,237.50	31,483.05	31,483.05	27,754.45	27,543.88
06/30/2022	118,475.00	78,199.00	78,199.00	40,276.00	39,420.11
06/30/2023	148,025.00	108,027.50	108,027.50	39,997.50	38,553.21
06/30/2024	152,050.00	112,712.00	112,712.00	39,338.00	37,339.75
06/30/2025	151,000.00	112,301.00	112,301.00	38,699.00	36,173.31
06/30/2026	149,950.00	111,827.00	111,827.00	38,123.00	35,091.86
06/30/2027	153,825.00	116,240.25	116,240.25	37,584.75	34,069.30
06/30/2028	147,634.38	110,551.50	110,551.50	37,082.88	33,102.21
06/30/2029	146,453.13	109,792.50	109,792.50	36,660.63	32,226.74
06/30/2030	1,113,650.00	1,076,883.75	1,076,883.75	36,766.25	31,893.46
06/30/2031	1,112,975.00	1,076,242.50	1,076,242.50	36,732.50	31,447.31
06/30/2032	1,109,756.25	1,074,052.50	1,074,052.50	35,703.75	30,169.04
	4,563,031.26	4,118,312.55	4,118,312.55	444,718.71	407,030.17

Savings Summary

Gross Savings Amount	444,718.71
Present Value Savings Amount	410,379.30
Net Present Value % of Refunded Bonds	12.03%
Negative Arbitrage	48,511.81
Efficiency Ratio	89.09%





August 19, 2020

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

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

Dear Ms. Bizzle:

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

\$1,455,000 (est.)  
Boyle County  
School District Finance Corporation  
School Building Refunding Revenue Taxable Bonds,  
Series of 2020

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

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

If you need any additional information, please do not hesitate to call me at 502.588.8476.

Sincerely,

*/s/ Michael Oldiges*

Michael Oldiges  
Vice President

## BOND PAYEE DISCLOSURE FORM

Par Amount:	\$1,455,000
Issue Name:	Boyle County School District Finance Corporation School Building Refunding Revenue Taxable Bonds, Series of 2020
Purpose:	Advance refund the 2011 Bonds with taxable bonds
Projected Sale Date of Bonds:	Late 2020/Early 2021
First Call Date:	TBD
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "A1" – Moody's
Bond Counsel:	Steptoe & Johnson
Fiscal Agent:	Baird

Date Received by SFCC:

/	/	/
/	/	/

*To be filled in by SFCC*

Date Scheduled for Committee Review:

/	/	/
/	/	/

*To be filled in by SFCC*

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$1,070,917	\$384,083	\$1,455,000
% Share of total Bonds:	74%	26%	100%
Estimated average annual debt service:	108,283	38,886	147,169
Estimated debt service reserve:	0	0	0
<b>Estimated Costs of Issuance (1):</b>			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	11,455	4,105	15,550
Special Tax Counsel	0	0	0
Number Verifications	736	264	1,000
Bond Rating	9,936	3,564	13,500
Underwriter's Discount	13,387	4,801	18,188
Paying Agent/Escrow Agent Bank	2,208	4,933	3,000
<b>Total Cost of Issuance:</b>	<b>37,712</b>	<b>13,526</b>	<b>51,238</b>

**Anticipated Interest Rates:**

1 Years: 0.36%	5 Years: 0.84%	
7 Years: 1.18%	11 Years: 1.7%	

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

SOURCES AND USES OF FUNDS

Boyle County School District Finance Corporation  
Refinancing of 2011

Dated Date 10/01/2020  
Delivery Date 10/01/2020

Sources:	SFCC Portion	District Portion	Total
Bond Proceeds:			
Par Amount	1,070,917.00	384,083.00	1,455,000.00
	1,070,917.00	384,083.00	1,455,000.00
Uses:			
Refunding Escrow Deposits:			
Cash Deposit	0.66	0.37	1.03
SLGS Purchases	945,089.00	454,921.00	1,400,010.00
	945,089.66	454,921.37	1,400,011.03
Cost of Issuance:			
FA Fee	11,445.20	4,104.80	15,550.00
Rating Fee	9,936.34	3,563.66	13,500.00
Escrow Agent Fee	368.01	131.99	500.00
Verification Agent Fee	736.03	263.97	1,000.00
Paying Agent	1,840.06	659.94	2,500.00
	24,325.64	8,724.36	33,050.00
Underwriter's Discount:			
Underwriter's Discount	13,386.46	4,801.04	18,187.50
Other Uses of Funds:			
Additional Proceeds	88,115.24	-84,363.77	3,751.47
	1,070,917.00	384,083.00	1,455,000.00



BOND DEBT SERVICE

Boyle County School District Finance Corporation  
Refinancing of 2011

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2020	15,000	0.360%	2,642.00	17,642.00	
06/01/2021	15,000	0.360%	7,899.00	22,899.00	
06/30/2021					40,541.00
12/01/2021			7,872.00	7,872.00	
06/01/2022	135,000	0.460%	7,872.00	142,872.00	
06/30/2022					150,744.00
12/01/2022			7,561.50	7,561.50	
06/01/2023	140,000	0.630%	7,561.50	147,561.50	
06/30/2023					155,123.00
12/01/2023			7,120.50	7,120.50	
06/01/2024	140,000	0.740%	7,120.50	147,120.50	
06/30/2024					154,241.00
12/01/2024			6,602.50	6,602.50	
06/01/2025	140,000	0.840%	6,602.50	146,602.50	
06/30/2025					153,205.00
12/01/2025			6,014.50	6,014.50	
06/01/2026	140,000	1.030%	6,014.50	146,014.50	
06/30/2026					152,029.00
12/01/2026			5,293.50	5,293.50	
06/01/2027	140,000	1.180%	5,293.50	145,293.50	
06/30/2027					150,587.00
12/01/2027			4,467.50	4,467.50	
06/01/2028	145,000	1.350%	4,467.50	149,467.50	
06/30/2028					153,935.00
12/01/2028			3,488.75	3,488.75	
06/01/2029	145,000	1.450%	3,488.75	148,488.75	
06/30/2029					151,977.50
12/01/2029			2,437.50	2,437.50	
06/01/2030	150,000	1.550%	2,437.50	152,437.50	
06/30/2030					154,875.00
12/01/2030			1,275.00	1,275.00	
06/01/2031	150,000	1.700%	1,275.00	151,275.00	
06/30/2031					152,550.00
	1,455,000		114,807.50	1,569,807.50	1,569,807.50



BOND DEBT SERVICE

Boyle County School District Finance Corporation  
SFCC Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2020	13,388	0.360%	1,938.44	15,326.44	
06/01/2021	13,387	0.360%	5,791.23	19,178.23	
06/30/2021					34,504.67
12/01/2021			5,767.13	5,767.13	
06/01/2022	100,516	0.460%	5,767.13	106,283.13	
06/30/2022					112,050.26
12/01/2022			5,535.94	5,535.94	
06/01/2023	100,981	0.630%	5,535.94	106,516.94	
06/30/2023					112,052.88
12/01/2023			5,217.85	5,217.85	
06/01/2024	101,617	0.740%	5,217.85	106,834.85	
06/30/2024					112,052.70
12/01/2024			4,841.87	4,841.87	
06/01/2025	102,367	0.840%	4,841.87	107,208.87	
06/30/2025					112,050.74
12/01/2025			4,411.93	4,411.93	
06/01/2026	103,227	1.030%	4,411.93	107,638.93	
06/30/2026					112,050.86
12/01/2026			3,880.31	3,880.31	
06/01/2027	104,292	1.180%	3,880.31	108,172.31	
06/30/2027					112,052.62
12/01/2027			3,264.99	3,264.99	
06/01/2028	105,522	1.350%	3,264.99	108,786.99	
06/30/2028					112,051.98
12/01/2028			2,552.71	2,552.71	
06/01/2029	106,946	1.450%	2,552.71	109,498.71	
06/30/2029					112,051.42
12/01/2029			1,777.36	1,777.36	
06/01/2030	108,497	1.550%	1,777.36	110,274.36	
06/30/2030					112,051.72
12/01/2030			936.50	936.50	
06/01/2031	110,177	1.700%	936.50	111,113.50	
06/30/2031					112,050.00
	1,070,917		84,102.85	1,155,019.85	1,155,019.85



BOND DEBT SERVICE

Boyle County School District Finance Corporation  
District Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2020	1,612	0.360%	703.56	2,315.56	
06/01/2021	1,613	0.360%	2,107.77	3,720.77	
06/30/2021					6,036.33
12/01/2021			2,104.87	2,104.87	
06/01/2022	34,484	0.460%	2,104.87	36,588.87	
06/30/2022					38,693.74
12/01/2022			2,025.56	2,025.56	
06/01/2023	39,019	0.630%	2,025.56	41,044.56	
06/30/2023					43,070.12
12/01/2023			1,902.65	1,902.65	
06/01/2024	38,383	0.740%	1,902.65	40,285.65	
06/30/2024					42,188.30
12/01/2024			1,760.63	1,760.63	
06/01/2025	37,633	0.840%	1,760.63	39,393.63	
06/30/2025					41,154.26
12/01/2025			1,602.57	1,602.57	
06/01/2026	36,773	1.030%	1,602.57	38,375.57	
06/30/2026					39,978.14
12/01/2026			1,413.19	1,413.19	
06/01/2027	35,708	1.180%	1,413.19	37,121.19	
06/30/2027					38,534.38
12/01/2027			1,202.51	1,202.51	
06/01/2028	39,478	1.350%	1,202.51	40,680.51	
06/30/2028					41,883.02
12/01/2028			936.04	936.04	
06/01/2029	38,054	1.450%	936.04	38,990.04	
06/30/2029					39,926.08
12/01/2029			660.14	660.14	
06/01/2030	41,503	1.550%	660.14	42,163.14	
06/30/2030					42,823.28
12/01/2030			338.50	338.50	
06/01/2031	39,823	1.700%	338.50	40,161.50	
06/30/2031					40,500.00
	384,083		30,704.65	414,787.65	414,787.65



CPBO SAVINGS REPORT FOR K-12

Boyle County School District Finance Corporation  
Refinancing of 2011

Date	Prior Debt Service	Refunding Debt Service	Refunding Net Cash Flow	Savings	Present Value to 10/01/2020 @ 1.281199%
06/30/2021	51,112.50	40,541.00	40,541.00	10,571.50	10,532.14
06/30/2022	166,112.50	150,744.00	150,744.00	15,368.50	15,155.73
06/30/2023	167,375.00	155,123.00	155,123.00	12,252.00	11,941.61
06/30/2024	168,475.00	154,241.00	154,241.00	14,234.00	13,672.18
06/30/2025	164,100.00	153,205.00	153,205.00	10,895.00	10,342.79
06/30/2026	164,725.00	152,029.00	152,029.00	12,696.00	11,877.27
06/30/2027	164,850.00	150,587.00	150,587.00	14,263.00	13,155.56
06/30/2028	164,787.50	153,935.00	153,935.00	10,852.50	9,886.31
06/30/2029	164,187.50	151,977.50	151,977.50	12,210.00	10,965.68
06/30/2030	168,387.50	154,875.00	154,875.00	13,512.50	11,967.29
06/30/2031	166,800.00	152,550.00	152,550.00	14,250.00	12,447.08
	1,710,912.50	1,569,807.50	1,569,807.50	141,105.00	131,943.65

Savings Summary

Gross Savings Amount	141,105.00
Present Value Savings Amount	135,695.12
Net Present Value % of Refunded Bonds	10.05%
Negative Arbitrage	10,614.74
Efficiency Ratio	92.48%





# Memo

**To:** KSFCC  
**From:** Lincoln Theinert  
**Subject:** Bond Payee Disclosure Form –Bracken County School District Series 2020  
**Date:** August 27, 2020  
**cc:** File

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

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

# BOND PAYEE DISCLOSURE FORM

Par Amount: **\$ 1,175,000**  
 Issue Name: Bracken County School District Finance Corporation School Building Refunding Revenue Bonds, Series 2020  
 Purpose: Refinance Series 2010 BONDS  
 Projected Sale Date of Bonds: 29-Oct-20  
 First Call Date: 8/1/20 @ 100  
 Method of Sale: Competitive Bids  
 Place/time of sale: PARITY/SFCC  
 Bond Rating: Moodys: "A1"  
 Bond Counsel: Steptoe & Johnson, Louisville, KY  
 Fiscal Agent: Ross, Sinclair & Associates, Lexington, Kentucky  
 Date received by SFCC:  *To be filled in by SFCC*  
 Date scheduled for Committee review:  *To be filled in by SFCC*  
Month Day Year

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

SFCC Portion	Local Portion	Total
\$ 237,744	\$ 937,256	\$ 1,175,000
20.23%	79.77%	
\$ 25,426	\$ 100,236	\$ 125,661
\$ 0	\$ 0	\$ 0

**Estimated Cost of Issuance:**

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

\$ 1,821	\$ 7,179	\$ 9,000
\$ 0	\$ 0	\$ 0
\$ 283	\$ 1,117	\$ 1,400
\$ 1,821	\$ 7,179	\$ 9,000
\$ 2,377	\$ 9,373	\$ 11,750
\$ 708	\$ 2,792	\$ 3,500
<b>\$ 7,011</b>	<b>\$ 27,639</b>	<b>\$ 34,650</b>

**Anticipated Interest Rates:**

5 Years .60%    10 Years 1.000'    15 Years:  
 20 Years: N/A

**Note: No Local Tax increase is required.**

# Bracken County School District

## Projected Plan of Refinancing

Date of Report: August 27, 2020

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### Prior Bonds Call Reports

2010 Call Report.....	1
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### 2020 Series Refunding Bonds

Total Savings Report.....	2
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**BRACKEN COUNTY SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2010**

**Debt Service To Maturity And To Call**

Part 1 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded DIS
11/01/2020	1,125,000.00	10,679.38	1,135,679.38	-	-	-	-
02/01/2021	-	-	-	185,000.00	3.625%	21,358.75	206,358.75
08/01/2021	-	-	-	-	-	18,005.63	18,005.63
02/01/2022	-	-	-	190,000.00	3.625%	18,005.63	208,005.63
08/01/2022	-	-	-	-	-	14,561.88	14,561.88
02/01/2023	-	-	-	200,000.00	3.850%	14,561.88	214,561.88
08/01/2023	-	-	-	-	-	10,711.88	10,711.88
02/01/2024	-	-	-	205,000.00	3.850%	10,711.88	215,711.88
08/01/2024	-	-	-	-	-	6,765.63	6,765.63
02/01/2025	-	-	-	215,000.00	3.875%	6,765.63	221,765.63
08/01/2025	-	-	-	-	-	2,600.00	2,600.00
02/01/2026	-	-	-	25,000.00	4.000%	2,600.00	27,600.00
08/01/2026	-	-	-	-	-	2,100.00	2,100.00
02/01/2027	-	-	-	25,000.00	4.000%	2,100.00	27,100.00
08/01/2027	-	-	-	-	-	1,600.00	1,600.00
02/01/2028	-	-	-	25,000.00	4.000%	1,600.00	26,600.00
08/01/2028	-	-	-	-	-	1,100.00	1,100.00
02/01/2029	-	-	-	25,000.00	4.000%	1,100.00	26,100.00
08/01/2029	-	-	-	-	-	600.00	600.00
02/01/2030	-	-	-	30,000.00	4.000%	600.00	30,600.00
<b>Total</b>	<b>\$1,125,000.00</b>	<b>\$10,679.38</b>	<b>\$1,135,679.38</b>	<b>\$1,125,000.00</b>	<b>-</b>	<b>\$137,448.79</b>	<b>\$1,262,448.79</b>

**BRACKEN COUNTY SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2020**

**Debt Service Comparison**

Date	Total P+I	Net New D/S	Old Net D/S	Savings
06/30/2021	201,428.75	199,608.13	206,358.75	6,750.62
06/30/2022	220,015.00	220,015.00	226,011.26	5,996.26
06/30/2023	224,155.00	224,155.00	229,123.76	4,968.76
06/30/2024	218,165.00	218,165.00	226,423.76	8,258.76
06/30/2025	222,090.00	222,090.00	228,531.26	6,441.26
06/30/2026	20,880.00	20,880.00	30,200.00	9,320.00
06/30/2027	20,750.00	20,750.00	29,200.00	8,450.00
06/30/2028	20,600.00	20,600.00	28,200.00	7,600.00
06/30/2029	20,450.00	20,450.00	27,200.00	6,750.00
06/30/2030	25,250.00	25,250.00	31,200.00	5,950.00
<b>Total</b>	<b>\$1,193,783.75</b>	<b>\$1,191,963.13</b>	<b>\$1,262,448.79</b>	<b>\$70,485.66</b>

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings	63,315.77
Net PV Cashflow Savings @ 1.795%(AIC)	63,315.77
Contingency or Rounding Amount	1,820.62
Net Present Value Benefit	\$65,136.39
Net PV Benefit / \$1,125,000 Refunded Principal	5.790%
Net PV Benefit / \$1,175,000 Refunding Principal	5.544%

**Refunding Bond Information**

Refunding Dated Date	11/01/2020
Refunding Delivery Date	11/01/2020

# Memo

**To:** KSFCC  
**From:** Lincoln Theinert  
**Subject:** Bond Payee Disclosure Form –Burgin Independent School District Series 2020  
**Date:** August 25, 2020  
**cc:** File

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

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

# BOND PAYEE DISCLOSURE FORM

Par Amount:	\$ 1,945,000
Issue Name:	Burgin Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series 2020
Purpose:	Refinance Series 2011
Projected Sale Date of Bonds:	30-Sep-20
First Call Date:	5/1/20 @ 100
Method of Sale:	Competitive Bids
Place/time of sale:	PARITY/SFCC
Bond Rating:	Moodys: "A1"
Bond Counsel:	Step toe & Johnson, Louisville, KY
Fiscal Agent:	RSA Advisors, LLC, Lexington, Kentucky
Date received by SFCC:	[Redacted] <i>To be filled in by SFCC</i>
Date scheduled for Committee review:	[Redacted] <i>To be filled in by SFCC</i>

Month Day Year

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

SFCC Portion	Local Portion	Total
\$ 1,891	\$ 1,943,109	\$ 1,945,000
0.10%	99.90%	
\$ 194	\$ 199,379	\$ 199,573
\$ 0	\$ 0	\$ 0

**Estimated Cost of Issuance:**

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

\$ 20	\$ 20,430	\$ 20,450
\$ 0	\$ 0	\$ 0
\$ 2	\$ 1,998	\$ 2,000
\$ 9	\$ 8,991	\$ 9,000
\$ 38	\$ 38,862	\$ 38,900
\$ 4	\$ 3,746	\$ 3,750
\$ 72	\$ 74,028	\$ 74,100

**Anticipated Interest Rates:**

5 Years 1.200% 10 Years 2.300% 15 Years:  
 20 Years: N/A

**Note: No Local Tax increase is required.**

# Burgin Independent School District

## Projected Plan of Refinancing

Date of Report: August 25, 2020



<b>Prior Bonds Call Reports</b>	
2011 Call Report.....	1-2
<b>2020 Series Refunding Bonds</b>	
Total Savings Report.....	3
Escrow Fund Cash Flow.....	4
Savings Summary.....	5



**BURGIN INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**

SCHOOL BUILDING REVENUE BONDS, SERIES 2011

INITIAL PROJECTION

**Debt Service To Maturity And To Call**

Part 1 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
10/15/2020	-	-	-	-	-	-	-
12/01/2020	-	37,021.25	37,021.25	-	-	37,021.25	37,021.25
06/01/2021	1,815,000.00	37,021.25	1,852,021.25	65,000.00	3.500%	37,021.25	102,021.25
12/01/2021	-	-	-	-	-	35,883.75	35,883.75
06/01/2022	-	-	-	70,000.00	3.500%	35,883.75	105,883.75
12/01/2022	-	-	-	-	-	34,658.75	34,658.75
06/01/2023	-	-	-	70,000.00	4.000%	34,658.75	104,658.75
12/01/2023	-	-	-	-	-	33,258.75	33,258.75
06/01/2024	-	-	-	70,000.00	4.000%	33,258.75	103,258.75
12/01/2024	-	-	-	-	-	31,858.75	31,858.75
06/01/2025	-	-	-	120,000.00	4.000%	31,858.75	151,858.75
12/01/2025	-	-	-	-	-	29,458.75	29,458.75
06/01/2026	-	-	-	215,000.00	4.000%	29,458.75	244,458.75
12/01/2026	-	-	-	-	-	25,158.75	25,158.75
06/01/2027	-	-	-	225,000.00	4.000%	25,158.75	250,158.75
12/01/2027	-	-	-	-	-	20,658.75	20,658.75
06/01/2028	-	-	-	230,000.00	4.125%	20,658.75	250,658.75
12/01/2028	-	-	-	-	-	15,915.00	15,915.00
06/01/2029	-	-	-	240,000.00	4.125%	15,915.00	255,915.00
12/01/2029	-	-	-	-	-	10,965.00	10,965.00
06/01/2030	-	-	-	250,000.00	4.300%	10,965.00	260,965.00
12/01/2030	-	-	-	-	-	5,590.00	5,590.00
06/01/2031	-	-	-	260,000.00	4.300%	5,590.00	265,590.00
<b>Total</b>	<b>\$1,815,000.00</b>	<b>\$74,042.50</b>	<b>\$1,889,042.50</b>	<b>\$1,815,000.00</b>	-	<b>\$560,855.00</b>	<b>\$2,375,855.00</b>

**BURGIN INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2011**  
**INITIAL PROJECTION**

**Debt Service To Maturity And To Call**

Part 2 of 2

**Yield Statistics**

Base date for Avg. Life & Avg. Coupon Calculation	10/15/2020
Average Life	7.077 Years
Average Coupon	4.1519576%
Weighted Average Maturity (Par Basis)	7.077 Years
Weighted Average Maturity (Original Price Basis)	7.077 Years

**Refunding Bond Information**

Refunding Dated Date	10/15/2020
Refunding Delivery Date	10/15/2020

**BURGIN INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**

SCHOOL BUILDING REVENUE BONDS, SERIES 2020

PROJECTED REFINANCING OF SERIES 2011

**Debt Service Comparison**

Date	Total P+I	Net New D/S	Old Net D/S	Savings
06/30/2021	120,746.49	120,746.49	139,042.50	18,296.01
06/30/2022	127,197.50	127,197.50	141,767.50	14,570.00
06/30/2023	121,390.00	121,390.00	139,317.50	17,927.50
06/30/2024	120,535.00	120,535.00	136,517.50	15,982.50
06/30/2025	164,545.00	164,545.00	183,717.50	19,172.50
06/30/2026	257,857.50	257,857.50	273,917.50	16,060.00
06/30/2027	259,407.50	259,407.50	275,317.50	15,910.00
06/30/2028	255,412.50	255,412.50	271,317.50	15,905.00
06/30/2029	255,947.50	255,947.50	271,830.00	15,882.50
06/30/2030	256,267.50	256,267.50	271,930.00	15,662.50
06/30/2031	256,000.00	256,000.00	271,180.00	15,180.00
<b>Total</b>	<b>\$2,195,306.49</b>	<b>\$2,195,306.49</b>	<b>\$2,375,855.00</b>	<b>\$180,548.51</b>

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings	160,865.49
Net PV Cashflow Savings @ 2.353%(AIC)	160,865.49

Contingency or Rounding Amount	2,738.57
Net Present Value Benefit	\$163,604.06

Net PV Benefit / \$1,815,000 Refunded Principal	9.014%
Net PV Benefit / \$1,945,000 Refunding Principal	8.412%

**Refunding Bond Information**

Refunding Dated Date	10/15/2020
Refunding Delivery Date	10/15/2020

**BURGIN INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2020**  
**PROJECTED REFINANCING OF SERIES 2011**

**Escrow Fund Cashflow**

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
10/15/2020	-	-	-	0.43	-	0.43
12/01/2020	37,018.00	0.080%	3.81	37,021.81	37,021.25	0.99
06/01/2021	1,850,743.00	0.110%	1,277.26	1,852,020.26	1,852,021.25	-
<b>Total</b>	<b>\$1,887,761.00</b>	<b>-</b>	<b>\$1,281.07</b>	<b>\$1,889,042.50</b>	<b>\$1,889,042.50</b>	<b>-</b>

**Investment Parameters**

Investment Model [PV, GIC, or Securities] Securities  
 Default investment yield target Bond Yield

Cash Deposit 0.43  
 Cost of Investments Purchased with Bond Proceeds 1,887,761.00  
 Total Cost of Investments \$1,887,761.43

Target Cost of Investments at bond yield \$1,867,125.07  
 Actual positive or (negative) arbitrage (20,636.36)

Yield to Receipt 0.1098060%  
 Yield for Arbitrage Purposes 1.8975362%

State and Local Government Series (SLGS) rates for 8/18/2020

Burgin Independent School District Finance Corporation  
 School Building Refunding Revenue Taxable Bonds, Series 2020  
 Refunding of Prior Series 2011 Bonds - Dated Date of 06.01.10

Fiscal Year	(A) Current Bond Payments			(B) New Bond Payments			(C) Savings
	Principal Portion	Interest Portion	Total Payment	Principal Portion	Interest Portion	Payment Totals	
Closing							
2021	\$65,000	\$74,043	\$139,043	\$100,000	\$20,746	\$120,746	\$18,296
2022	\$70,000	\$71,768	\$141,768	\$95,000	\$32,198	\$127,198	\$14,570
2023	\$70,000	\$69,318	\$139,318	\$90,000	\$31,390	\$121,390	\$17,928
2024	\$70,000	\$66,518	\$136,518	\$90,000	\$30,535	\$120,535	\$15,983
2025	\$120,000	\$63,718	\$183,718	\$135,000	\$29,545	\$164,545	\$19,173
2026	\$215,000	\$58,918	\$273,918	\$230,000	\$27,858	\$257,858	\$16,060
2027	\$225,000	\$50,318	\$275,318	\$235,000	\$24,408	\$259,408	\$15,910
2028	\$230,000	\$41,318	\$271,318	\$235,000	\$20,413	\$255,413	\$15,905
2029	\$240,000	\$31,830	\$271,830	\$240,000	\$15,948	\$255,948	\$15,883
2030	\$250,000	\$21,930	\$271,930	\$245,000	\$11,268	\$256,268	\$15,663
2031	\$260,000	\$11,180	\$271,180	\$250,000	\$6,000	\$256,000	\$15,180
<b>Totals:</b>	<b>\$1,815,000</b>	<b>\$560,855</b>	<b>\$2,375,855</b>	<b>\$1,945,000</b>	<b>\$250,306</b>	<b>\$2,195,306</b>	<b>\$180,549</b>

Net Savings Summary

Gross Savings Amount: \$180,548  
 Present Value Savings Amount: \$160,865  
 NPV Savings % of Prior: 9.010%  
 Negative Arbitrage (\$20,636)  
 Efficiency Ratio 88.57%

Interest Rate Reduction Summary

Series 2011 Average Coupon: 4.150%  
 Series 2020 Total Interest Cost: 2.050%  
 Interest Rate Reduction: 2.100%





August 19, 2020

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

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

Dear Ms. Bizzle:

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

\$5,995,000 (est.)  
Caldwell County  
School District Finance Corporation  
School Building Refunding Revenue Taxable Bonds,  
Series of 2020

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

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

If you need any additional information, please do not hesitate to call me at 502.588.8476.

Sincerely,

*/s/ Michael Oldiges*

Michael Oldiges  
Vice President



SOURCES AND USES OF FUNDS

Caldwell County School District  
 Refunding Series 2011  
 Taxable, Advance Refunding

Dated Date 10/01/2020  
 Delivery Date 10/01/2020

Sources:	Refunding SFCC Portion	Refunding District Portion	Total
Bond Proceeds:			
Par Amount	518,175.00	5,476,825.00	5,995,000.00
	<u>518,175.00</u>	<u>5,476,825.00</u>	<u>5,995,000.00</u>
<hr/>			
Uses:	Refunding SFCC Portion	Refunding District Portion	Total
Refunding Escrow Deposits:			
Cash Deposit	0.78	0.42	1.20
SLGS Purchases	<u>453,359.00</u>	<u>5,384,782.00</u>	<u>5,838,141.00</u>
	453,359.78	5,384,782.42	5,838,142.20
Cost of Issuance:			
FA/BA	3,196.35	33,783.65	36,980.00
Paying Agent/Escrow AGent	432.17	4,567.83	5,000.00
Verification Agent	216.09	2,283.91	2,500.00
Rating Fee	<u>1,555.82</u>	<u>16,444.18</u>	<u>18,000.00</u>
	5,400.43	57,079.57	62,480.00
Underwriter's Discount:			
Underwriter's Discount	7,772.63	82,152.37	89,925.00
Other Uses of Funds:			
Additional Proceeds	51,642.16	-47,189.36	4,452.80
	<u>518,175.00</u>	<u>5,476,825.00</u>	<u>5,995,000.00</u>





BOND DEBT SERVICE

Caldwell County School District  
 Refunding Series 2011  
 Taxable, Advance Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	10,000	0.360%	33,190.75	43,190.75	
06/30/2021					43,190.75
10/01/2021			33,172.76	33,172.76	
04/01/2022	565,000	0.460%	33,172.76	598,172.76	
06/30/2022					631,345.52
10/01/2022			31,873.25	31,873.25	
04/01/2023	570,000	0.630%	31,873.25	601,873.25	
06/30/2023					633,746.50
10/01/2023			30,077.75	30,077.75	
04/01/2024	580,000	0.740%	30,077.75	610,077.75	
06/30/2024					640,155.50
10/01/2024			27,931.75	27,931.75	
04/01/2025	585,000	0.840%	27,931.75	612,931.75	
06/30/2025					640,863.50
10/01/2025			25,474.75	25,474.75	
04/01/2026	590,000	1.030%	25,474.75	615,474.75	
06/30/2026					640,949.50
10/01/2026			22,436.25	22,436.25	
04/01/2027	600,000	1.180%	22,436.25	622,436.25	
06/30/2027					644,872.50
10/01/2027			18,896.25	18,896.25	
04/01/2028	610,000	1.350%	18,896.25	628,896.25	
06/30/2028					647,792.50
10/01/2028			14,778.75	14,778.75	
04/01/2029	620,000	1.450%	14,778.75	634,778.75	
06/30/2029					649,557.50
10/01/2029			10,283.75	10,283.75	
04/01/2030	625,000	1.550%	10,283.75	635,283.75	
06/30/2030					645,567.50
10/01/2030			5,440.00	5,440.00	
04/01/2031	640,000	1.700%	5,440.00	645,440.00	
06/30/2031					650,880.00
	5,995,000		473,921.27	6,468,921.27	6,468,921.27



BOND DEBT SERVICE

Caldwell County School District  
Refunding SFCC Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	5,798	0.360%	2,840.46	8,638.46	
06/30/2021					8,638.46
10/01/2021			2,830.03	2,830.03	
04/01/2022	49,325	0.460%	2,830.03	52,155.03	
06/30/2022					54,985.06
10/01/2022			2,716.58	2,716.58	
04/01/2023	49,552	0.630%	2,716.58	52,268.58	
06/30/2023					54,985.16
10/01/2023			2,560.49	2,560.49	
04/01/2024	49,864	0.740%	2,560.49	52,424.49	
06/30/2024					54,984.98
10/01/2024			2,375.99	2,375.99	
04/01/2025	50,234	0.840%	2,375.99	52,609.99	
06/30/2025					54,985.98
10/01/2025			2,165.01	2,165.01	
04/01/2026	50,656	1.030%	2,165.01	52,821.01	
06/30/2026					54,986.02
10/01/2026			1,904.13	1,904.13	
04/01/2027	51,178	1.180%	1,904.13	53,082.13	
06/30/2027					54,986.26
10/01/2027			1,602.18	1,602.18	
04/01/2028	51,781	1.350%	1,602.18	53,383.18	
06/30/2028					54,985.36
10/01/2028			1,252.66	1,252.66	
04/01/2029	52,480	1.450%	1,252.66	53,732.66	
06/30/2029					54,985.32
10/01/2029			872.18	872.18	
04/01/2030	53,241	1.550%	872.18	54,113.18	
06/30/2030					54,985.36
10/01/2030			459.56	459.56	
04/01/2031	54,066	1.700%	459.56	54,525.56	
06/30/2031					54,985.12
	518,175		40,318.08	558,493.08	558,493.08



BOND DEBT SERVICE

Caldwell County School District  
Refunding District Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	4,202	0.360%	30,350.29	34,552.29	
06/30/2021					34,552.29
10/01/2021			30,342.73	30,342.73	
04/01/2022	515,675	0.460%	30,342.73	546,017.73	
06/30/2022					576,360.46
10/01/2022			29,156.67	29,156.67	
04/01/2023	520,448	0.630%	29,156.67	549,604.67	
06/30/2023					578,761.34
10/01/2023			27,517.26	27,517.26	
04/01/2024	530,136	0.740%	27,517.26	557,653.26	
06/30/2024					585,170.52
10/01/2024			25,555.76	25,555.76	
04/01/2025	534,766	0.840%	25,555.76	560,321.76	
06/30/2025					585,877.52
10/01/2025			23,309.74	23,309.74	
04/01/2026	539,344	1.030%	23,309.74	562,653.74	
06/30/2026					585,963.48
10/01/2026			20,532.12	20,532.12	
04/01/2027	548,822	1.180%	20,532.12	569,354.12	
06/30/2027					589,886.24
10/01/2027			17,294.07	17,294.07	
04/01/2028	558,219	1.350%	17,294.07	575,513.07	
06/30/2028					592,807.14
10/01/2028			13,526.09	13,526.09	
04/01/2029	567,520	1.450%	13,526.09	581,046.09	
06/30/2029					594,572.18
10/01/2029			9,411.57	9,411.57	
04/01/2030	571,759	1.550%	9,411.57	581,170.57	
06/30/2030					590,582.14
10/01/2030			4,980.44	4,980.44	
04/01/2031	585,934	1.700%	4,980.44	590,914.44	
06/30/2031					595,894.88
	5,476,825		433,603.19	5,910,428.19	5,910,428.19



CPBO SAVINGS REPORT FOR K-12

Caldwell County School District  
 Refunding Series 2011  
 Taxable, Advance Refunding

Date	Prior Debt Service	Refunding Debt Service	Refunding Net Cash Flow	Savings	Present Value to 10/01/2020 @ 1.289863%
06/30/2021	111,344.38	43,190.75	43,190.75	68,153.63	67,716.90
06/30/2022	697,688.76	631,345.52	631,345.52	66,343.24	65,570.54
06/30/2023	702,488.74	633,746.50	633,746.50	68,742.24	67,016.65
06/30/2024	705,658.74	640,155.50	640,155.50	65,503.24	63,023.23
06/30/2025	707,633.74	640,863.50	640,863.50	66,770.24	63,372.09
06/30/2026	707,838.74	640,949.50	640,949.50	66,889.24	62,628.69
06/30/2027	711,193.76	644,872.50	644,872.50	66,321.26	61,259.99
06/30/2028	712,993.76	647,792.50	647,792.50	65,201.26	59,413.15
06/30/2029	713,793.76	649,557.50	649,557.50	64,236.26	57,742.91
06/30/2030	712,806.24	645,567.50	645,567.50	67,238.74	59,614.00
06/30/2031	714,968.76	650,880.00	650,880.00	64,088.76	56,049.11
	7,198,409.38	6,468,921.27	6,468,921.27	729,488.11	683,407.25

Savings Summary

Gross Savings Amount	729,488.11
Present Value Savings Amount	687,860.05
Net Present Value % of Refunded Bonds	12.00%
Negative Arbitrage	34,229.06
Efficiency Ratio	95.31%





August 19, 2020

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

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

Dear Ms. Bizzle:

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

\$42,940,000 (est.)  
Fayette County  
School District Finance Corporation  
School Building Refunding Revenue Taxable Bonds,  
Third Series of 2020

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

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

If you need any additional information, please do not hesitate to call me at 502.588.8476.

Sincerely,

*/s/ Michael Oldiges*

Michael Oldiges  
Vice President

## BOND PAYEE DISCLOSURE FORM

Par Amount:	\$42,940,000
Issue Name:	Fayette County School District Finance Corporation School Building Refunding Revenue Taxable Bonds, Third Series of 2020
Purpose:	Advance refund the 2013 Bonds with taxable bonds
Projected Sale Date of Bonds:	Winter 2021
First Call Date:	TBD
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "Aa3" – Moody's / "AA-" – S&P
Bond Counsel:	Stoll Keenon Ogden / Rubin & Hays
Fiscal Agent:	Baird

Date Received by SFCC:

/	/	/
/	/	/

*To be filled in by SFCC*

Date Scheduled for Committee Review:

*To be filled in by SFCC*

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$1,939,610	\$41,000,390	\$42,940,000
% Share of total Bonds:	5%	95%	100%
Estimated average annual debt service:	169,865	3,610,697	3,780,562
Estimated debt service reserve:	0	0	0
<b>Estimated Costs of Issuance (1):</b>			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	7,556	159,719	167,275
Special Tax Counsel	0	0	0
Number Verifications	113	2,387	2,500
Bond Rating	3,839	81,161	85,000
Underwriter's Discount	23,275	492,005	515,280
Paying Agent/Escrow Agent Bank	294	6,206	6,500
<b>Total Cost of Issuance:</b>	<b>35,077</b>	<b>741,478</b>	<b>776,555</b>

**Anticipated Interest Rates:**

1 Years: 0.29%	5 Years: 0.79%	
7 Years: 1.14%	13 Years: 1.89%	

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

SOURCES AND USES OF FUNDS

Fayette County School District Finance Corporation  
 Refunding of Series 2013 (Taxable)  
 AR of School Building Revenue Bonds, Series of 2013A  
 Illustration: Advance Refund All Callable Maturities  
 Assumptions: Taxable, Moody's Aa3 Underlying A1 State Enhanced / S&P AA- Underlying, Uniform Savings  
 Hypothetical Interest Rates as of August 18, 2020

Assumed Dated Date 02/16/2021  
 Assumed Delivery Date 02/16/2021

Sources:	SFCC Portion	District Portion	Total
Bond Proceeds:			
Par Amount	1,939,610.00	41,000,390.00	42,940,000.00
	1,939,610.00	41,000,390.00	42,940,000.00
Uses:	SFCC Portion	District Portion	Total
Refunding Escrow Deposits:			
Cash Deposit	0.88	0.20	1.08
SLGS Purchases	1,713,698.00	40,447,245.00	42,160,943.00
	1,713,698.88	40,447,245.20	42,160,944.08
Cost of Issuance:			
FA/BC	7,555.85	159,719.15	167,275.00
Ratings	3,839.47	81,160.53	85,000.00
Paying/Escrow Agent	293.61	6,206.39	6,500.00
Verification	112.93	2,387.07	2,500.00
	11,801.86	249,473.14	261,275.00
Underwriter's Discount:			
Underwriter's Discount	23,275.32	492,004.68	515,280.00
Other Uses of Funds:			
Additional Proceeds	190,833.94	-188,333.02	2,500.92
	1,939,610.00	41,000,390.00	42,940,000.00

Notes:

Cost of Issuance total reflects a hypothetical estimate based on Baird's experience with similar transactions. This illustration represents a mathematical calculation of potential interest cost savings, assuming hypothetical interest rates based on rates for municipal bonds as of August 18, 2020. Actual rates may vary. If actual rates are higher than those assumed, the debt service cost savings would be higher. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a financing or otherwise considered as advice.



BOND DEBT SERVICE

Fayette County School District Finance Corporation  
 Refunding of Series 2013 (Taxable)  
 AR of School Building Revenue Bonds, Series of 2013A  
 Illustration: Advance Refund All Callable Maturities  
 Assumptions: Taxable, Moody's Aa3 Underlying A1 State Enhanced / S&P AA- Underlying, Uniform Savings  
 Hypothetical Interest Rates as of August 18, 2020

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	475,000	0.290%	67,780.06	542,780.06	
06/30/2021					542,780.06
10/01/2021	920,000	0.290%	270,431.50	1,190,431.50	
04/01/2022			269,097.50	269,097.50	
06/30/2022					1,459,529.00
10/01/2022	925,000	0.390%	269,097.50	1,194,097.50	
04/01/2023			267,293.75	267,293.75	
06/30/2023					1,461,391.25
10/01/2023	930,000	0.580%	267,293.75	1,197,293.75	
04/01/2024			264,596.75	264,596.75	
06/30/2024					1,461,890.50
10/01/2024	4,040,000	0.690%	264,596.75	4,304,596.75	
04/01/2025			250,658.75	250,658.75	
06/30/2025					4,555,255.50
10/01/2025	3,880,000	0.790%	250,658.75	4,130,658.75	
04/01/2026			235,332.75	235,332.75	
06/30/2026					4,365,991.50
10/01/2026	3,935,000	0.990%	235,332.75	4,170,332.75	
04/01/2027			215,854.50	215,854.50	
06/30/2027					4,386,187.25
10/01/2027	3,975,000	1.140%	215,854.50	4,190,854.50	
04/01/2028			193,197.00	193,197.00	
06/30/2028					4,384,051.50
10/01/2028	3,835,000	1.340%	193,197.00	4,028,197.00	
04/01/2029			167,502.50	167,502.50	
06/30/2029					4,195,699.50
10/01/2029	3,890,000	1.440%	167,502.50	4,057,502.50	
04/01/2030			139,494.50	139,494.50	
06/30/2030					4,196,997.00
10/01/2030	3,955,000	1.540%	139,494.50	4,094,494.50	
04/01/2031			109,041.00	109,041.00	
06/30/2031					4,203,535.50
10/01/2031	4,015,000	1.690%	109,041.00	4,124,041.00	
04/01/2032			75,114.25	75,114.25	
06/30/2032					4,199,155.25
10/01/2032	4,090,000	1.790%	75,114.25	4,165,114.25	
04/01/2033			38,508.75	38,508.75	
06/30/2033					4,203,623.00
10/01/2033	4,075,000	1.890%	38,508.75	4,113,508.75	
06/30/2034					4,113,508.75
	42,940,000		4,789,595.56	47,729,595.56	47,729,595.56





BOND DEBT SERVICE

Fayette County School District Finance Corporation  
SFCC Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	34,421	0.290%	2,978.77	37,399.77	
06/30/2021					37,399.77
10/01/2021	51,143	0.290%	11,865.16	63,008.16	
04/01/2022			11,791.00	11,791.00	
06/30/2022					74,799.16
10/01/2022	51,317	0.390%	11,791.00	63,108.00	
04/01/2023			11,690.94	11,690.94	
06/30/2023					74,798.94
10/01/2023	51,567	0.580%	11,690.94	63,257.94	
04/01/2024			11,541.39	11,541.39	
06/30/2024					74,799.33
10/01/2024	174,367	0.690%	11,541.39	185,908.39	
04/01/2025			10,939.83	10,939.83	
06/30/2025					196,848.22
10/01/2025	175,662	0.790%	10,939.83	186,601.83	
04/01/2026			10,245.96	10,245.96	
06/30/2026					196,847.79
10/01/2026	177,233	0.990%	10,245.96	187,478.96	
04/01/2027			9,368.66	9,368.66	
06/30/2027					196,847.62
10/01/2027	179,132	1.140%	9,368.66	188,500.66	
04/01/2028			8,347.61	8,347.61	
06/30/2028					196,848.27
10/01/2028	181,368	1.340%	8,347.61	189,715.61	
04/01/2029			7,132.44	7,132.44	
06/30/2029					196,848.05
10/01/2029	183,907	1.440%	7,132.44	191,039.44	
04/01/2030			5,808.31	5,808.31	
06/30/2030					196,847.75
10/01/2030	186,669	1.540%	5,808.31	192,477.31	
04/01/2031			4,370.96	4,370.96	
06/30/2031					196,848.27
10/01/2031	189,709	1.690%	4,370.96	194,079.96	
04/01/2032			2,767.92	2,767.92	
06/30/2032					196,847.88
10/01/2032	193,040	1.790%	2,767.92	195,807.92	
04/01/2033			1,040.21	1,040.21	
06/30/2033					196,848.13
10/01/2033	110,075	1.890%	1,040.21	111,115.21	
06/30/2034					111,115.21
	1,939,610		204,934.39	2,144,544.39	2,144,544.39



BOND DEBT SERVICE

Fayette County School District Finance Corporation  
District Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2021	440,579	0.290%	64,801.29	505,380.29	
06/30/2021					505,380.29
10/01/2021	868,857	0.290%	258,566.34	1,127,423.34	
04/01/2022			257,306.50	257,306.50	
06/30/2022					1,384,729.84
10/01/2022	873,683	0.390%	257,306.50	1,130,989.50	
04/01/2023			255,602.81	255,602.81	
06/30/2023					1,386,592.31
10/01/2023	878,433	0.580%	255,602.81	1,134,035.81	
04/01/2024			253,055.36	253,055.36	
06/30/2024					1,387,091.17
10/01/2024	3,865,633	0.690%	253,055.36	4,118,688.36	
04/01/2025			239,718.92	239,718.92	
06/30/2025					4,358,407.28
10/01/2025	3,704,338	0.790%	239,718.92	3,944,056.92	
04/01/2026			225,086.79	225,086.79	
06/30/2026					4,169,143.71
10/01/2026	3,757,767	0.990%	225,086.79	3,982,853.79	
04/01/2027			206,485.84	206,485.84	
06/30/2027					4,189,339.63
10/01/2027	3,795,868	1.140%	206,485.84	4,002,353.84	
04/01/2028			184,849.39	184,849.39	
06/30/2028					4,187,203.23
10/01/2028	3,653,632	1.340%	184,849.39	3,838,481.39	
04/01/2029			160,370.06	160,370.06	
06/30/2029					3,998,851.45
10/01/2029	3,706,093	1.440%	160,370.06	3,866,463.06	
04/01/2030			133,686.19	133,686.19	
06/30/2030					4,000,149.25
10/01/2030	3,768,331	1.540%	133,686.19	3,902,017.19	
04/01/2031			104,670.04	104,670.04	
06/30/2031					4,006,687.23
10/01/2031	3,825,291	1.690%	104,670.04	3,929,961.04	
04/01/2032			72,346.33	72,346.33	
06/30/2032					4,002,307.37
10/01/2032	3,896,960	1.790%	72,346.33	3,969,306.33	
04/01/2033			37,468.54	37,468.54	
06/30/2033					4,006,774.87
10/01/2033	3,964,925	1.890%	37,468.54	4,002,393.54	
06/30/2034					4,002,393.54
	41,000,390		4,584,661.17	45,585,051.17	45,585,051.17



CPBO SAVINGS REPORT FOR K-12

Fayette County School District Finance Corporation  
 Refunding of Series 2013 (Taxable)  
 AR of School Building Revenue Bonds, Series of 2013A  
 Illustration: Advance Refund All Callable Maturities  
 Assumptions: Taxable, Moody's Aa3 Underlying A1 State Enhanced / S&P AA- Underlying, Uniform Savings  
 Hypothetical Interest Rates as of August 18, 2020

Date	Prior Debt Service	Refunding Debt Service	Refunding Net Cash Flow	Savings	Present Value to 02/16/2021 @ 1.452147%
06/30/2021	920,125.00	542,780.06	542,780.06	377,344.94	376,663.08
06/30/2022	1,840,250.00	1,459,529.00	1,459,529.00	380,721.00	372,643.00
06/30/2023	1,840,250.00	1,461,391.25	1,461,391.25	378,858.75	365,458.37
06/30/2024	1,840,250.00	1,461,890.50	1,461,890.50	378,359.50	359,709.26
06/30/2025	4,935,875.00	4,555,255.50	4,555,255.50	380,619.50	357,134.21
06/30/2026	4,743,000.01	4,365,991.50	4,365,991.50	377,008.51	349,052.69
06/30/2027	4,766,375.02	4,386,187.25	4,386,187.25	380,187.77	347,392.29
06/30/2028	4,761,000.01	4,384,051.50	4,384,051.50	376,948.51	339,881.94
06/30/2029	4,576,750.01	4,195,699.50	4,195,699.50	381,050.51	339,068.86
06/30/2030	4,578,250.02	4,196,997.00	4,196,997.00	381,253.02	334,780.92
06/30/2031	4,580,500.01	4,203,535.50	4,203,535.50	376,964.51	326,653.48
06/30/2032	4,578,125.01	4,199,155.25	4,199,155.25	378,969.76	324,096.03
06/30/2033	4,580,625.01	4,203,623.00	4,203,623.00	377,002.01	318,202.40
06/30/2034	4,494,625.00	4,113,508.75	4,113,508.75	381,116.25	317,485.86
	53,036,000.10	47,729,595.56	47,729,595.56	5,306,404.54	4,828,222.39

Savings Summary

Gross Savings Amount	5,306,404.54
Present Value Savings Amount	4,830,723.31
Net Present Value % of Refunded Bonds	13.13%
Negative Arbitrage	1,315,211.94
Efficiency Ratio	75.21%





August 19, 2020

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

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

Dear Ms. Bizzle:

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

\$3,330,000 (est.)  
LaRue County  
School District Finance Corporation  
School Building Refunding Revenue Bonds,  
Series of 2020

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

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

If you need any additional information, please do not hesitate to call me at 502.588.8476.

Sincerely,

*/s/ Michael Oldiges*

Michael Oldiges  
Associate



SOURCES AND USES OF FUNDS

LaRue County School District Finance Corporation  
Refunding of Series 2010 Bonds

Dated Date 10/01/2020  
Delivery Date 10/01/2020

Sources:	Refunding of Series 2010 (SFCC)	Refunding of Series 2010 (District)	Total
<b>Bond Proceeds:</b>			
Par Amount	142,781.00	3,187,219.00	3,330,000.00
Premium	3,194.81	268,804.64	271,999.45
	145,975.81	3,456,023.64	3,601,999.45
<b>Uses:</b>			
	Refunding of Series 2010 (SFCC)	Refunding of Series 2010 (District)	Total
<b>Refunding Escrow Deposits:</b>			
Cash Deposit	142,644.09	3,361,831.95	3,504,476.04
<b>Cost of Issuance:</b>			
Financial Advisor/Bond Counsel	1,128.53	25,191.47	26,320.00
Rating Agency	578.84	12,921.16	13,500.00
Paying Agent	192.95	4,307.05	4,500.00
	1,900.32	42,419.68	44,320.00
<b>Underwriter's Discount:</b>			
Underwriter's Discount	2,141.72	47,808.28	49,950.00
<b>Other Uses of Funds:</b>			
Additional Proceeds	-710.32	3,963.73	3,253.41
	145,975.81	3,456,023.64	3,601,999.45



BOND DEBT SERVICE

LaRue County School District Finance Corporation  
Refunding of Series 2010 Bonds

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2021	5,000	3.000%	33,300	38,300	
06/30/2021					38,300
08/01/2021	740,000	3.000%	49,875	789,875	
02/01/2022			38,775	38,775	
06/30/2022					828,650
08/01/2022	485,000	3.000%	38,775	523,775	
02/01/2023			31,500	31,500	
06/30/2023					555,275
08/01/2023	500,000	3.000%	31,500	531,500	
02/01/2024			24,000	24,000	
06/30/2024					555,500
08/01/2024	515,000	3.000%	24,000	539,000	
02/01/2025			16,275	16,275	
06/30/2025					555,275
08/01/2025	535,000	3.000%	16,275	551,275	
02/01/2026			8,250	8,250	
06/30/2026					559,525
08/01/2026	550,000	3.000%	8,250	558,250	
06/30/2027					558,250
	3,330,000		320,775	3,650,775	3,650,775



BOND DEBT SERVICE

LaRue County School District Finance Corporation  
Refunding of Series 2010 (SFCC)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2021	789	3.000%	1,427.81	2,216.81	
06/30/2021					2,216.81
08/01/2021	141,992	3.000%	2,129.88	144,121.88	
06/30/2022					144,121.88
	142,781		3,557.69	146,338.69	146,338.69





BOND DEBT SERVICE

LaRue County School District Finance Corporation  
Refunding of Series 2010 (District)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2021	4,211	3.000%	31,872.19	36,083.19	
06/30/2021					36,083.19
08/01/2021	598,008	3.000%	47,745.12	645,753.12	
02/01/2022			38,775.00	38,775.00	
06/30/2022					684,528.12
08/01/2022	485,000	3.000%	38,775.00	523,775.00	
02/01/2023			31,500.00	31,500.00	
06/30/2023					555,275.00
08/01/2023	500,000	3.000%	31,500.00	531,500.00	
02/01/2024			24,000.00	24,000.00	
06/30/2024					555,500.00
08/01/2024	515,000	3.000%	24,000.00	539,000.00	
02/01/2025			16,275.00	16,275.00	
06/30/2025					555,275.00
08/01/2025	535,000	3.000%	16,275.00	551,275.00	
02/01/2026			8,250.00	8,250.00	
06/30/2026					559,525.00
08/01/2026	550,000	3.000%	8,250.00	558,250.00	
06/30/2027					558,250.00
	3,187,219		317,217.31	3,504,436.31	3,504,436.31



CPBO SAVINGS REPORT FOR K-12

LaRue County School District Finance Corporation  
Refunding of Series 2010 Bonds

Date	Prior Debt Service	Refunding Debt Service	Refunding Net Cash Flow	Savings	Present Value to 10/01/2020 @ 0.430478%
06/30/2021	58,428.13	38,300.00	38,300.00	20,128.13	20,099.30
06/30/2022	864,981.26	828,650.00	828,650.00	36,331.26	36,184.66
06/30/2023	594,818.76	555,275.00	555,275.00	39,543.76	39,218.82
06/30/2024	592,868.76	555,500.00	555,500.00	37,368.76	36,904.34
06/30/2025	590,093.76	555,275.00	555,275.00	34,818.76	34,240.61
06/30/2026	596,093.76	559,525.00	559,525.00	36,568.76	35,811.61
06/30/2027	595,603.13	558,250.00	558,250.00	37,353.13	36,427.81
	3,892,887.56	3,650,775.00	3,650,775.00	242,112.56	238,887.14

Savings Summary

Gross Savings Amount	242,112.56
Present Value Savings Amount	242,140.55
Net Present Value % of Refunded Bonds	6.95%
Negative Arbitrage Efficiency Ratio	100.00%



# Memo

**To:** KSFCC  
**From:** Lincoln Theinert  
**Subject:** Bond Payee Disclosure Form –Meniffee County School District Series 2020  
**TAXABLE**  
**Date:** August 18, 2020  
**cc:** File

---

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

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

# BOND PAYEE DISCLOSURE FORM

Par Amount: Issue Name: Purpose: Projected Sale Date of Bonds: First Call Date: Method of Sale: Place/time of sale: Bond Rating: Bond Counsel: Fiscal Agent: Date received by SFCC: Date scheduled for Committee review:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; font-weight: bold; font-size: 1.2em;">\$ 4,280,000</td> </tr> <tr> <td style="font-size: 0.8em;">Menifee County School District Finance Corporation School Building Refunding Revenue Bonds, Series 2020</td> </tr> <tr> <td style="font-size: 0.8em;">Refinance Series 2011</td> </tr> <tr> <td style="font-size: 0.8em;">30-Sep-20</td> </tr> <tr> <td style="font-size: 0.8em;">5/1/20 @ 100</td> </tr> <tr> <td style="font-size: 0.8em;">Competitive Bids</td> </tr> <tr> <td style="font-size: 0.8em;">PARITY/SFCC</td> </tr> <tr> <td style="font-size: 0.8em;">Moody's: "A1"</td> </tr> <tr> <td style="font-size: 0.8em;">Step toe &amp; Johnson, Louisville, KY</td> </tr> <tr> <td style="font-size: 0.8em;">RSA Advisors, LLC, Lexington, Kentucky</td> </tr> <tr> <td style="font-size: 0.8em; text-align: center;"> <div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div> <i>To be filled in by SFCC</i> </td> </tr> <tr> <td style="font-size: 0.8em; text-align: center;"> <div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div> <i>To be filled in by SFCC</i> </td> </tr> <tr> <td style="font-size: 0.8em; text-align: center;">                 Month Day Year             </td> </tr> </table>	\$ 4,280,000	Menifee County School District Finance Corporation School Building Refunding Revenue Bonds, Series 2020	Refinance Series 2011	30-Sep-20	5/1/20 @ 100	Competitive Bids	PARITY/SFCC	Moody's: "A1"	Step toe & Johnson, Louisville, KY	RSA Advisors, LLC, Lexington, Kentucky	<div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div> <i>To be filled in by SFCC</i>	<div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div> <i>To be filled in by SFCC</i>	Month Day Year
\$ 4,280,000														
Menifee County School District Finance Corporation School Building Refunding Revenue Bonds, Series 2020														
Refinance Series 2011														
30-Sep-20														
5/1/20 @ 100														
Competitive Bids														
PARITY/SFCC														
Moody's: "A1"														
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RSA Advisors, LLC, Lexington, Kentucky														
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<div style="border: 1px solid black; width: 80px; height: 15px; display: inline-block;"></div> <i>To be filled in by SFCC</i>														
Month Day Year														

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

SFCC Portion	Local Portion	Total
\$ 1,897,789	\$ 2,382,211	\$ 4,280,000
44.34%	55.66%	
\$ 196,309	\$ 246,418	\$ 442,728
\$ 0	\$ 0	\$ 0

**Estimated Cost of Issuance:**

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

\$ 13,355	\$ 16,765	\$ 30,120
\$ 0	\$ 0	\$ 0
\$ 887	\$ 1,113	\$ 2,000
\$ 4,434	\$ 5,566	\$ 10,000
\$ 1,663	\$ 2,087	\$ 3,750
\$ 1,552	\$ 1,948	\$ 3,500
\$ 21,891	\$ 27,479	\$ 49,370

**Anticipated Interest Rates:**

5 Years 1.900% 10 Years 2.500% 15 Years:  
 20 Years: N/A

**Note: No Local Tax increase is required.**

# Menifee County School District

## Projected Plan of Refinancing

Date of Report: August 18, 2020



<b>Prior Bonds Call Reports</b>	
2011 Call Report.....	1-2
<b>2020 Series Refunding Bonds</b>	
Total Savings Report.....	3
Escrow Fund Cash Flow.....	4
Savings Summary.....	5

**MENIFEE COUNTY SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2011**

**Debt Service To Maturity And To Call**

Part 1 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
10/13/2020	-	-	-	-	-	-	-
05/01/2021	4,110,000.00	83,270.63	4,193,270.63	255,000.00	3.400%	83,270.63	338,270.63
11/01/2021	-	-	-	-	-	78,935.63	78,935.63
05/01/2022	-	-	-	265,000.00	3.500%	78,935.63	343,935.63
11/01/2022	-	-	-	-	-	74,298.13	74,298.13
05/01/2023	-	-	-	270,000.00	3.500%	74,298.13	344,298.13
11/01/2023	-	-	-	-	-	69,573.13	69,573.13
05/01/2024	-	-	-	360,000.00	3.750%	69,573.13	429,573.13
11/01/2024	-	-	-	-	-	62,823.13	62,823.13
05/01/2025	-	-	-	375,000.00	4.000%	62,823.13	437,823.13
11/01/2025	-	-	-	-	-	55,323.13	55,323.13
05/01/2026	-	-	-	390,000.00	4.100%	55,323.13	445,323.13
11/01/2026	-	-	-	-	-	47,328.13	47,328.13
05/01/2027	-	-	-	405,000.00	4.100%	47,328.13	452,328.13
11/01/2027	-	-	-	-	-	39,025.63	39,025.63
05/01/2028	-	-	-	420,000.00	4.250%	39,025.63	459,025.63
11/01/2028	-	-	-	-	-	30,100.63	30,100.63
05/01/2029	-	-	-	440,000.00	4.300%	30,100.63	470,100.63
11/01/2029	-	-	-	-	-	20,640.63	20,640.63
05/01/2030	-	-	-	455,000.00	4.375%	20,640.63	475,640.63
11/01/2030	-	-	-	-	-	10,687.50	10,687.50
05/01/2031	-	-	-	475,000.00	4.500%	10,687.50	485,687.50
<b>Total</b>	<b>\$4,110,000.00</b>	<b>\$83,270.63</b>	<b>\$4,193,270.63</b>	<b>\$4,110,000.00</b>	<b>-</b>	<b>\$1,060,741.97</b>	<b>\$5,170,741.97</b>

**MENIFEE COUNTY SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2011**

**Debt Service To Maturity And To Call**

Part 2 of 2

**Yield Statistics**

Base date for Avg. Life & Avg. Coupon Calculation	10/13/2020
Average Life	6.163 Years
Average Coupon	4.2204814%
Weighted Average Maturity (Par Basis)	6.163 Years
Weighted Average Maturity (Original Price Basis)	6.163 Years

**Refunding Bond Information**

Refunding Dated Date	10/13/2020
Refunding Delivery Date	10/13/2020

**MENIFEE COUNTY SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2020**

**Debt Service Comparison**

Date	Total P+I	Net New D/S	Old Net D/S	Savings
06/30/2021	310,320.88	310,320.88	338,270.63	27,949.75
06/30/2022	397,072.50	397,072.50	422,871.26	25,798.76
06/30/2023	391,647.50	391,647.50	418,596.26	26,948.76
06/30/2024	471,067.50	471,067.50	499,146.26	28,078.76
06/30/2025	473,760.00	473,760.00	500,646.26	26,886.26
06/30/2026	471,065.00	471,065.00	500,646.26	29,581.26
06/30/2027	473,070.00	473,070.00	499,656.26	26,586.26
06/30/2028	469,250.00	469,250.00	498,051.26	28,801.26
06/30/2029	473,625.00	473,625.00	500,201.26	26,576.26
06/30/2030	467,625.00	467,625.00	496,281.26	28,656.26
06/30/2031	471,500.00	471,500.00	496,375.00	24,875.00
<b>Total</b>	<b>\$4,870,003.38</b>	<b>\$4,870,003.38</b>	<b>\$5,170,741.97</b>	<b>\$300,738.59</b>

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings	263,272.87
Net PV Cashflow Savings @ 2.660%(AIC)	263,272.87
Contingency or Rounding Amount	1,585.29
Net Present Value Benefit	\$264,858.16

Net PV Benefit / \$4,110,000 Refunded Principal	6.444%
Net PV Benefit / \$4,280,000 Refunding Principal	6.188%

**Refunding Bond Information**

Refunding Dated Date	10/13/2020
Refunding Delivery Date	10/13/2020



**MENIFEE COUNTY SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2020**

**Escrow Fund Cashflow**

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
10/13/2020	-	-	-	0.71	-	0.71
05/01/2021	4,190,744.00	0.110%	2,525.92	4,193,269.92	4,193,270.63	-
<b>Total</b>	<b>\$4,190,744.00</b>	<b>-</b>	<b>\$2,525.92</b>	<b>\$4,193,270.63</b>	<b>\$4,193,270.63</b>	<b>-</b>

**Investment Parameters**

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	0.71
Cost of Investments Purchased with Bond Proceeds	4,190,744.00
Total Cost of Investments	\$4,190,744.71
Target Cost of Investments at bond yield	\$4,141,236.32
Actual positive or (negative) arbitrage	(49,508.39)
Yield to Receipt	0.1095857%
Yield for Arbitrage Purposes	2.2832325%
State and Local Government Series (SLGS) rates for	8/18/2020

Menifee County School District Finance Corporation  
 School Building Refunding Revenue Taxable Bonds, Series 2020  
 Refunding of Prior Series 2011 Bonds - Dated Date of 10.01.2011

Fiscal Year	(A) Current Bond Payments			(B) New Bond Payments			(C) Savings
	Principal Portion	Interest Portion	Total Payment	Principal Portion	Interest Portion	Payment Totals	
Closing							
2021	\$255,000	\$83,271	\$338,271	\$260,000	\$50,321	\$310,321	\$27,950
2022	\$265,000	\$157,871	\$422,871	\$310,000	\$87,073	\$397,073	\$25,799
2023	\$270,000	\$148,596	\$418,596	\$310,000	\$81,648	\$391,648	\$26,949
2024	\$360,000	\$139,146	\$499,146	\$395,000	\$76,068	\$471,068	\$28,079
2025	\$375,000	\$125,646	\$500,646	\$405,000	\$68,760	\$473,760	\$26,886
2026	\$390,000	\$110,646	\$500,646	\$410,000	\$61,065	\$471,065	\$29,581
2027	\$405,000	\$94,656	\$499,656	\$420,000	\$53,070	\$473,070	\$26,586
2028	\$420,000	\$78,051	\$498,051	\$425,000	\$44,250	\$469,250	\$28,801
2029	\$440,000	\$60,201	\$500,201	\$440,000	\$33,625	\$473,625	\$26,576
2030	\$455,000	\$41,281	\$496,281	\$445,000	\$22,625	\$467,625	\$28,656
2031	\$475,000	\$21,375	\$496,375	\$460,000	\$11,500	\$471,500	\$24,875
Totals:	\$4,110,000	\$1,060,742	\$5,170,742	\$4,280,000	\$590,003	\$4,870,003	\$300,739

**Net Savings Summary**

Gross Savings Amount: \$300,739  
 Present Value Savings Amount: \$263,273  
 NPV Savings % of Prior: 6.444%  
 Negative Arbitrage (\$49,508)  
 Efficiency Ratio 83.54%

**Interest Rate Reduction Summary**

Series 2011 Average Coupon: 4.220%  
 Series 2020 Total Interest Cost: 2.450%  
 Interest Rate Reduction: 1.770%





August 28, 2020

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

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

Dear Ms. Bizzle:

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

\$2,780,000 (est.)  
Ohio County  
School District Finance Corporation  
School Building Revenue Bonds,  
Series of 2020

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

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

If you need any additional information, please do not hesitate to call me at 502.588.8476.

Sincerely,

*/s/ Michael Oldiges*

Michael Oldiges  
Vice President

## BOND PAYEE DISCLOSURE FORM

Par Amount:	\$2,780,000
Issue Name:	Ohio County School District Finance Corporation School Building Revenue Bonds, Series of 2020
Purpose:	Construct four classrooms at Wayland Alexander Elementary School/Construct auxiliary gym and two classrooms for ROTC training
Projected Sale Date of Bonds:	October 12, 2020
First Call Date:	TBD
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "A1" – Moody's
Bond Counsel:	Steptoe & Johnson PLLC
Fiscal Agent:	Baird

Date Received by SFCC:

/	/
/	/

*To be filled in by SFCC*

Date Scheduled for Committee Review:

/	/
/	/

*To be filled in by SFCC*

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$745,323	\$2,034,677	\$2,780,000
% Share of total Bonds:	27%	73%	100%
Estimated average annual debt service:	45,679	134,750	180,429
Estimated debt service reserve:	0	0	0
<b>Estimated Costs of Issuance (1):</b>			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	8,609	23,503	32,112
Special Tax Counsel	0	0	0
Number Verifications	0	0	0
Bond Rating	4,826	13,174	18,000
Underwriter's Discount	14,906	40,694	55,600
Paying Agent/Escrow Agent Bank	938	2,562	3,500
<b>Total Cost of Issuance:</b>	<b>29,279</b>	<b>79,933</b>	<b>109,212</b>

**Anticipated Interest Rates:**

1 Years: 0.76%	5 Years: 0.9%
10 Years: 1.46%	20 Years: 2.57%

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

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Ohio County School District Finance Corporation  
School Building Revenue Bonds, Series 2020

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SOURCES AND USES OF FUNDS

Ohio County School District Finance Corporation  
School Building Revenue Bonds, Series 2020

Dated Date 11/01/2020  
Delivery Date 11/01/2020

Sources:	SFCC (Wayland)	District Portion	Total
Bond Proceeds:			
Par Amount	745,323.00	2,034,677.00	2,780,000.00
Other Sources of Funds:			
Cash - General Fund		2,870,162.00	2,870,162.00
	745,323.00	4,904,839.00	5,650,162.00

Uses:	SFCC (Wayland)	District Portion	Total
Project Fund Deposits:			
Total Construction Cost (Wayland)	586,987.57	663,012.43	1,250,000.00
Construction Contingency (Wayland)	29,349.38	33,150.62	62,500.00
Architect/Engineer Fee (Wayland)	50,492.67	57,032.33	107,525.00
Equipment/Computers (Wayland)	21,366.35	24,133.65	45,500.00
Technology Network System (Wayland)	9,391.80	10,608.20	20,000.00
Site Survey (Wayland)	4,695.90	5,304.10	10,000.00
Geotechnical Investigations (Wayland)	2,817.54	3,182.46	6,000.00
Special Inspections (Wayland)	7,043.85	7,956.15	15,000.00
Advertising (Wayland)	140.88	159.12	300.00
Printing (Wayland)	2,347.95	2,652.05	5,000.00
Plan Review (Wayland)	469.59	530.41	1,000.00
Shipping & Mileage (Wayland)	939.18	1,060.82	2,000.00
Total Construction Cost (ROTC)		3,542,800.00	3,542,800.00
Construction Contingency (ROTC)		177,140.00	177,140.00
Architect/Engineer Fee (ROTC)		207,222.00	207,222.00
Equipment/Computers (ROTC)		22,500.00	22,500.00
Site Survey (ROTC)		15,000.00	15,000.00
Geotechnical Investigations (ROTC)		6,000.00	6,000.00
Special Inspections (ROTC)		30,000.00	30,000.00
Advertising (ROTC)		500.00	500.00
Printing (ROTC)		8,000.00	8,000.00
Plan Review (ROTC)		3,100.00	3,100.00
Shipping and Mileage (ROTC)		2,500.00	2,500.00
	716,042.66	4,823,544.34	5,539,587.00
Cost of Issuance:			
Fiscal Agent/Bond Counsel	8,609.28	23,502.72	32,112.00
Moody's	4,825.83	13,174.17	18,000.00
Paying Agent	938.36	2,561.64	3,500.00
	14,373.47	39,238.53	53,612.00
Underwriter's Discount:			
Underwriter's Discount	14,906.46	40,693.54	55,600.00
Other Uses of Funds:			
Additional Proceeds	0.41	1,362.59	1,363.00
	745,323.00	4,904,839.00	5,650,162.00



BOND DEBT SERVICE

Ohio County School District Finance Corporation  
School Building Revenue Bonds, Series 2020

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/01/2021			27,111.99	27,111.99	
06/30/2021					27,111.99
11/01/2021	85,000	0.760%	27,111.99	112,111.99	
05/01/2022			26,789.00	26,789.00	
06/30/2022					138,900.99
11/01/2022	85,000	0.780%	26,789.00	111,789.00	
05/01/2023			26,457.50	26,457.50	
06/30/2023					138,246.50
11/01/2023	85,000	0.800%	26,457.50	111,457.50	
05/01/2024			26,117.49	26,117.49	
06/30/2024					137,574.99
11/01/2024	90,000	0.840%	26,117.49	116,117.49	
05/01/2025			25,739.50	25,739.50	
06/30/2025					141,856.99
11/01/2025	90,000	0.900%	25,739.50	115,739.50	
05/01/2026			25,334.50	25,334.50	
06/30/2026					141,074.00
11/01/2026	90,000	1.010%	25,334.50	115,334.50	
05/01/2027			24,879.99	24,879.99	
06/30/2027					140,214.49
11/01/2027	90,000	1.120%	24,879.99	114,879.99	
05/01/2028			24,376.00	24,376.00	
06/30/2028					139,255.99
11/01/2028	90,000	1.260%	24,376.00	114,376.00	
05/01/2029			23,809.00	23,809.00	
06/30/2029					138,185.00
11/01/2029	95,000	1.360%	23,809.00	118,809.00	
05/01/2030			23,163.00	23,163.00	
06/30/2030					141,972.00
11/01/2030	95,000	1.460%	23,163.00	118,163.00	
05/01/2031			22,469.50	22,469.50	
06/30/2031					140,632.50
11/01/2031	95,000	1.860%	22,469.50	117,469.50	
05/01/2032			21,585.99	21,585.99	
06/30/2032					139,055.49
11/01/2032	95,000	1.990%	21,585.99	116,585.99	
05/01/2033			20,640.74	20,640.74	
06/30/2033					137,226.73
11/01/2033	100,000	2.120%	20,640.74	120,640.74	
05/01/2034			19,580.75	19,580.75	
06/30/2034					140,221.49
11/01/2034	100,000	2.220%	19,580.75	119,580.75	
05/01/2035			18,470.75	18,470.75	
06/30/2035					138,051.50
11/01/2035	110,000	2.290%	18,470.75	128,470.75	
05/01/2036			17,211.24	17,211.24	
06/30/2036					145,681.99
11/01/2036	110,000	2.360%	17,211.24	127,211.24	
05/01/2037			15,913.25	15,913.25	
06/30/2037					143,124.49
11/01/2037	310,000	2.410%	15,913.25	325,913.25	
05/01/2038			12,177.75	12,177.75	
06/30/2038					338,091.00
11/01/2038	315,000	2.470%	12,177.75	327,177.75	
05/01/2039			8,287.50	8,287.50	
06/30/2039					335,465.25
11/01/2039	325,000	2.530%	8,287.50	333,287.50	
05/01/2040			4,176.25	4,176.25	
06/30/2040					337,463.75
11/01/2040	325,000	2.570%	4,176.25	329,176.25	
06/30/2041					329,176.25
	2,780,000		828,583.38	3,608,583.38	3,608,583.38



BOND DEBT SERVICE

Ohio County School District Finance Corporation  
SFCC (Wayland)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/01/2021			6,378.32	6,378.32	
06/30/2021					6,378.32
11/01/2021	33,048	0.760%	6,378.32	39,426.32	
05/01/2022			6,252.74	6,252.74	
06/30/2022					45,679.06
11/01/2022	33,304	0.780%	6,252.74	39,556.74	
05/01/2023			6,122.86	6,122.86	
06/30/2023					45,679.60
11/01/2023	33,568	0.800%	6,122.86	39,690.86	
05/01/2024			5,988.58	5,988.58	
06/30/2024					45,679.44
11/01/2024	33,844	0.840%	5,988.58	39,832.58	
05/01/2025			5,846.44	5,846.44	
06/30/2025					45,679.02
11/01/2025	34,140	0.900%	5,846.44	39,986.44	
05/01/2026			5,692.81	5,692.81	
06/30/2026					45,679.25
11/01/2026	34,468	1.010%	5,692.81	40,160.81	
05/01/2027			5,518.74	5,518.74	
06/30/2027					45,679.55
11/01/2027	34,837	1.120%	5,518.74	40,355.74	
05/01/2028			5,323.66	5,323.66	
06/30/2028					45,679.40
11/01/2028	35,254	1.260%	5,323.66	40,577.66	
05/01/2029			5,101.56	5,101.56	
06/30/2029					45,679.22
11/01/2029	35,719	1.360%	5,101.56	40,820.56	
05/01/2030			4,858.67	4,858.67	
06/30/2030					45,679.23
11/01/2030	36,227	1.460%	4,858.67	41,085.67	
05/01/2031			4,594.21	4,594.21	
06/30/2031					45,679.88
11/01/2031	36,834	1.860%	4,594.21	41,428.21	
05/01/2032			4,251.65	4,251.65	
06/30/2032					45,679.86
11/01/2032	37,550	1.990%	4,251.65	41,801.65	
05/01/2033			3,878.03	3,878.03	
06/30/2033					45,679.68
11/01/2033	38,330	2.120%	3,878.03	42,208.03	
05/01/2034			3,471.73	3,471.73	
06/30/2034					45,679.76
11/01/2034	39,171	2.220%	3,471.73	42,642.73	
05/01/2035			3,036.94	3,036.94	
06/30/2035					45,679.67
11/01/2035	40,064	2.290%	3,036.94	43,100.94	
05/01/2036			2,578.20	2,578.20	
06/30/2036					45,679.14
11/01/2036	41,007	2.360%	2,578.20	43,585.20	
05/01/2037			2,094.32	2,094.32	
06/30/2037					45,679.52
11/01/2037	41,997	2.410%	2,094.32	44,091.32	
05/01/2038			1,588.26	1,588.26	
06/30/2038					45,679.58
11/01/2038	43,034	2.470%	1,588.26	44,622.26	
05/01/2039			1,056.79	1,056.79	
06/30/2039					45,679.05
11/01/2039	44,124	2.530%	1,056.79	45,180.79	
05/01/2040			498.62	498.62	
06/30/2040					45,679.41
11/01/2040	38,803	2.570%	498.62	39,301.62	
06/30/2041					39,301.62
	745,323		168,266.26	913,589.26	913,589.26





BOND DEBT SERVICE

Ohio County School District Finance Corporation  
District Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/01/2021			20,733.67	20,733.67	
06/30/2021					20,733.67
11/01/2021	51,952	0.760%	20,733.67	72,685.67	
05/01/2022			20,536.26	20,536.26	
06/30/2022					93,221.93
11/01/2022	51,696	0.780%	20,536.26	72,232.26	
05/01/2023			20,334.64	20,334.64	
06/30/2023					92,566.90
11/01/2023	51,432	0.800%	20,334.64	71,766.64	
05/01/2024			20,128.91	20,128.91	
06/30/2024					91,895.55
11/01/2024	56,156	0.840%	20,128.91	76,284.91	
05/01/2025			19,893.06	19,893.06	
06/30/2025					96,177.97
11/01/2025	55,860	0.900%	19,893.06	75,753.06	
05/01/2026			19,641.69	19,641.69	
06/30/2026					95,394.75
11/01/2026	55,532	1.010%	19,641.69	75,173.69	
05/01/2027			19,361.25	19,361.25	
06/30/2027					94,534.94
11/01/2027	55,163	1.120%	19,361.25	74,524.25	
05/01/2028			19,052.34	19,052.34	
06/30/2028					93,576.59
11/01/2028	54,746	1.260%	19,052.34	73,798.34	
05/01/2029			18,707.44	18,707.44	
06/30/2029					92,505.78
11/01/2029	59,281	1.360%	18,707.44	77,988.44	
05/01/2030			18,304.33	18,304.33	
06/30/2030					96,292.77
11/01/2030	58,773	1.460%	18,304.33	77,077.33	
05/01/2031			17,875.29	17,875.29	
06/30/2031					94,952.62
11/01/2031	58,166	1.860%	17,875.29	76,041.29	
05/01/2032			17,334.34	17,334.34	
06/30/2032					93,375.63
11/01/2032	57,450	1.990%	17,334.34	74,784.34	
05/01/2033			16,762.71	16,762.71	
06/30/2033					91,547.05
11/01/2033	61,670	2.120%	16,762.71	78,432.71	
05/01/2034			16,109.02	16,109.02	
06/30/2034					94,541.73
11/01/2034	60,829	2.220%	16,109.02	76,938.02	
05/01/2035			15,433.81	15,433.81	
06/30/2035					92,371.83
11/01/2035	69,936	2.290%	15,433.81	85,369.81	
05/01/2036			14,633.04	14,633.04	
06/30/2036					100,002.85
11/01/2036	68,993	2.360%	14,633.04	83,626.04	
05/01/2037			13,818.93	13,818.93	
06/30/2037					97,444.97
11/01/2037	268,003	2.410%	13,818.93	281,821.93	
05/01/2038			10,589.49	10,589.49	
06/30/2038					292,411.42
11/01/2038	271,966	2.470%	10,589.49	282,555.49	
05/01/2039			7,230.71	7,230.71	
06/30/2039					289,786.20
11/01/2039	280,876	2.530%	7,230.71	288,106.71	
05/01/2040			3,677.63	3,677.63	
06/30/2040					291,784.34
11/01/2040	286,197	2.570%	3,677.63	289,874.63	
06/30/2041					289,874.63
	2,034,677		660,317.12	2,694,994.12	2,694,994.12



BOND SUMMARY STATISTICS

Ohio County School District Finance Corporation  
School Building Revenue Bonds, Series 2020

Dated Date	11/01/2020
Delivery Date	11/01/2020
Last Maturity	11/01/2040
Arbitrage Yield	2.222635%
True Interest Cost (TIC)	2.402812%
Net Interest Cost (NIC)	2.394539%
All-In TIC	2.581304%
Average Coupon	2.243963%
Average Life (years)	13.282
Duration of Issue (years)	11.308
Par Amount	2,780,000.00
Bond Proceeds	2,780,000.00
Total Interest	828,583.38
Net Interest	884,183.38
Total Debt Service	3,608,583.38
Maximum Annual Debt Service	338,091.00
Average Annual Debt Service	180,429.17
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	2,780,000.00	100.000	2.244%	13.282
	2,780,000.00			13.282

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,780,000.00	2,780,000.00	2,780,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-55,600.00	-55,600.00	
- Cost of Issuance Expense		-53,612.00	
- Other Amounts			
Target Value	2,724,400.00	2,670,788.00	2,780,000.00
Target Date	11/01/2020	11/01/2020	11/01/2020
Yield	2.402812%	2.581304%	2.222635%



BOND SUMMARY STATISTICS

Ohio County School District Finance Corporation  
SFCC (Wayland)

Dated Date	11/01/2020
Delivery Date	11/01/2020
Last Maturity	11/01/2040
Arbitrage Yield	2.222635%
True Interest Cost (TIC)	2.241614%
Net Interest Cost (NIC)	2.237803%
All-In TIC	2.450257%
Average Coupon	2.055692%
Average Life (years)	10.982
Duration of Issue (years)	9.671
Par Amount	745,323.00
Bond Proceeds	745,323.00
Total Interest	168,266.26
Net Interest	183,172.72
Total Debt Service	913,589.26
Maximum Annual Debt Service	45,679.88
Average Annual Debt Service	45,679.46
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	745,323.00	100.000	2.056%	10.982
	745,323.00			10.982

	TIC	All-In TIC	Arbitrage Yield
Par Value	745,323.00	745,323.00	745,323.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-14,906.46	-14,906.46	
- Cost of Issuance Expense		-14,373.47	
- Other Amounts			
Target Value	730,416.54	716,043.07	745,323.00
Target Date	11/01/2020	11/01/2020	11/01/2020
Yield	2.241614%	2.450257%	2.222635%



BOND SUMMARY STATISTICS

Ohio County School District Finance Corporation  
District Portion

Dated Date	11/01/2020
Delivery Date	11/01/2020
Last Maturity	11/01/2040
Arbitrage Yield	2.222635%
True Interest Cost (TIC)	2.450180%
Net Interest Cost (NIC)	2.439179%
All-In TIC	2.619858%
Average Coupon	2.297585%
Average Life (years)	14.125
Duration of Issue (years)	11.895
Par Amount	2,034,677.00
Bond Proceeds	2,034,677.00
Total Interest	660,317.12
Net Interest	701,010.66
Total Debt Service	2,694,994.12
Maximum Annual Debt Service	292,411.42
Average Annual Debt Service	134,749.71
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	2,034,677.00	100.000	2.298%	14.125
	2,034,677.00			14.125

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,034,677.00	2,034,677.00	2,034,677.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-40,693.54	-40,693.54	
- Cost of Issuance Expense		-39,238.53	
- Other Amounts			
Target Value	1,993,983.46	1,954,744.93	2,034,677.00
Target Date	11/01/2020	11/01/2020	11/01/2020
Yield	2.450180%	2.619858%	2.222635%



BOND PRICING

Ohio County School District Finance Corporation  
SFCC (Wayland)

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	11/01/2021	33,048	0.760%	0.760%	100.000
	11/01/2022	33,304	0.780%	0.780%	100.000
	11/01/2023	33,568	0.800%	0.800%	100.000
	11/01/2024	33,844	0.840%	0.840%	100.000
	11/01/2025	34,140	0.900%	0.900%	100.000
	11/01/2026	34,468	1.010%	1.010%	100.000
	11/01/2027	34,837	1.120%	1.120%	100.000
	11/01/2028	35,254	1.260%	1.260%	100.000
	11/01/2029	35,719	1.360%	1.360%	100.000
	11/01/2030	36,227	1.460%	1.460%	100.000
	11/01/2031	36,834	1.860%	1.860%	100.000
	11/01/2032	37,550	1.990%	1.990%	100.000
	11/01/2033	38,330	2.120%	2.120%	100.000
	11/01/2034	39,171	2.220%	2.220%	100.000
	11/01/2035	40,064	2.290%	2.290%	100.000
	11/01/2036	41,007	2.360%	2.360%	100.000
	11/01/2037	41,997	2.410%	2.410%	100.000
	11/01/2038	43,034	2.470%	2.470%	100.000
	11/01/2039	44,124	2.530%	2.530%	100.000
	11/01/2040	38,803	2.570%	2.570%	100.000
		745,323			

Dated Date	11/01/2020	
Delivery Date	11/01/2020	
First Coupon	05/01/2021	
Par Amount	745,323.00	
Original Issue Discount		
Production	745,323.00	100.000000%
Underwriter's Discount	-14,906.46	-2.000000%
Purchase Price	730,416.54	98.000000%
Accrued Interest		
Net Proceeds	730,416.54	



BOND PRICING

Ohio County School District Finance Corporation  
District Portion

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	11/01/2021	51,952	0.760%	0.760%	100.000
	11/01/2022	51,696	0.780%	0.780%	100.000
	11/01/2023	51,432	0.800%	0.800%	100.000
	11/01/2024	56,156	0.840%	0.840%	100.000
	11/01/2025	55,860	0.900%	0.900%	100.000
	11/01/2026	55,532	1.010%	1.010%	100.000
	11/01/2027	55,163	1.120%	1.120%	100.000
	11/01/2028	54,746	1.260%	1.260%	100.000
	11/01/2029	59,281	1.360%	1.360%	100.000
	11/01/2030	58,773	1.460%	1.460%	100.000
	11/01/2031	58,166	1.860%	1.860%	100.000
	11/01/2032	57,450	1.990%	1.990%	100.000
	11/01/2033	61,670	2.120%	2.120%	100.000
	11/01/2034	60,829	2.220%	2.220%	100.000
	11/01/2035	69,936	2.290%	2.290%	100.000
	11/01/2036	68,993	2.360%	2.360%	100.000
	11/01/2037	268,003	2.410%	2.410%	100.000
	11/01/2038	271,966	2.470%	2.470%	100.000
	11/01/2039	280,876	2.530%	2.530%	100.000
	11/01/2040	286,197	2.570%	2.570%	100.000
		2,034,677			

Dated Date	11/01/2020	
Delivery Date	11/01/2020	
First Coupon	05/01/2021	
Par Amount	2,034,677.00	
Original Issue Discount		
Production	2,034,677.00	100.000000%
Underwriter's Discount	-40,693.54	-2.000000%
Purchase Price	1,993,983.46	98.000000%
Accrued Interest		
Net Proceeds	1,993,983.46	



BOND SOLUTION

Ohio County School District Finance Corporation  
SFCC (Wayland)

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
06/30/2021		6,378	6,378	6,378	-0	99.99498%
06/30/2022	33,048	45,679	45,679	45,680	1	100.00206%
06/30/2023	33,304	45,680	45,680	45,680	0	100.00088%
06/30/2024	33,568	45,679	45,679	45,680	1	100.00123%
06/30/2025	33,844	45,679	45,679	45,680	1	100.00215%
06/30/2026	34,140	45,679	45,679	45,680	1	100.00164%
06/30/2027	34,468	45,680	45,680	45,680	0	100.00099%
06/30/2028	34,837	45,679	45,679	45,680	1	100.00131%
06/30/2029	35,254	45,679	45,679	45,680	1	100.00171%
06/30/2030	35,719	45,679	45,679	45,680	1	100.00169%
06/30/2031	36,227	45,680	45,680	45,680	0	100.00026%
06/30/2032	36,834	45,680	45,680	45,680	0	100.00031%
06/30/2033	37,550	45,680	45,680	45,680	0	100.00070%
06/30/2034	38,330	45,680	45,680	45,680	0	100.00053%
06/30/2035	39,171	45,680	45,680	45,680	0	100.00072%
06/30/2036	40,064	45,679	45,679	45,680	1	100.00188%
06/30/2037	41,007	45,680	45,680	45,680	0	100.00105%
06/30/2038	41,997	45,680	45,680	45,680	0	100.00092%
06/30/2039	43,034	45,679	45,679	45,680	1	100.00208%
06/30/2040	44,124	45,679	45,679	45,680	1	100.00129%
06/30/2041	38,803	39,302	39,302	39,302	0	100.00097%
	745,323	913,589	913,589	913,600	11	



BOND SOLUTION

Ohio County School District Finance Corporation  
District (Wayland)

Period Ending	Proposed Principal	Proposed Debt Service	Existing Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
06/30/2021		10,496	1,574,044	1,584,540	1,961,942	377,402	123.81776%
06/30/2022		20,992	1,585,446	1,606,439	1,961,942	355,503	122.12990%
06/30/2023		20,992	1,600,086	1,621,079	1,961,942	340,863	121.02694%
06/30/2024		20,992	1,597,926	1,618,919	1,961,942	343,023	121.18840%
06/30/2025		20,992	1,597,982	1,618,974	1,961,942	342,967	121.18424%
06/30/2026		20,992	1,598,770	1,619,763	1,961,942	342,179	121.12525%
06/30/2027		20,992	1,598,734	1,619,726	1,961,942	342,216	121.12801%
06/30/2028		20,992	1,465,788	1,486,780	1,961,942	475,161	131.95908%
06/30/2029		20,992	235,454	256,446	1,961,942	1,705,496	765.05021%
06/30/2030		20,992	239,294	260,286	1,961,942	1,701,656	753.76326%
06/30/2031		20,992	240,073	261,066	1,961,942	1,700,876	751.51273%
06/30/2032		20,992	242,975	263,968	1,961,942	1,697,974	743.25128%
06/30/2033		20,992	238,987	259,979	1,961,942	1,701,963	754.65338%
06/30/2034	2,341	23,309	194,836	218,145	1,961,942	1,743,797	899.37556%
06/30/2035	498	21,435	196,710	218,145	1,961,942	1,743,797	899.37572%
06/30/2036	4,786	25,663	192,482	218,145	1,961,942	1,743,797	899.37461%
06/30/2037	4,298	25,069	193,075	218,145	1,961,942	1,743,797	899.37646%
06/30/2038	199,832	218,145		218,145	1,961,942	1,743,797	899.37593%
06/30/2039	204,769	218,145		218,145	1,961,942	1,743,797	899.37543%
06/30/2040	209,954	218,145		218,145	1,961,942	1,743,797	899.37469%
06/30/2041	215,377	218,145		218,145	1,961,942	1,743,797	899.37679%
	841,855	1,230,462	14,592,661	15,823,123	41,200,778	25,377,655	





BOND SOLUTION

Ohio County School District Finance Corporation  
District (ROTC)

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
06/30/2021		10,237	10,237	1,961,942	1,951,704	19164.3979%
06/30/2022	51,952	72,229	72,229	1,961,942	1,889,712	2716.26299%
06/30/2023	51,696	71,574	71,574	1,961,942	1,890,367	2741.12151%
06/30/2024	51,432	70,903	70,903	1,961,942	1,891,039	2767.07598%
06/30/2025	56,156	75,185	75,185	1,961,942	1,886,756	2609.46869%
06/30/2026	55,860	74,402	74,402	1,961,942	1,887,540	2636.93812%
06/30/2027	55,532	73,542	73,542	1,961,942	1,888,399	2667.76746%
06/30/2028	55,163	72,584	72,584	1,961,942	1,889,358	2702.99081%
06/30/2029	54,746	71,513	71,513	1,961,942	1,890,429	2743.46425%
06/30/2030	59,281	75,300	75,300	1,961,942	1,886,642	2605.49039%
06/30/2031	58,773	73,960	73,960	1,961,942	1,887,982	2652.70160%
06/30/2032	58,166	72,383	72,383	1,961,942	1,889,559	2710.49522%
06/30/2033	57,450	70,555	70,555	1,961,942	1,891,387	2780.74378%
06/30/2034	59,329	71,233	71,233	1,961,942	1,890,709	2754.25739%
06/30/2035	60,331	70,937	70,937	1,961,942	1,891,005	2765.77195%
06/30/2036	65,150	74,340	74,340	1,961,942	1,887,602	2639.15224%
06/30/2037	64,695	72,375	72,375	1,961,942	1,889,566	2710.78246%
06/30/2038	68,171	74,267	74,267	1,961,942	1,887,675	2641.75456%
06/30/2039	67,197	71,641	71,641	1,961,942	1,890,301	2738.56333%
06/30/2040	70,922	73,639	73,639	1,961,942	1,888,303	2664.26136%
06/30/2041	70,820	71,730	71,730	1,961,942	1,890,212	2735.17458%
	1,192,822	1,464,532	1,464,532	41,200,778	39,736,246	



# Memo

**To:** KSFCC  
**From:** Lincoln Theinert  
**Subject:** Bond Payee Disclosure Form –Russell Independent School District Series 2020  
**Date:** August 28, 2020  
**cc:** File

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

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

# BOND PAYEE DISCLOSURE FORM

Par Amount: **\$ 4,060,000**  
 Issue Name: Russell Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series 2020  
 Purpose: Refinance Series 2011  
 Projected Sale Date of Bonds: 8-Dec-20  
 First Call Date: 4/1/21 @ 100  
 Method of Sale: Competitive Bids  
 Place/time of sale: PARITY/SFCC  
 Bond Rating: Moodys: "A1"  
 Bond Counsel: Steptoe & Johnson, Louisville, KY  
 Fiscal Agent: RSA Advisors, LLC  
 Date received by SFCC:  *To be filled in by SFCC*  
 Date scheduled for Committee review:  *To be filled in by SFCC*  
Month Day Year

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

SFCC Portion	Local Portion	Total
\$ 1,024,626	\$ 3,035,374	\$ 4,060,000
25.24%	74.76%	
\$ 109,730	\$ 325,067	\$ 434,798
\$ 0	\$ 0	\$ 0

**Estimated Cost of Issuance:**

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

\$ 7,379	\$ 21,861	\$ 29,240
\$ 0	\$ 0	\$ 0
\$ 379	\$ 1,121	\$ 1,500
\$ 2,524	\$ 7,476	\$ 10,000
\$ 10,246	\$ 30,354	\$ 40,600
\$ 946	\$ 2,804	\$ 3,750
\$ 21,474	\$ 63,616	\$ 85,090

**Anticipated Interest Rates:**

5 Years 2.200% 10 Years 2.200% 15 Years:  
 20 Years: N/A

**Note: No Local Tax increase is required.**

# Russell Independent School District

## Projected Plan of Refinancing

Date of Report: August 28, 2020

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<b>Prior Bonds Call Reports</b>	
2011 Call Report.....	1
<b>2020 Series Refunding Bonds</b>	
Total Savings Report.....	2

**RUSSELL INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2020**

**Debt Service To Maturity And To Call**

Part 1 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
11/01/2020	-	-	-	-	-	-	-
04/01/2021	3,895,000.00	78,875.00	3,973,875.00	295,000.00	3.250%	78,875.00	373,875.00
10/01/2021	-	-	-	-	-	74,081.25	74,081.25
04/01/2022	-	-	-	300,000.00	3.500%	74,081.25	374,081.25
10/01/2022	-	-	-	-	-	68,831.25	68,831.25
04/01/2023	-	-	-	310,000.00	3.625%	68,831.25	378,831.25
10/01/2023	-	-	-	-	-	63,212.50	63,212.50
04/01/2024	-	-	-	330,000.00	3.750%	63,212.50	393,212.50
10/01/2024	-	-	-	-	-	57,025.00	57,025.00
04/01/2025	-	-	-	340,000.00	3.875%	57,025.00	397,025.00
10/01/2025	-	-	-	-	-	50,437.50	50,437.50
04/01/2026	-	-	-	355,000.00	4.000%	50,437.50	405,437.50
10/01/2026	-	-	-	-	-	43,337.50	43,337.50
04/01/2027	-	-	-	365,000.00	4.125%	43,337.50	408,337.50
10/01/2027	-	-	-	-	-	35,809.38	35,809.38
04/01/2028	-	-	-	375,000.00	4.250%	35,809.38	410,809.38
10/01/2028	-	-	-	-	-	27,840.63	27,840.63
04/01/2029	-	-	-	390,000.00	4.375%	27,840.63	417,840.63
10/01/2029	-	-	-	-	-	19,309.38	19,309.38
04/01/2030	-	-	-	410,000.00	4.625%	19,309.38	429,309.38
10/01/2030	-	-	-	-	-	9,828.13	9,828.13
04/01/2031	-	-	-	425,000.00	4.625%	9,828.13	434,828.13
<b>Total</b>	<b>\$3,895,000.00</b>	<b>\$78,875.00</b>	<b>\$3,973,875.00</b>	<b>\$3,895,000.00</b>	-	<b>\$978,300.04</b>	<b>\$4,873,300.04</b>

**RUSSELL INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2020**

**Debt Service Comparison**

Date	Total P+I	Net New D/S	Old Net D/S	Savings
06/30/2021	347,216.67	347,216.67	373,875.00	26,658.33
06/30/2022	417,500.00	417,500.00	448,162.50	30,662.50
06/30/2023	420,130.00	420,130.00	447,662.50	27,532.50
06/30/2024	427,540.00	427,540.00	456,425.00	28,885.00
06/30/2025	424,620.00	424,620.00	454,050.00	29,430.00
06/30/2026	426,590.00	426,590.00	455,875.00	29,285.00
06/30/2027	423,340.00	423,340.00	451,675.00	28,335.00
06/30/2028	419,980.00	419,980.00	446,618.76	26,638.76
06/30/2029	416,510.00	416,510.00	445,681.26	29,171.26
06/30/2030	422,930.00	422,930.00	448,618.76	25,688.76
06/30/2031	419,020.00	419,020.00	444,656.26	25,636.26
<b>Total</b>	<b>\$4,565,376.67</b>	<b>\$4,565,376.67</b>	<b>\$4,873,300.04</b>	<b>\$307,923.37</b>

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings	271,630.24
Net PV Cashflow Savings @ 2.601%(AIC)	271,630.24
Contingency or Rounding Amount	4,522.56
Net Present Value Benefit	\$276,152.80
Net PV Benefit / \$3,895,000 Refunded Principal	7.090%
Net PV Benefit / \$4,060,000 Refunding Principal	6.802%

**Refunding Bond Information**

Refunding Dated Date	11/01/2020
Refunding Delivery Date	11/01/2020



August 12, 2020

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

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

Dear Ms. Bizzle:

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

\$18,310,000 (est.)  
Scott County Schools  
School District Finance Corporation  
School Building Refunding Revenue Taxable Bonds,  
Series of 2020

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

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

If you need any additional information, please do not hesitate to call me at 502.588.8476.

Sincerely,

*/s/ Michael Oldiges*

Michael Oldiges  
Vice President

## BOND PAYEE DISCLOSURE FORM

Par Amount:	\$18,310,000
Issue Name:	Scott County Schools School District Finance Corporation School Building Refunding Revenue Taxable Bonds, Series of 2020
Purpose:	Advance refund 2012 Bonds with taxable bonds
Projected Sale Date of Bonds:	October 2020
First Call Date:	TBD
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "Aa3" – Moody's
Bond Counsel:	Step toe & Johnson
Fiscal Agent:	Baird

Date Received by SFCC: 

/	/
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*To be filled in by SFCC*

Date Scheduled for Committee Review: 

/	/
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*To be filled in by SFCC*

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$1,864,204	\$16,445,796	\$18,310,000
% Share of total Bonds:	10%	90%	100%
Estimated average annual debt service:	180,615	1,700,118	1,880,733
Estimated debt service reserve:	-0-	-0-	-0-
<b>Estimated Costs of Issuance (1):</b>			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	8,780	77,460	86,240
Special Tax Counsel	-0-	-0-	-0-
Number Verifications	204	1,796	2,000
Bond Rating	2,749	24,251	27,000
Underwriter's Discount	18,642	164,458	183,100
Paying Agent/Escrow Agent Bank	458	4,042	4,500
<b>Total Cost of Issuance:</b>	<b>30,833</b>	<b>272,007</b>	<b>302,840</b>

**Anticipated Interest Rates:**

1 Year: 0.36%	5 Years: 0.84%
8 Years: 1.35%	12 Years: 1.80%



SOURCES AND USES OF FUNDS

Scott County School District Finance Corporation  
2020 Taxable Ref Bonds (Refunding 2012)

Dated Date 10/15/2020  
Delivery Date 10/15/2020

Sources:	Ref 2012 SFCC	Ref 2012 District	Total
Bond Proceeds:			
Par Amount	1,864,204.00	16,445,796.00	18,310,000.00
	1,864,204.00	16,445,796.00	18,310,000.00
Uses:			
Refunding Escrow Deposits:			
PV cost of cashflows	1,737,255.68	16,267,226.94	18,004,482.62
Cost of Issuance:			
FA/BC	8,780.39	77,459.61	86,240.00
Rating	2,748.96	24,251.04	27,000.00
Paying Agent & Escrow Agent	458.16	4,041.84	4,500.00
Verification Agent	203.63	1,796.37	2,000.00
	12,191.14	107,548.86	119,740.00
Underwriter's Discount:			
Underwriter's Discount	18,642.04	164,457.96	183,100.00
Other Uses of Funds:			
Additional Proceeds	96,115.14	-93,437.76	2,677.38
	1,864,204.00	16,445,796.00	18,310,000.00



BOND DEBT SERVICE

Scott County School District Finance Corporation  
2020 Taxable Ref Bonds (Refunding 2012)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2021	50,000	0.360%	86,303.28	136,303.28	
06/30/2021					136,303.28
08/01/2021			146,462.75	146,462.75	
02/01/2022	125,000	0.460%	146,462.75	271,462.75	
06/30/2022					417,925.50
08/01/2022			146,175.25	146,175.25	
02/01/2023	280,000	0.630%	146,175.25	426,175.25	
06/30/2023					572,350.50
08/01/2023			145,293.25	145,293.25	
02/01/2024	275,000	0.740%	145,293.25	420,293.25	
06/30/2024					565,586.50
08/01/2024			144,275.75	144,275.75	
02/01/2025	280,000	0.840%	144,275.75	424,275.75	
06/30/2025					568,551.50
08/01/2025			143,099.75	143,099.75	
02/01/2026	280,000	1.030%	143,099.75	423,099.75	
06/30/2026					566,199.50
08/01/2026			141,657.75	141,657.75	
02/01/2027	285,000	1.180%	141,657.75	426,657.75	
06/30/2027					568,315.50
08/01/2027			139,976.25	139,976.25	
02/01/2028	290,000	1.350%	139,976.25	429,976.25	
06/30/2028					569,952.50
08/01/2028			138,018.75	138,018.75	
02/01/2029	290,000	1.450%	138,018.75	428,018.75	
06/30/2029					566,037.50
08/01/2029			135,916.25	135,916.25	
02/01/2030	5,425,000	1.550%	135,916.25	5,560,916.25	
06/30/2030					5,696,832.50
08/01/2030			93,872.50	93,872.50	
02/01/2031	5,395,000	1.700%	93,872.50	5,488,872.50	
06/30/2031					5,582,745.00
08/01/2031			48,015.00	48,015.00	
02/01/2032	5,335,000	1.800%	48,015.00	5,383,015.00	
06/30/2032					5,431,030.00
	18,310,000		2,931,829.78	21,241,829.78	21,241,829.78



BOND DEBT SERVICE

Scott County School District Finance Corporation  
Ref 2012 SFCC

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2021	18,544	0.360%	6,693.70	25,237.70	
06/30/2021					25,237.70
08/01/2021			11,333.29	11,333.29	
02/01/2022	27,808	0.460%	11,333.29	39,141.29	
06/30/2022					50,474.58
08/01/2022			11,269.33	11,269.33	
02/01/2023	173,884	0.630%	11,269.33	185,153.33	
06/30/2023					196,422.66
08/01/2023			10,721.60	10,721.60	
02/01/2024	174,981	0.740%	10,721.60	185,702.60	
06/30/2024					196,424.20
08/01/2024			10,074.17	10,074.17	
02/01/2025	176,274	0.840%	10,074.17	186,348.17	
06/30/2025					196,422.34
08/01/2025			9,333.82	9,333.82	
02/01/2026	177,756	1.030%	9,333.82	187,089.82	
06/30/2026					196,423.64
08/01/2026			8,418.37	8,418.37	
02/01/2027	179,588	1.180%	8,418.37	188,006.37	
06/30/2027					196,424.74
08/01/2027			7,358.80	7,358.80	
02/01/2028	181,707	1.350%	7,358.80	189,065.80	
06/30/2028					196,424.60
08/01/2028			6,132.28	6,132.28	
02/01/2029	184,160	1.450%	6,132.28	190,292.28	
06/30/2029					196,424.56
08/01/2029			4,797.12	4,797.12	
02/01/2030	186,829	1.550%	4,797.12	191,626.12	
06/30/2030					196,423.24
08/01/2030			3,349.20	3,349.20	
02/01/2031	189,723	1.700%	3,349.20	193,072.20	
06/30/2031					196,421.40
08/01/2031			1,736.55	1,736.55	
02/01/2032	192,950	1.800%	1,736.55	194,686.55	
06/30/2032					196,423.10
	1,864,204		175,742.76	2,039,946.76	2,039,946.76



BOND DEBT SERVICE

Scott County School District Finance Corporation  
Ref 2012 District

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2021	31,456	0.360%	79,609.58	111,065.58	
06/30/2021					111,065.58
08/01/2021			135,129.46	135,129.46	
02/01/2022	97,192	0.460%	135,129.46	232,321.46	
06/30/2022					367,450.92
08/01/2022			134,905.92	134,905.92	
02/01/2023	106,116	0.630%	134,905.92	241,021.92	
06/30/2023					375,927.84
08/01/2023			134,571.65	134,571.65	
02/01/2024	100,019	0.740%	134,571.65	234,590.65	
06/30/2024					369,162.30
08/01/2024			134,201.58	134,201.58	
02/01/2025	103,726	0.840%	134,201.58	237,927.58	
06/30/2025					372,129.16
08/01/2025			133,765.93	133,765.93	
02/01/2026	102,244	1.030%	133,765.93	236,009.93	
06/30/2026					369,775.86
08/01/2026			133,239.38	133,239.38	
02/01/2027	105,412	1.180%	133,239.38	238,651.38	
06/30/2027					371,890.76
08/01/2027			132,617.45	132,617.45	
02/01/2028	108,293	1.350%	132,617.45	240,910.45	
06/30/2028					373,527.90
08/01/2028			131,886.47	131,886.47	
02/01/2029	105,840	1.450%	131,886.47	237,726.47	
06/30/2029					369,612.94
08/01/2029			131,119.13	131,119.13	
02/01/2030	5,238,171	1.550%	131,119.13	5,369,290.13	
06/30/2030					5,500,409.26
08/01/2030			90,523.30	90,523.30	
02/01/2031	5,205,277	1.700%	90,523.30	5,295,800.30	
06/30/2031					5,386,323.60
08/01/2031			46,278.45	46,278.45	
02/01/2032	5,142,050	1.800%	46,278.45	5,188,328.45	
06/30/2032					5,234,606.90
	16,445,796		2,756,087.02	19,201,883.02	19,201,883.02



CPBO SAVINGS REPORT FOR K-12

Scott County School District Finance Corporation  
2020 Taxable Ref Bonds (Refunding 2012)

Date	Prior Debt Service	Refunding Debt Service	Refunding Net Cash Flow	Savings	Present Value to 10/15/2020 @ 1.655010%
06/30/2021	281,418.75	136,303.28	136,303.28	145,115.47	144,412.93
06/30/2022	562,837.50	417,925.50	417,925.50	144,912.00	142,946.24
06/30/2023	712,837.50	572,350.50	572,350.50	140,487.00	136,351.02
06/30/2024	708,712.50	565,586.50	565,586.50	143,126.00	136,612.37
06/30/2025	709,587.50	568,551.50	568,551.50	141,036.00	132,423.94
06/30/2026	710,325.00	566,199.50	566,199.50	144,125.50	133,083.30
06/30/2027	710,525.00	568,315.50	568,315.50	142,209.50	129,173.47
06/30/2028	710,575.00	569,952.50	569,952.50	140,622.50	125,648.83
06/30/2029	710,475.00	566,037.50	566,037.50	144,437.50	126,918.12
06/30/2030	5,840,225.00	5,696,832.50	5,696,832.50	143,392.50	123,943.12
06/30/2031	5,725,305.00	5,582,745.00	5,582,745.00	142,560.00	120,914.74
06/30/2032	5,573,260.02	5,431,030.00	5,431,030.00	142,230.02	118,371.14
	22,956,083.77	21,241,829.78	21,241,829.78	1,714,253.99	1,570,799.20

Savings Summary

Gross Savings Amount	1,714,253.99
Present Value Savings Amount	1,573,476.58
Net Present Value % of Refunded Bonds	9.15%
Negative Arbitrage	344,054.77
Efficiency Ratio	79.93%



# Memo

**To:** KSFCC  
**From:** Lincoln Theinert  
**Subject:** Bond Payee Disclosure Form –Walton-Verona Independent School District Series 2020  
**Date:** August 27, 2020  
**cc:** File

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

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

# BOND PAYEE DISCLOSURE FORM

Par Amount: **\$ 1,100,000**  
 Issue Name: Walton-Verona Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series 202  
 Purpose: Refinance Series 2011 BONDS  
 Projected Sale Date of Bond: 8-Dec-20  
 First Call Date: 8/1/20 @ 100  
 Method of Sale: Competitive Bids  
 Place/time of sale: PARITY/SFCC  
 Bond Rating: Moodys: "A1"  
 Bond Counsel: Steeptoe & Johnson, Louisville, KY  
 Fiscal Agent: Ross, Sinclair & Associates, Lexington, Kentucky  
 Date received by SFCC:  *To be filled in by SFCC*  
 Date scheduled for Committee review:  *To be filled in by SFCC*  
Month Day Year

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$ 469,032	\$ 630,968	\$ 1,100,000
% Share of total Bonds:	42.64%	57.36%	
Estimated average annual debt service:	\$ 47,613	\$ 64,051	\$ 111,664
Estimated debt service reserve:	\$ 0	\$ 0	\$ 0
<b>Estimated Cost of Issuance:</b>			
Fiscal Agent, Bond Counsel, Advertisements, Printing, Etc.	\$ 3,838	\$ 5,162	\$ 9,000
Special Tax Counsel	\$ 0	\$ 0	\$ 0
Number verifications	\$ 597	\$ 803	\$ 1,400
Bond Rating	\$ 3,838	\$ 5,162	\$ 9,000
Underwriter's Discount	\$ 4,690	\$ 6,310	\$ 11,000
Bank Fee	\$ 1,492	\$ 2,008	\$ 3,500
Total Cost of Issuance:	\$ 14,455	\$ 19,445	\$ 33,900

**Anticipated Interest Rates:**  
 5 Years .65% 10 Years 1.500' 15 Years:  
 20 Years: N/A

**Note: No Local Tax Increase is required.**

# Walton-Verona Independent School District

## Projected Plan of Refinancing

Date of Report: August 27, 2020

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Prior Bonds Call Reports	
2011 Call Report.....	1
2020 Series Refunding Bonds	
Total Savings Report.....	2



**WALTON-VERONA INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 2011**

**Debt Service To Maturity And To Call**

Part 1 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/15/2020	-	-	-	-	-	-	-
03/01/2021	1,040,000.00	20,228.13	1,060,228.13	70,000.00	3.000%	20,228.13	90,228.13
09/01/2021	-	-	-	-	-	19,178.13	19,178.13
03/01/2022	-	-	-	75,000.00	3.375%	19,178.13	94,178.13
09/01/2022	-	-	-	-	-	17,912.50	17,912.50
03/01/2023	-	-	-	75,000.00	3.375%	17,912.50	92,912.50
09/01/2023	-	-	-	-	-	16,646.88	16,646.88
03/01/2024	-	-	-	75,000.00	3.625%	16,646.88	91,646.88
09/01/2024	-	-	-	-	-	15,287.50	15,287.50
03/01/2025	-	-	-	80,000.00	3.625%	15,287.50	95,287.50
09/01/2025	-	-	-	-	-	13,837.50	13,837.50
03/01/2026	-	-	-	45,000.00	4.000%	13,837.50	58,837.50
09/01/2026	-	-	-	-	-	12,937.50	12,937.50
03/01/2027	-	-	-	55,000.00	4.000%	12,937.50	67,937.50
09/01/2027	-	-	-	-	-	11,837.50	11,837.50
03/01/2028	-	-	-	130,000.00	4.125%	11,837.50	141,837.50
09/01/2028	-	-	-	-	-	9,156.25	9,156.25
03/01/2029	-	-	-	140,000.00	4.125%	9,156.25	149,156.25
09/01/2029	-	-	-	-	-	6,268.75	6,268.75
03/01/2030	-	-	-	145,000.00	4.250%	6,268.75	151,268.75
09/01/2030	-	-	-	-	-	3,187.50	3,187.50
03/01/2031	-	-	-	150,000.00	4.250%	3,187.50	153,187.50
<b>Total</b>	<b>\$1,040,000.00</b>	<b>\$20,228.13</b>	<b>\$1,060,228.13</b>	<b>\$1,040,000.00</b>	-	<b>\$272,728.15</b>	<b>\$1,312,728.15</b>

**WALTON-VERONA INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2020**  
**PROJECTED REFINANCING OF SERIES 2011**

**Debt Service Comparison**

Date	Total P+I	Net New D/S	Old Net D/S	Savings
06/30/2021	77,115.33	73,316.89	90,228.13	16,911.24
06/30/2022	99,720.00	99,720.00	113,356.26	13,636.26
06/30/2023	99,315.00	99,315.00	110,825.00	11,510.00
06/30/2024	93,865.00	93,865.00	108,293.76	14,428.76
06/30/2025	98,397.50	98,397.50	110,575.00	12,177.50
06/30/2026	62,812.50	62,812.50	72,675.00	9,862.50
06/30/2027	67,400.00	67,400.00	80,875.00	13,475.00
06/30/2028	141,950.00	141,950.00	153,675.00	11,725.00
06/30/2029	145,600.00	145,600.00	158,312.50	12,712.50
06/30/2030	144,200.00	144,200.00	157,537.50	13,337.50
06/30/2031	142,100.00	142,100.00	156,375.00	14,275.00
<b>Total</b>	<b>\$1,172,475.33</b>	<b>\$1,168,676.89</b>	<b>\$1,312,728.15</b>	<b>\$144,051.26</b>

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings	129,194.48
Net PV Cashflow Savings @ 1.710%(AIC)	129,194.48
Contingency or Rounding Amount	3,798.44
Net Present Value Benefit	\$132,992.92
Net PV Benefit / \$1,040,000 Refunded Principal	12.788%
Net PV Benefit / \$1,100,000 Refunding Principal	12.090%

**Refunding Bond Information**

Refunding Dated Date	12/15/2020
Refunding Delivery Date	12/15/2020