



Commonwealth of Kentucky
FINANCE AND ADMINISTRATION CABINET
Office of Financial Management

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Andy Beshear
 Governor

Holly M. Johnson
 Secretary

Ryan Barrow
 Executive Director

March 2, 2021

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

Dear Senator Girdler and Representative Freeland:

Listed below is information regarding various projects and reports that will be presented to the Capital Projects and Bond Oversight Committee (“CPBOC”) at the March 2021 meeting.

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

Fund A Loans

| | |
|---|--------------|
| City of Mount Sterling | \$11,825,000 |
| City of Providence | \$700,000 |
| Louisville and Jefferson County Metropolitan Sewer District | \$8,270,000 |
| City of Frankfort | \$1,500,000 |

Fund F Loans

| | |
|---------------------|-----------|
| City of Scottsville | \$696,500 |
|---------------------|-----------|

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

| | |
|--|---------------|
| Kentucky Housing Corporation Conduit Revenue Bonds (The Alcove at Russell), Series 2021 | \$30,000,000* |
|--|---------------|

Senator Girdler
Representative Freeland
March 2, 2021
Page 2

Kentucky Housing Corporation Conduit Revenue Bonds \$33,000,000*
(Cambridge Square), Series 2021

*Estimated

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

| | |
|------------------------|---------------|
| Ashland Independent | \$445,000* |
| Ashland Independent | \$9,445,000* |
| Christian County | \$545,000* |
| Ft. Thomas Independent | \$2,795,000* |
| Glasgow Independent | \$15,220,000* |
| Jefferson County | \$8,220,000* |

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 March 2021
Capital Projects and Bond Oversight Committee**

▪ **Fund A Loan**

| <u>Loan #</u> | <u>Borrower</u> | <u>Amount Requested</u> | <u>Amount Loan Total</u> | <u>County</u> |
|---------------|---|-------------------------|--------------------------|---------------|
| A21-005 | City of Mount Sterling (Construction) | \$ 11,825,000 | \$ 12,350,000 | Montgomery |
| A21-021 | City of Providence (Planning & Design) | \$ 700,000 | \$ 700,000 | Webster |
| A21-022 | Louisville & Jefferson County Metropolitan Sewer District | \$ 8,270,000 | \$ 8,270,000 | Jefferson |
| A21-031 | City of Frankfort | \$ 1,500,000 | \$ 1,500,000 | Franklin |

▪ **Fund F Loan**

| <u>Loan #</u> | <u>Borrower</u> | <u>Amount Requested</u> | <u>Amount Loan Total</u> | <u>County</u> |
|---------------|---------------------|-------------------------|--------------------------|---------------|
| F21-026 | City of Scottsville | \$ 696,500 | \$ 696,500 | Allen |

| | | | | |
|---|--|-------------------------|------------------------------|------------------------|
| EXECUTIVE SUMMARY | | Reviewer | Carmen Ignat | |
| KENTUCKY INFRASTRUCTURE AUTHORITY | | Date | March 4, 2021 | |
| FUND A, FEDERALLY ASSISTED WASTEWATER | | KIA Loan Number | A21-005 | |
| REVOLVING LOAN FUND | | WRIS Number | SX21173075 | |
| BORROWER | CITY OF MOUNT STERLING MONTGOMERY COUNTY | | | |
| BRIEF DESCRIPTION | | | | |
| <p>The City of Mt. Sterling is requesting a Fund A loan in amount of \$11,825,000. This is the construction portion of the Wastewater Capacity Upgrade Project that will bring the total cost of the project up to \$12,500,000 after a contribution of \$150,000 in local funds. The planning and design phase has been concluded with KIA loan A20-007 previously approved on July 1, 2019. This project will increase the capacity at Hinkston Creek WWTP from 3.0 MGD up to 6.0MGD and will increase the designed organic loadings from estimative 6000 lbs up to 10,000 lbs/day. The expansion will be constructed on adjacent site. Also, this project will increase capacity on the South Queen Street main sewer that is experiencing overflows. Statistical data indicates the facility is reaching its capacity, being at 79% hydraulically and 141 % capacity based on the design criteria concerning organic overloads. In addition this project will reduce inflow and infiltrations during substantial rainfall events to adequately maintain compliance.</p> | | | | |
| PROJECT FINANCING | | PROJECT BUDGET | | |
| Fund A Loan A20-007 | \$525,000 | RD Fee % | Actual % | |
| Fund A Loan A21-005 | 11,825,000 | Administrative Expenses | | \$50,000 |
| Funding Source Local | \$150,000 | Legal Expenses | | 25,000 |
| TOTAL | \$12,500,000 | Planning | | 75,000 |
| | | Eng - Design / Const | 6.4% | 5.8% |
| | | Eng - Insp | 4.1% | 3.8% |
| | | Eng - Other | | 135,000 |
| | | Construction | | 10,150,000 |
| | | Contingency | | 1,000,000 |
| | | TOTAL | | \$12,500,000 |
| REPAYMENT | Rate | 1.00% | Est. Annual Payment | \$707,544 |
| | Term | 20 Years | 1st Payment | 6 Mo. after first draw |
| PROFESSIONAL SERVICES | Engineer | Bell Engineering | | |
| | Bond Counsel | Rubin & Hays | | |
| PROJECT SCHEDULE | Bid Opening | Jun-21 | | |
| | Construction Start | Jul-21 | | |
| | Construction Stop | Jul-22 | | |
| DEBT PER CUSTOMER | Existing | \$514 | | |
| | Proposed | \$2,575 | | |
| OTHER DEBT | See Attached | | | |
| OTHER STATE-FUNDED PROJECTS LAST 5 YRS | See Attached | | | |
| RESIDENTIAL RATES | | <u>Users</u> | <u>Avg. Bill</u> | |
| | Current | 4,448 | \$26.15 (for 4,000 gallons) | |
| | Additional | 0 | \$26.15 (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 2018 | 2,235,838 | 914,208 | 1,321,630 | 2.4 |
| Audited 2019 | 2,485,277 | 665,112 | 1,820,165 | 3.7 |
| Audited 2020 | 2,298,553 | 665,746 | 1,632,807 | 3.5 |
| Projected 2021 | 2,217,399 | 661,211 | 1,556,188 | 3.4 |
| Projected 2022 | 2,217,399 | 661,212 | 1,556,187 | 3.4 |
| Projected 2023 | 2,201,949 | 1,014,982 | 1,186,967 | 2.2 |
| Projected 2024 | 2,186,499 | 1,368,756 | 817,743 | 1.6 |
| Projected 2025 | 2,186,499 | 707,544 | 1,478,955 | 3.1 |

Reviewer: Carmen Ignat
Date: 03/04/2021
Loan Number: A21-005

**KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND A)
CITY OF MOUNT STERLING, MONTGOMERY COUNTY
PROJECT REVIEW
SX21173075**

I. PROJECT DESCRIPTION

The City of Mt. Sterling is requesting a Fund A loan in amount of \$11,825,000. This is the construction portion of the Wastewater Capacity Upgrade Project that will bring the total cost of the project up to \$12,500,000 after a contribution of \$150,000 in local funds. The planning and design phase has been concluded with KIA loan A20-007 previously approved on July 1, 2019. This project will increase the capacity at Hinkston Creek WWTP from 3.0 MGD up to 6.0MGD and will increase the designed organic loadings from estimative 6000lbs up to 10,000lbs/day. The expansion will be constructed on adjacent site. Also, this project will increase capacity on the South Queen Street main sewer that is experiencing overflows. Statistical data indicates the facility is reaching its capacity, being at 79% hydraulically and 141 % capacity based on the design criteria concerning organic overloads. In addition, this project will reduce inflow and infiltrations during substantial rainfall events to adequately maintain compliance.

II. PROJECT BUDGET

| | Total |
|---------------------------------|---------------------|
| Administrative Expenses | 50,000 |
| Legal Expenses | 25,000 |
| Planning | 75,000 |
| Engineering Fees - Design | 450,000 |
| Engineering Fees - Construction | 195,000 |
| Engineering Fees - Inspection | 420,000 |
| Engineering Fees - Other | 135,000 |
| Construction | 10,150,000 |
| Contingency | 1,000,000 |
| Total | \$12,500,000 |

III. PROJECT FUNDING

| | <u>Amount</u> | <u>%</u> |
|----------------------|---------------------|-------------|
| Fund A Loan"A20-007 | \$525,000 | 4% |
| Fund A Loan A21-005 | \$11,825,000 | 95% |
| Funding Source Local | \$150,000 | 1% |
| Total | \$12,500,000 | 100% |

IV. KIA DEBT SERVICE

| | |
|--|------------------|
| Construction Loan | \$12,350,000 |
| Less: Principal Forgiveness | <u>0</u> |
| Amortized Loan Amount | \$12,350,000 |
| Interest Rate | 1.00% |
| Loan Term (Years) | <u>20</u> |
| Estimated Annual Debt Service | \$682,844 |
| Administrative Fee (0.20%) | <u>24,700</u> |
| Total Estimated Annual Debt Service | \$707,544 |

V. PROJECT SCHEDULE

| | |
|-----------------------------------|------------------|
| Estimated Bid Opening Date | June 1, 2021 |
| Estimated Construction Start | July 1, 2021 |
| Estimated Construction Completion | July 1, 2022 |
| First Interest Payment | December 1, 2021 |
| First P&I Payment Date | June 1, 2023 |

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

| Customers | Current |
|---------------|--------------|
| Residential | 4,448 |
| Commercial | 579 |
| Industrial | 29 |
| Institutional | 10 |
| Total | 5,066 |

B) Rates

| | Sewer Inside City | | Sewer Outside City | |
|--------------------------------|-------------------|----------|--------------------|----------|
| | Current | Prior | Current | Prior |
| Date of Last Rate Increase | 07/01/19 | 07/01/18 | 07/01/19 | 07/01/18 |
| First 748 Gallons (Minimum) | 9.76 | 9.48 | 10.24 | 9.94 |
| Next 252 | 1.27 | 1.23 | 1.50 | 1.46 |
| Next 3000 | 15.12 | 14.67 | 17.85 | 17.34 |
| Cost for 4,000 gallons | 26.15 | 25.38 | 29.59 | 28.74 |
| Increase % | 3.02% | N/A | 2.97% | N/A |
| Affordability Index (Rate/MHI) | 0.77% | 0.74% | 0.87% | 0.84% |

| | Water Inside City | | Water Outside City | |
|--------------------------------|-------------------|----------|--------------------|----------|
| | Current | Prior | Current | Prior |
| Date of Last Rate Increase | 07/01/19 | 07/01/18 | 07/01/19 | 07/01/18 |
| First 748 Gallons (Minimum) | 7.58 | 7.43 | 8.67 | 8.50 |
| Next 252 | 1.34 | 1.32 | 1.48 | 1.45 |
| Next 3,000 | 15.99 | 15.69 | 17.67 | 17.31 |
| Cost for 4,000 gallons | 24.91 | 24.44 | 27.82 | 27.26 |
| Increase % | 1.94% | N/A | 2.05% | N/A |
| Affordability Index (Rate/MHI) | 0.73% | 0.72% | 0.81% | 0.80% |

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2014-2018, the Utility's service area population was 11,965 with a Median Household Income (MHI) of \$40,976. The median household income for the Commonwealth is \$48,392. The project will qualify for a 1.00% interest rate.

VIII. 2020 CAPITALIZATION GRANT EQUIVALENCIES

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

IX. FINANCIAL ANALYSIS

Financial information was obtained from the Mount Sterling City's audited financial statements for the years ended June 30, 2018 through June 30, 2020 for the business type-activities of Mount Sterling City and Water and Sewer Commission. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Total operating revenues have increased 5.4% from 5.64M in 2018 to 5.94M in 2020 while total operating expenses have increased 9.1% from 3.40M in 2018 to 3.72M in 2020. The debt coverage ratio was above 2.4 for 2018 and above 3.5 for 2019 and 2020 respectively.

The balance sheet for the year of 2020 reflects a current ratio of 5.6, debt to equity ratio of 0.3, 47.7 days of sales in accounts receivable and 26 months operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Future revenue projections are expected to remain flat.
- 2) Expenses are projected to rise 2% annually for inflation.
- 3) The existing debt obligations will be paid off by FY2025.

4) Debt service coverage will be 1.6 in FY2024 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% (\$618,000 total) of the final amount borrowed to be funded annually (\$30,900 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

| | <u>Outstanding</u> | <u>Maturity</u> |
|-----------------|--------------------|-----------------|
| KIA Loan A02-01 | \$2,586,313 | 2024 |
| Total | \$2,586,313 | |

XI. CONTACTS

| Legal Applicant | |
|------------------------|--|
| Entity Name | City of Mount Sterling |
| Authorized Official | Al Botts (Mayor) |
| County | Montgomery |
| Email | Al.botts@ky.gov |
| Phone | 859-498-8725 |
| Address | 33 N Maysville St Mount Sterling, KY40353 |

| Applicant Contact | |
|--------------------------|---------------------------------------|
| Name | Rick Fletcher |
| Organization | Mount Sterling Water and Sewer |
| Email | r.fletcher@mwatersewer.com |
| Phone | 859-498-0166 |
| Address | PO Box 392 Mount Sterling, KY40353 |

Project Administrator

| | |
|--------------|---------------------------------------|
| Name | Jocelyn R Gross |
| Organization | Gateway Area Development District |
| Email | jocelynr.gross@ky.gov |
| Phone | 606-780-0090 |
| Address | 110 Lake Park Dr Morehead, KY40351 |

Consulting Engineer

| | |
|-----------|--|
| PE Name | David F. Schrader |
| Firm Name | Bell Engineering |
| Email | dschrader@hkbell.com |
| Phone | 859-278-5412 |
| Address | 2480 Fortune Drive Lexington, KY40509 |

XII. RECOMMENDATIONS

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

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

| | <u>Audited</u> <u>2018</u> | <u>Audited</u> <u>2019</u> | <u>Audited</u> <u>2020</u> | <u>Projected</u> <u>2021</u> | <u>Projected</u> <u>2022</u> | <u>Projected</u> <u>2023</u> | <u>Projected</u> <u>2024</u> | <u>Projected</u> <u>2025</u> |
|--|-------------------------------|-------------------------------|-------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Balance Sheet | | | | | | | | |
| Assets | | | | | | | | |
| Current Assets | 7,403,306 | 8,311,464 | 9,230,894 | 10,787,040 | 12,343,227 | 13,530,194 | 14,347,937 | 15,826,892 |
| Other Assets | 31,039,669 | 29,865,811 | 29,030,020 | 27,046,791 | 25,063,562 | 35,580,333 | 33,284,604 | 30,988,875 |
| Total | 38,442,975 | 38,177,275 | 38,260,914 | 37,833,831 | 37,406,789 | 49,110,527 | 47,632,541 | 46,815,767 |
| Liabilities & Equity | | | | | | | | |
| Current Liabilities | 1,437,335 | 1,530,515 | 1,646,586 | 1,653,918 | 1,663,566 | 1,673,282 | 1,727,840 | 1,731,240 |
| Long Term Liabilities | 7,743,175 | 7,216,147 | 7,336,393 | 6,693,071 | 6,043,301 | 17,737,015 | 17,029,471 | 16,321,927 |
| Total Liabilities | 9,180,510 | 8,746,662 | 8,982,979 | 8,346,989 | 7,706,867 | 19,410,297 | 18,757,311 | 18,053,167 |
| Net Assets | 29,262,465 | 29,430,613 | 29,277,935 | 29,486,842 | 29,699,922 | 29,700,230 | 28,875,230 | 28,762,600 |
| Cash Flow | | | | | | | | |
| Revenues | 5,637,996 | 5,895,018 | 5,943,048 | 5,943,048 | 5,943,048 | 5,943,048 | 5,943,048 | 5,943,048 |
| Operating Expenses | 3,406,019 | 3,444,000 | 3,716,109 | 3,716,109 | 3,716,109 | 3,731,559 | 3,747,009 | 3,747,009 |
| Other Income | 3,861 | 34,259 | 71,614 | (9,540) | (9,540) | (9,540) | (9,540) | (9,540) |
| Cash Flow Before Debt Service | 2,235,838 | 2,485,277 | 2,298,553 | 2,217,399 | 2,217,399 | 2,201,949 | 2,186,499 | 2,186,499 |
| Debt Service | | | | | | | | |
| Existing Debt Service | 914,208 | 665,112 | 665,746 | 661,211 | 661,212 | 661,210 | 661,212 | 0 |
| Proposed KIA Loan | 0 | 0 | 0 | 0 | 0 | 353,772 | 707,544 | 707,544 |
| Total Debt Service | 914,208 | 665,112 | 665,746 | 661,211 | 661,212 | 1,014,982 | 1,368,756 | 707,544 |
| Cash Flow After Debt Service | 1,321,630 | 1,820,165 | 1,632,807 | 1,556,188 | 1,556,187 | 1,186,967 | 817,743 | 1,478,955 |
| Ratios | | | | | | | | |
| Current Ratio | 5.2 | 5.4 | 5.6 | 6.5 | 7.4 | 8.1 | 8.3 | 9.1 |
| Debt to Equity | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.7 | 0.6 | 0.6 |
| Days Sales in Accounts Receivable | 50.1 | 49.2 | 47.7 | 47.7 | 47.7 | 47.7 | 47.7 | 47.7 |
| Months Operating Expenses in Unrestricted Cash | 22.6 | 25.3 | 26.0 | 31.0 | 36.1 | 39.9 | 42.5 | 47.3 |
| Debt Coverage Ratio | 2.4 | 3.7 | 3.5 | 3.4 | 3.4 | 2.2 | 1.6 | 3.1 |

| | | | | |
|--|--|------------------------------|------------------------------------|---------------------|
| EXECUTIVE SUMMARY | | Reviewer | Carmen Ignat | |
| KENTUCKY INFRASTRUCTURE AUTHORITY | | Date | March 4, 2021 | |
| FUND A, FEDERALLY ASSISTED WASTEWATER | | KIA Loan Number | A21-021 | |
| REVOLVING LOAN FUND | | WRIS Number | SX21233025 | |
| BORROWER | CITY OF PROVIDENCE WEBSTER COUNTY | | | |
| BRIEF DESCRIPTION | | | | |
| <p>Providence City is requesting a \$700,000 planning and design Fund A loan for Providence Sanitary Sewer Upgrades. The City of Providence has received Notices of Violation from the KY Division of Enforcement concerning the current state of the Providence Wastewater Treatment System and is currently under an Agreed Order. This project will document and prioritize needed repairs and cleaning in the collection system: approximately 42,000 LF of sewer line, 120 manholes and 6 pump stations in order to prevent overflows and reduce excessive inflows & infiltration in the worst identified areas. Also, this project includes planning and designing the WWTP improvements. The sewer project will be associated with a project of replacing waterlines that are running directly parallel with the sewer lines. The total cost of the two projects will be \$7,230,000.</p> | | | | |
| PROJECT FINANCING | | PROJECT BUDGET | | |
| Fund A Loan P&D | \$700,000 | Planning | \$350,000 | |
| | | Eng - Design / Const | \$320,000 | |
| | | Contingency | \$30,000 | |
| TOTAL | \$700,000 | TOTAL | \$700,000 | |
| REPAYMENT | Rate | 2.50% | Est. Annual Payment \$151,204 | |
| | Term | 5 Years | 1st Payment 6 Mo. after first draw | |
| PROFESSIONAL SERVICES | Engineer | Haworth, Meyer & Boleyn, Inc | | |
| | Bond Counsel | Rubin & Hays | | |
| PROJECT SCHEDULE | Bid Opening | Nov-22 | | |
| | P&D Start | May-21 | | |
| | P&D Stop | May-22 | | |
| DEBT PER CUSTOMER | Existing | \$655 | | |
| | Proposed | \$548 | | |
| OTHER DEBT | See Attached | | | |
| OTHER STATE-FUNDED PROJECTS LAST 5 YRS | See Attached | | | |
| RESIDENTIAL RATES | | <u>Users</u> | <u>Avg. Bill</u> | |
| | Current | 1,286 | \$20.67 | (for 4,000 gallons) |
| | Additional | 0 | \$20.67 | (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 | 551,311 | 311,585 | 239,726 | 1.8 |
| Audited 2018 | 596,963 | 314,625 | 282,338 | 1.9 |
| Audited 2019 | 1,135,254 | 318,275 | 816,979 | 3.6 |
| Projected 2020 | 995,789 | 317,611 | 678,178 | 3.1 |
| Projected 2021 | 915,084 | 318,363 | 596,721 | 2.9 |
| Projected 2022 | 832,766 | 224,485 | 608,281 | 3.7 |
| Projected 2023 | 748,801 | 156,601 | 592,200 | 4.8 |
| Projected 2024 | 663,156 | 151,204 | 511,952 | 4.4 |

Reviewer: Carmen Ignat
Date: 03/04/2021
Loan Number: A21-021

**KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND A)
CITY OF PROVIDENCE, WEBSTER COUNTY
PROJECT REVIEW
SX21233025**

I. PROJECT DESCRIPTION

The City of Providence is requesting a planning and design Fund A loan in the amount of \$700,000 for the Providence Sanitary Sewer Upgrades project.

The City of Providence has received Notices of Violation from the KY Division of Enforcement concerning the current state of the Providence Wastewater Treatment System and is currently under an Agreed Order. This project will document and prioritize needed repairs and cleaning in the collection system: approximately 42,000 LF of sewer line, 120 manholes and 6 pump stations in order to prevent overflows and reduce excessive inflows & infiltration in the worst identified areas. Also, this project includes planning and designing the WWTP improvements.

The sewer project will be associated with a project of replacing waterlines that are running directly parallel on the sewer lines. The total cost of the two projects will be \$7,230,000.

II. PROJECT BUDGET

| | |
|---------------------------|------------------|
| | Total |
| Planning | \$350,000 |
| Engineering Fees - Design | \$320,000 |
| Contingency | \$30,000 |
| Total | \$700,000 |

III. PROJECT FUNDING

| | <u>Amount</u> | <u>%</u> |
|-----------------|------------------|-------------|
| Fund A Loan P&D | \$700,000 | 100% |
| Total | \$700,000 | 100% |

IV. KIA DEBT SERVICE

| | |
|--|------------------|
| P & D Loan | \$700,000 |
| Less: Principal Forgiveness | <u>0</u> |
| Amortized Loan Amount | \$700,000 |
| Interest Rate | 2.50% |
| Loan Term (Years) | <u>5</u> |
| Estimated Annual Debt Service | \$149,804 |
| Administrative Fee (0.20%) | <u>1,400</u> |
| Total Estimated Annual Debt Service | \$151,204 |

V. PROJECT SCHEDULE

| | |
|-----------------------------------|-------------------|
| Estimated P&D Start | May 31, 2021 |
| Estimated P&D Completion | May 31, 2022 |
| Estimated Bid Opening Date | November 30, 2022 |
| Estimated Construction Start | March 31, 2023 |
| Estimated Construction Completion | March 31, 2024 |
| First Interest Payment | December 1, 2021 |
| First P&I Payment Date | December 1, 2022 |

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

| | <u>Current</u> |
|--------------|----------------|
| Residential | 1,235 |
| Commercial | 51 |
| Industrial | <u>0</u> |
| Total | 1,286 |

B) Rates

| | Sewer |
|-----------------------------------|----------------|
| | Current |
| Date of Last Rate Increase | 1991-07 |
| First 3,000 Gallons (Minimum) | 15.50 |
| Next 1,000 | 5.17 |
| Cost for 4,000 gallons | 20.67 |
| Increase % | |
| Affordability Index (Rate/MHI) | 0.92% |

| | Water Inside City | | Water Outside City | |
|--|-------------------|----------------|--------------------|----------------|
| | Current | Prior | Current | Prior |
| Date of Last Rate Increase | 2013-07 | 2000-05 | 2013-07 | 2000-05 |
| First 2,000(3000) Gallons (Minimum) | 15.67 | 11.67 | 25.05 | 18.67 |
| Next 2,000(1000) | 3.38 | 3.19 | 4.59 | 4.33 |
| Cost for 4,000 gallons | 22.43 | 14.86 | 34.23 | 23.00 |
| Increase % | 50.94% | | 48.83% | |
| Affordability Index (Rate/MHI) | 1.00% | 0.66% | 1.53% | 1.03% |

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2014-2018, the Utility's service area population was 2,861 with a Median Household Income (MHI) of \$26,849. The median household income for the Commonwealth is \$48,392. The project will qualify for a 2.50% interest rate.

VIII. 2020 CAPITALIZATION GRANT EQUIVALENCIES

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

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 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

Total operating revenues have increased 5.8% from 4.75 M in 2017 to 5.03 M in 2019 while total operating expenses have decreased 5.6% from 4.19 M in 2017 to 3.96 M in 2019. There was a significant decrease in the water treatment and collection expenses due to several leak repairs in the water and sewer distribution systems.

The balance sheet for the year of 2019 reflects a current ratio of 1.8, debt to equity ratio of 1.1, 42.8 days of sales in accounts receivable, and 0.8 months operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Future revenue projections are expected to remain flat.
- 2) Expenses are projected to rise 2% annually for inflation.
- 3) The existing debt obligations will be paid off by FY2023.
- 4) Debt service coverage is 4.8 in FY2023 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.

X. DEBT OBLIGATIONS

| | Outstanding | Maturity (Fiscal Year) |
|-----------------------------|--------------------|---------------------------------------|
| KIA Loan F00-008 | \$817,863 | 2022 |
| Dixon Bank Loan 29899(2018) | \$24,447 | 2023 |
| Total | \$ 842,310 | |

XI. CONTACTS

Legal Applicant

Entity Name City of Providence
Authorized Official Doug Hammers (Mayor)
County Webster
Email dhammers@providenceky.com
Phone 270-667-5463
Address PO Box 128
 Providence, KY42450

Applicant Contact

Name David May
Organization City of Providence
Email jdmay28@yahoo.com
Phone 270-667-2511
Address 201 E Main St
 Providence, KY42450

Project Administrator

Name Skyler Stewart
Organization Green River Area Development District
Email skylerstewart@gradd.com
Phone 270-926-4433
Address 300 GRADD Way
 Owensboro, KY42301

Consulting Engineer

| | |
|-----------|------------------------------------|
| PE Name | Christopher Allen Stewart |
| Firm Name | Haworth, Meyer & Boleyn, Inc |
| Email | castewart@hmbpe.com |
| Phone | 502-695-9800 |
| Address | 3 Hmb Circle Frankfort, KY40601 |

XII. RECOMMENDATIONS

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

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

| | Audited 2017 | Audited 2018 | Audited 2019 | Projected 2020 | Projected 2021 | Projected 2022 | Projected 2023 | Projected 2024 | Projected 2025 |
|--|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Balance Sheet | | | | | | | | | |
| Assets | | | | | | | | | |
| Current Assets | 1,109,446 | 1,111,473 | 1,260,537 | 1,382,316 | 1,501,660 | 1,623,316 | 1,741,756 | 1,844,146 | 1,941,273 |
| Other Assets | 5,338,113 | 5,421,410 | 4,792,063 | 5,002,470 | 5,147,712 | 6,002,202 | 6,143,827 | 6,221,254 | 6,277,624 |
| Total | 6,447,559 | 6,532,883 | 6,052,600 | 6,384,786 | 6,649,372 | 7,625,518 | 7,885,583 | 8,065,400 | 8,218,897 |
| Liabilities & Equity | | | | | | | | | |
| Current Liabilities | 1,173,419 | 944,232 | 704,315 | 714,704 | 630,454 | 417,297 | 556,128 | 560,328 | 564,528 |
| Long Term Liabilities | 2,360,662 | 3,195,813 | 2,501,342 | 2,190,766 | 1,968,340 | 2,663,071 | 2,523,071 | 2,383,071 | 2,243,071 |
| Total Liabilities | 3,534,081 | 4,140,045 | 3,205,657 | 2,905,470 | 2,598,794 | 3,080,368 | 3,079,199 | 2,943,399 | 2,807,599 |
| Net Assets | 2,913,478 | 2,392,838 | 2,846,943 | 3,479,316 | 4,050,578 | 4,545,150 | 4,806,384 | 5,122,001 | 5,411,298 |
| Cash Flow | | | | | | | | | |
| Revenues | 4,754,493 | 4,969,722 | 5,028,160 | 5,028,160 | 5,028,160 | 5,028,160 | 5,028,160 | 5,028,160 | 5,028,160 |
| Operating Expenses | 4,190,961 | 4,265,730 | 3,956,115 | 4,035,238 | 4,115,943 | 4,198,261 | 4,282,226 | 4,367,871 | 4,394,191 |
| Other Income | (12,221) | (107,029) | 63,209 | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 |
| Cash Flow Before Debt Service | 551,311 | 596,963 | 1,135,254 | 995,789 | 915,084 | 832,766 | 748,801 | 663,156 | 636,836 |
| Debt Service | | | | | | | | | |
| Existing Debt Service | 311,585 | 314,625 | 318,275 | 317,611 | 318,363 | 224,485 | 5,397 | 0 | 0 |
| Proposed KIA Loan | 0 | 0 | 0 | 0 | 0 | 0 | 151,204 | 151,204 | 151,204 |
| Total Debt Service | 311,585 | 314,625 | 318,275 | 317,611 | 318,363 | 224,485 | 156,601 | 151,204 | 151,204 |
| Cash Flow After Debt Service | 239,726 | 282,338 | 816,979 | 678,178 | 596,721 | 608,281 | 592,200 | 511,952 | 485,632 |
| Ratios | | | | | | | | | |
| Current Ratio | 0.9 | 1.2 | 1.8 | 1.9 | 2.4 | 3.9 | 3.1 | 3.3 | 3.4 |
| Debt to Equity | 1.2 | 1.7 | 1.1 | 0.8 | 0.6 | 0.7 | 0.6 | 0.6 | 0.5 |
| Days Sales in Accounts Receivable | 47.7 | 46.8 | 42.8 | 42.8 | 42.8 | 42.8 | 42.8 | 42.8 | 42.8 |
| Months Operating Expenses in Unrestricted Cash | 0.4 | 0.2 | 0.8 | 1.2 | 1.6 | 2.0 | 2.3 | 2.6 | 2.9 |
| Debt Coverage Ratio | 1.8 | 1.9 | 3.6 | 3.1 | 2.9 | 3.7 | 4.8 | 4.4 | 4.2 |

| | | | | |
|--|---|---|-------------------------------------|-----------------------|
| EXECUTIVE SUMMARY | | Reviewer | Alex Fisher | |
| KENTUCKY INFRASTRUCTURE AUTHORITY | | Date | March 4, 2021 | |
| FUND A, FEDERALLY ASSISTED WASTEWATER | | KIA Loan Number | A21-022 | |
| REVOLVING LOAN FUND | | WRIS # | SX21111015 | |
| BORROWER | LOUISVILLE & JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT JEFFERSON COUNTY | | | |
| BRIEF DESCRIPTION | | | | |
| <p>The Louisville and Jefferson County Metropolitan Sanitation District (MSD) is requesting a Fund A loan in the amount of \$8,270,000 for the Rosa Terrace, Sanders, Wathen and Sonne Pump Station project. This project will eliminate the Rosa Terrace and Sonne Avenue pump stations and replace the Wathen Lane and Sanders Lane pump stations. These are some of the most problematic pump stations in Jefferson County and all four are in low to moderate income areas. All of the pump stations are in the Dixie Highway area of Louisville adjacent to or just outside this significant commercial corridor.</p> <p>The Rosa Terrace pump station will be eliminated with nearly 1,500 linear feet of eight-inch gravity sewer. Construction will occur in a residential/commercial area and will involve a railroad crossing. Some of the proposed sewer will be relatively deep which may require some more specialized construction techniques such as stacked trench-boxes or shoring, larger excavation equipment, and/or trench-less installation methods (jack-and-bore, micro-tunneling, etc.). Overall, the average depth of the sewer is approximately 17-feet.</p> <p>Over 2,700 linear feet of eight-inch gravity sewer will be used to eliminate the Sonne Avenue Pump Station. In addition to having to cross a state road (Dixie Highway - 31W), portions of the sewer will be somewhat deep and in a residential area. Fortunately, there are numerous detour options and the impact to residents will be relatively minor.</p> <p>To eliminate the Wathen Lane pump station rehabilitation project consists of a full replacement of the existing pump station. The existing pump station will be replaced with a new, modern station and will utilize the existing 6" force main. As part of the layout of the proposed station, a dedicated entrance drive and concrete maintenance pad will be constructed to provide MSD staff with a safe and secure area to service the pump station in the future.</p> <p>The Sanders Lane pump station rehabilitation project consists of the replacement of approximately 450 linear feet of existing 4" force main from the existing pump station. The new force main will follow the same general alignment of the existing. In addition to the force main replacement, there will be additional site improvements to the area immediately adjacent to the existing pump station. A dedicated entrance drive and concrete maintenance pad will be constructed to provide MSD staff with a safe and secure area to service the pump station in the future. This new concrete pad will also house a new emergency backup generator and the upgraded electrical components.</p> <p>Currently MSD serves over 220,000 residential and over 21,000 commercial and industrial customers.</p> | | | | |
| u | | | | |
| LOAN ASSUMPTIONS | | PROJECT BUDGET | | |
| Fund A Loan | \$8,270,000 | RD Fee % | Actual % | |
| | | Administrative Expenses | \$50,000 | |
| | | Construction | \$7,393,000 | |
| | | Contingency | \$827,000 | |
| TOTAL | \$8,270,000 | TOTAL | \$8,270,000 | |
| REPAYMENT | Rate | 2.00% | Est. Annual Payment | |
| | Term | 20 Years | \$520,276 | |
| | | | 1st Payment 6 Mo. after first draw | |
| PROFESSIONAL SERVICES | Engineer | Louisville & Jefferson County Metropolitan Sewer District | | |
| | Bond Counsel | Rubin & Hays | | |
| PROJECT SCHEDULE | Bid Opening | May-21 | | |
| | Construction Start | May-21 | | |
| | Construction Stop | Jun-22 | | |
| DEBT PER CUSTOMER | Existing | \$10,259 | | |
| | Proposed | \$10,005 | | |
| OTHER DEBT | See Attached | | | |
| RESIDENTIAL RATES | | <u>Users</u> | <u>Avg. Bill</u> | |
| | Current (MSD) | 243,512 | \$51.45 (for 4,000 gallons) | |
| REGIONAL COORDINATION | This project is consistent with regional planning recommendations. | | | |
| CASHFLOW (in thousands) | Cash Flow Before Debt Service | Debt Service | Cash Flow After Debt Service | Coverage Ratio |
| Audited 2018 | 201,878 | 124,787 | 77,091 | 1.6 |
| Audited 2019 | 209,361 | 128,227 | 81,134 | 1.6 |
| Audited 2020 | 224,355 | 131,383 | 92,972 | 1.7 |
| Projected 2021 | 234,453 | 141,047 | 93,406 | 1.7 |
| Projected 2022 | 249,411 | 146,238 | 103,173 | 1.7 |
| Projected 2023 | 265,625 | 151,247 | 114,378 | 1.8 |
| Projected 2024 | 283,190 | 158,125 | 125,065 | 1.8 |
| Projected 2025 | 302,209 | 158,862 | 143,347 | 1.9 |

Reviewer: Alex Fisher
Date: March 4, 2021
Loan Number: A21-022

**KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND A)
LOUISVILLE AND JEFFERSON COUNTY
METROPOLITAN SEWER DISTRICT (MSD)
PROJECT REVIEW
SX21111015**

I. PROJECT DESCRIPTION

The Louisville and Jefferson County Metropolitan Sanitation District (MSD) is requesting a Fund A loan in the amount of \$8,270,000 for the Rosa Terrace, Sanders, Wathen and Sonne Pump Station project. This project will eliminate the Rosa Terrace and Sonne Avenue pump stations and replace the Wathen Lane and Sanders Lane pump stations. These are some of the most problematic pump stations in Jefferson County and all four are in low to moderate income areas. All of the pump stations are in the Dixie Highway area of Louisville adjacent to or just outside this significant commercial corridor.

The Rosa Terrace pump station will be eliminated with nearly 1,500 linear feet of eight-inch gravity sewer. Construction will occur in a residential/commercial area and will involve a railroad crossing. Some of the proposed sewer will be relatively deep which may require some more specialized construction techniques such as stacked trench-boxes or shoring, larger excavation equipment, and/or trench-less installation methods (jack-and-bore, micro-tunneling, etc.). Overall, the average depth of the sewer is approximately 17-feet.

Over 2,700 linear feet of eight-inch gravity sewer will be used to eliminate the Sonne Avenue Pump Station. In addition to having to cross a state road (Dixie Highway - 31W), portions of the sewer will be somewhat deep and in a residential area. Fortunately, there are numerous detour options and the impact to residents will be relatively minor.

To eliminate the Wathen Lane pump station rehabilitation project consists of a full replacement of the existing pump station. The existing pump station will be replaced with a new, modern station and will utilize the existing 6" force main. As part of the layout of the proposed station, a dedicated entrance drive and concrete maintenance pad will be constructed to provide MSD staff with a safe and secure area to service the pump station in the future.

The Sanders Lane pump station rehabilitation project consists of the replacement of approximately 450 linear feet of existing 4" force main from the existing pump station. The new force main will follow the same general alignment of the existing. In addition

to the force main replacement, there will be additional site improvements to the area immediately adjacent to the existing pump station. A dedicated entrance drive and concrete maintenance pad will be constructed to provide MSD staff with a safe and secure area to service the pump station in the future. This new concrete pad will also house a new emergency backup generator and the upgraded electrical components.

Currently MSD serves over 220,000 residential and over 21,000 commercial and industrial customers.

II. PROJECT BUDGET

| | |
|-------------------------|---------------------|
| | Total |
| Administrative Expenses | \$ 50,000 |
| Construction | 7,393,000 |
| Contingency | 827,000 |
| Total | \$ 8,270,000 |

III. PROJECT FUNDING

| | | |
|--------------|---------------------|-------------|
| | Amount | % |
| Fund A Loan | \$ 8,270,000 | 100% |
| Total | \$ 8,270,000 | 100% |

IV. KIA DEBT SERVICE

| | |
|--|-------------------|
| Construction Loan | \$ 8,270,000 |
| Less: Principal Forgiveness | \$ - |
| Amortized Loan Amount | \$ 8,270,000 |
| Interest Rate | 2.00% |
| Loan Term (Years) | 20 |
| Estimated Annual Debt Service | \$ 503,736 |
| Administrative Fee (0.25%) | \$ 16,540 |
| Total Estimated Annual Debt Service | \$ 520,276 |

V. PROJECT SCHEDULE

| | |
|--------------------|-----------|
| Bid Opening | May 2021 |
| Construction Start | May 2021 |
| Construction Stop | June 2022 |

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

| | |
|-------------|---------|
| Customers | Current |
| Residential | 221,796 |
| Commercial | 21,331 |
| Industrial | 385 |
| Total | 243,512 |

B) Rates

| MSD Rates | Current | Prior | Prior |
|--------------------------------|----------|----------|----------|
| Date of Last Rate Increase | 08/01/20 | 08/01/19 | 8/1/2018 |
| Minimum | \$17.68 | \$16.84 | \$15.75 |
| Per 1,000 Gallons | 4.83 | 4.60 | 4.30 |
| Consent Decree Surcharge | 14.45 | 13.76 | 12.87 |
| Cost for 4,000 gallons | \$51.45 | \$49.00 | \$45.82 |
| Increase % | 5.0% | 6.9% | |
| Affordability Index (Rate/MHI) | 1.2% | 1.2% | |

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2014-2018, the Utility’s county population was 746,580 and a service area of 208,501 with a Median Household Income (MHI) of \$51,104. The median household income for the Commonwealth is \$48,392. The project will qualify for a 2.00% interest rate based on the MHI. The total customer base is utilized for this project as the whole system bears the debt equally.

VIII. 2020 CAPITALIZATION GRANT EQUIVALENCIES

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

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2018 through June 30, 2020 from the combined wastewater and storm water funds. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Total revenues increased 14.3% from \$279 million in 2018 to \$319 million in 2020. The \$319 million includes \$6.9 million in wastewater revenues that are related to the OCEA acquisition. MSD's board can approve rate increases up to 7% without needed approval from Louisville Metro Council which they have done in 2018 and 2019 audited years and 5% in 2020 driving the annual increases in revenue. Wastewater service charges totaled \$237.8 million in 2020 while storm water service charges totaled \$75 million. Operating expenses increased 17.6% during the same time period from \$93.8 million to \$110.3 million. Expense increases were attributed mostly to increased operations and maintenance expenses in connection with the OCEA as well as various weather events (flooding) that occurred during the audited period observed. The debt coverage ratio for 2018-2020 was 1.62, 1.63, and 1.71 respectively (includes only net operating income).

The 1993 Sewer and Drainage System Revenue Bond Resolution requires MSD to provide available revenues sufficient to pay 110% of each year's aggregate net debt service on revenue bonds and 100% of operating expenses. Each year MSD's audit contains a Comparative Schedule of Debt Service Coverage which includes net operating income as well as other sources of revenue including investment income and current period payments of property owner assessments. When factoring in those additional revenue streams, MSD's debt coverage ratio from 2018-2020 was 1.6, 1.6, and 1.7 respectively. Moody's Investors Service affirmed an Aa3 rating for MSD on September 14, 2020 for outstanding senior revenue bonds with a stable outlook. S&P Rating Service affirmed an AA long term rating and stable outlook on September 11, 2020.

The 2020 balance sheet reflects a current ratio of 1.2, a debt to equity ratio of 3.6, 31.1 days sales in accounts receivable, and 10.9 months operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase 6.9% each forecasted year due to rate increases

- anticipated from MSD's Board.
- 2) Expenses will increase 4% for inflation and expected increases in general operational expenses for pending projects.
 - 3) The forecast includes debt service for both approved KIA loans for MSD including A19-015 and A19-028 (total of \$25,870,000).
 - 4) Debt service coverage is 1.7 and above during the projected FY 2021-2025.

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

REPLACEMENT RESERVE

MSD maintains Debt Reserve Accounts equal to the maximum annual debt service requirements on its senior lien obligations (currently \$151.1 million). No additional replacement reserves will be required for this loan.

X. DEBT OBLIGATIONS

| <i>Amounts in thousands</i> | <u>Outstanding</u> | <u>Maturity</u> |
|--|--------------------|-----------------|
| <u>Senior Debt</u> | | |
| 2009C Series Revenue Bonds | 180,000 | 2040 |
| 2010A Series Revenue Bonds | 330,000 | 2043 |
| 2011A Series Revenue Bonds | 246,225 | 2034 |
| 2013A Series Revenue Bonds | 115,790 | 2036 |
| 2013B Series Revenue Bonds | 112,575 | 2038 |
| 2013C Series Revenue Bonds | 99,250 | 2044 |
| 2014A Series Revenue Bonds | 79,750 | 2045 |
| 2015A Series Revenue Bonds | 173,160 | 2046 |
| 2015B Series Revenue Bonds | 71,515 | 2038 |
| 2016A Series Revenue Bonds | 149,290 | 2047 |
| 2016B Series Revenue Bonds | 23,915 | 2036 |
| 2016C Series Revenue Bonds | 50,515 | 2023 |
| 2017A Series Revenue Bonds | 161,895 | 2048 |
| 2017B Series Revenue Bonds | 32,885 | 2025 |
| 2018A Series Revenue Bonds | 60,380 | 2038 |
| 2019A Series Revenue Bonds | 24,770 | 2023 |
| 2020A Series Revenue Bonds (225,000) | | TBD |
| 2020C Series Revenue Bonds (\$112,065) | | TBD |
| <u>Senior Subordinate Debt</u> | | |
| BAN Series 2019A | 226,340 | TBD |
| Commercial Paper Notes (2018A 1 & 2) | 255,000 | |
| Direct Purchase Note - Bank Note | 100 | 2021 |
| 2020 BAN (\$226,340) | | 2021 |

Subordinate Debt

| | | |
|-----------------------------------|---------------------|------|
| KIA Loan (A209-41 ARRA) | 1,659 | 2033 |
| KIA Loan (A19-015 i/a/o \$3,870) | | TBD |
| KIA Loan (A19-028 i/a/o \$22,000) | | TBD |
| KIA Loan (A98-04A, Crestwood) | 454 | 2021 |
| KIA Loan (A21-022 i/a/o \$8,270) | | TBD |
| OCEA A10-04 | 1,974 | 2033 |
| OCEA A10-05 | 715 | 2033 |
| OCEA A10-06 | 81 | 2033 |
| OCEA A10-07 | 1,821 | 2034 |
| OCEA A11-15 | 465 | 2033 |
| OCEA A12-29 | 5,520 | 2037 |
| OCEA A17-028 | 2,013 | TBD |
| OCEA A18-010 | 1,116 | TBD |
| B10-01 | 500 | 2030 |
| B10-04 | 500 | 2031 |
| B15-006 | 87 | 2037 |
| KY Rural Water Finance 2010D | 285 | 2030 |
| KY Rural Water Finance 2013E | 545 | 2043 |
| KY Rural Water Finance 2017A | 755 | 2047 |
| Bank Debt (Bullitt County) | 111 | 2022 |
| Total | \$ 2,411,845 | |

XI. CONTACTS

| | |
|------------------------|---|
| Legal Applicant | |
| Entity Name | Louisville & Jefferson County Metropolitan Sewer District |
| Authorized Official | Tony Parrott (Executive Director) |
| County | Jefferson |
| Email | tony.parrott@louisvillemsd.org |
| Phone | 502-540-6533 |
| Address | PO Box 740011 Louisville, KY 40201 |

Applicant Contact

| | |
|--------------|---|
| Name | Stephanie Laughlin |
| Organization | Louisville & Jefferson County Metropolitan Sewer District |
| Email | stephanie.laughlin@louisvillemsd.org |
| Phone | (502) 540-6955 |
| Address | 700 W Liberty St Louisville, KY 40203 |

Project Administrator

| | |
|--------------|---|
| Name | Jason Dempster |
| Organization | Louisville & Jefferson County Metropolitan Sewer District |
| Email | jason.dempster@louisvillemsd.org |
| Phone | (502) 540-6386 |
| Address | 700 W Liberty St Louisville, KY 40203 |

Consulting Engineer

| | |
|-----------|---|
| PE Name | Jacob Mathis |
| Firm Name | Louisville & Jefferson County Metropolitan Sewer District |
| Email | jacob.mathis@louisvillemsd.org |
| Phone | (502) 540-6500 |
| Address | 700 W Liberty St Louisville, KY 40203 |

XII.RECOMMENDATIONS

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

LOUISVILLE & JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT
 FINANCIAL SUMMARY (JUNE YEAR END)

DOLLARS IN THOUSANDS

| | Audited 2018 | Audited 2019 | Audited 2020 | Projected 2021 | Projected 2022 | Projected 2023 | Projected 2024 | Projected 2025 |
|--|-----------------|-----------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Balance Sheet | | | | | | | | |
| Assets | | | | | | | | |
| Current Assets | 139,927 | 169,448 | 154,200 | 169,448 | 177,552 | 190,990 | 205,597 | 222,231 |
| Other Assets | 3,164,908 | 3,278,999 | 3,491,878 | 3,465,238 | 3,469,820 | 3,463,283 | 3,466,363 | 3,485,897 |
| Total | 3,304,835 | 3,448,447 | 3,646,078 | 3,634,686 | 3,647,373 | 3,654,273 | 3,671,959 | 3,708,129 |
| Liabilities & Equity | | | | | | | | |
| Current Liabilities | 125,320 | 113,705 | 130,032 | 140,968 | 144,641 | 150,093 | 149,362 | 152,885 |
| Long Term Liabilities | 2,470,841 | 2,564,190 | 2,719,316 | 2,663,188 | 2,626,182 | 2,563,619 | 2,502,987 | 2,440,032 |
| Total Liabilities | 2,596,161 | 2,677,895 | 2,849,348 | 2,804,156 | 2,770,823 | 2,713,712 | 2,652,349 | 2,592,917 |
| Net Assets | 708,674 | 770,552 | 796,730 | 830,530 | 876,549 | 940,560 | 1,019,610 | 1,115,211 |
| Cash Flow | | | | | | | | |
| Revenues | 279,149 | 294,368 | 319,057 | 336,697 | 359,364 | 383,595 | 409,498 | 437,188 |
| Operating Expenses | 93,800 | 103,699 | 110,302 | 117,858 | 125,567 | 133,584 | 141,922 | 150,593 |
| Other Income | 16,529 | 18,692 | 15,600 | 15,614 | 15,614 | 15,614 | 15,614 | 15,614 |
| Cash Flow Before Debt Service | 201,878 | 209,361 | 224,355 | 234,453 | 249,411 | 265,625 | 283,190 | 302,209 |
| Debt Service | | | | | | | | |
| Existing Debt Service | 124,787 | 128,227 | 131,383 | 141,047 | 145,718 | 150,727 | 157,605 | 158,342 |
| Proposed KIA Loan A21-022 | 0 | 0 | 0 | 0 | 520 | 520 | 520 | 520 |
| Total Debt Service | 124,787 | 128,227 | 131,383 | 141,047 | 146,238 | 151,247 | 158,125 | 158,862 |
| Cash Flow After Debt Service | 77,091 | 81,134 | 92,972 | 93,406 | 103,173 | 114,378 | 125,065 | 143,347 |
| Ratios | | | | | | | | |
| Current Ratio | 1.1 | 1.5 | 1.2 | 1.2 | 1.2 | 1.3 | 1.4 | 1.5 |
| Debt to Equity | 3.7 | 3.5 | 3.6 | 3.4 | 3.2 | 2.9 | 2.6 | 2.3 |
| Days Sales in Accounts Receivable | 34.4 | 34.6 | 31.1 | 30.3 | 30.3 | 30.3 | 30.2 | 30.2 |
| Months Operating Expenses in Unrestricted Cash | 6.4 | 5.1 | 10.9 | 4.5 | 5.2 | 5.9 | 6.6 | 7.4 |
| Debt Coverage Ratio | 1.6 | 1.6 | 1.7 | 1.7 | 1.7 | 1.8 | 1.8 | 1.9 |

| | | | | |
|--|--|-------------------------|------------------------------|------------------------|
| EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND A, FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND | | Reviewer | Sarah Parsley | |
| | | Date | March 4, 2021 | |
| | | KIA Loan Number | A21-031 | |
| | | WRIS Number | SX21073009 | |
| BORROWER | CITY OF FRANKFORT FRANKLIN COUNTY | | | |
| BRIEF DESCRIPTION | | | | |
| This project involves the decommissioning and removal of the Miami Trails Pump Station (MTPS), which is an aging pump station at the end of its useful life. This station is in the Indian Hills Neighborhood. The flow from the existing MTPS will be conveyed to the existing Chinook Pump Station (CPS) by approximately 3,400 LF of new 12" gravity sewer. Currently the flow is pumped from MTPS to CPS, causing redundant pumping of flow, energy, and O&M cost. This project will reduce the life cycle costs of conveying the flow currently coming to MTPS. All homes within the new gravity sewer will be connected and new cleanouts will be installed. | | | | |
| PROJECT FINANCING | | PROJECT BUDGET | | |
| Fund A Loan | \$1,500,000 | RD Fee % | Actual % | |
| | | Administrative Expenses | | \$30,000 |
| | | Legal Expenses | | 10,000 |
| | | Land, Easements | | 10,000 |
| | | Planning | | 34,000 |
| | | Eng - Design / Const | 8.7% | 11.2% |
| | | Eng - Insp | 5.5% | 8.5% |
| | | Eng - Other | | 71,365 |
| | | Construction | | 1,011,021 |
| | | Contingency | | 112,336 |
| TOTAL | \$1,500,000 | TOTAL | | \$1,500,000 |
| REPAYMENT | Rate | 2.00% | Est. Annual Payment | \$94,367 |
| | Term | 20 Years | 1st Payment | 6 Mo. after first draw |
| PROFESSIONAL SERVICES | Engineer | Hazen and Sawyer, PSC | | |
| | Bond Counsel | Rubin & Hays | | |
| PROJECT SCHEDULE | Bid Opening | Jun-21 | | |
| | Construction Start | Sep-21 | | |
| | Construction Stop | Jun-22 | | |
| DEBT PER CUSTOMER | Existing | \$2,700 | | |
| | Proposed | \$3,366 | | |
| OTHER DEBT | See Attached | | | |
| OTHER STATE-FUNDED PROJECTS LAST 5 YRS | See Attached | | | |
| RESIDENTIAL RATES | | <u>Users</u> | <u>Avg. Bill</u> | |
| | Current | 14,373 | \$42.72 | (for 4,000 gallons) |
| | Additional | 0 | \$42.72 | (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 2018 | 7,827,703 | 3,420,582 | 4,407,121 | 2.3 |
| Audited 2019 | 7,483,812 | 3,604,566 | 3,879,246 | 2.1 |
| Audited 2020 | 7,390,577 | 3,824,405 | 3,566,172 | 1.9 |
| Projected 2021 | 7,024,108 | 3,795,844 | 3,228,264 | 1.9 |
| Projected 2022 | 6,893,961 | 3,808,038 | 3,085,923 | 1.8 |
| Projected 2023 | 6,757,411 | 3,900,713 | 2,856,698 | 1.7 |
| Projected 2024 | 6,622,006 | 3,894,649 | 2,727,357 | 1.7 |
| Projected 2025 | 6,483,893 | 4,206,380 | 2,277,513 | 1.5 |

Reviewer: Sarah Parsley
 Date: March 4, 2021
 Loan Number: A21-031

**KENTUCKY INFRASTRUCTURE AUTHORITY
 WASTEWATER REVOLVING LOAN FUND (FUND A)
 CITY OF FRANKFORT, FRANKLIN COUNTY
 PROJECT REVIEW
 SX21073009**

I. PROJECT DESCRIPTION

The City of Frankfort is requesting a Fund A loan in the amount of \$1,500,000 for the Miami Trails Sanitary Sewer project. This project involves the decommissioning and removal of the Miami Trails Pump Station (MTPS), which is an aging pump station at the end of its useful life. This station is in the Indian Hills Neighborhood. The flow from the existing MTPS will be conveyed to the existing Chinook Pump Station (CPS) by approximately 3,400 LF of new 12" gravity sewer. Currently the flow is pumped from MPTs to CPS, causing redundant pumping of flow, energy, and O&M cost. This project will reduce the life cycle costs of conveying the flow currently coming to MTPS. All homes within the new gravity sewer will be connected and new cleanouts will be installed.

The City of Frankfort serves approximately 14,373 customers.

II. PROJECT BUDGET

| | Total |
|---------------------------------|---------------------|
| Administrative Expenses | \$ 30,000 |
| Legal Expenses | 10,000 |
| Land, Easements | 10,000 |
| Planning | 34,000 |
| Engineering Fees - Design | 77,278 |
| Engineering Fees - Construction | 48,000 |
| Engineering Fees - Inspection | 96,000 |
| Engineering Fees - Other | 71,365 |
| Construction | 1,011,021 |
| Contingency | 112,336 |
| | |
| Total | \$ 1,500,000 |

III. PROJECT FUNDING

| | Amount | % |
|--------------|---------------------|-------------|
| Fund A Loan | \$ 1,500,000 | 100% |
| | | |
| Total | \$ 1,500,000 | 100% |

IV. KIA DEBT SERVICE

| | |
|--|---------------------|
| Construction Loan | \$ 1,500,000 |
| Less: Principal Forgiveness | 0 |
| Amortized Loan Amount | <u>\$ 1,500,000</u> |
| Interest Rate | 2.00% |
| Loan Term (Years) | <u>20</u> |
| Estimated Annual Debt Service | \$ 91,367 |
| Administrative Fee (0.20%) | <u>3,000</u> |
| Total Estimated Annual Debt Service | \$ 94,367 |

V. PROJECT SCHEDULE

| | |
|--------------------|----------------|
| Bid Opening | June 2021 |
| Construction Start | September 2021 |
| Construction Stop | June 2022 |

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

| Customers | Current | Proposed | Total |
|-------------|---------------|----------|---------------|
| Residential | 12,177 | 0 | 12,177 |
| Commercial | 2,182 | 0 | 2,182 |
| Industrial | 14 | 0 | 14 |
| Total | <u>14,373</u> | <u>0</u> | <u>14,373</u> |

B) Rates

| | Current | Prior |
|--------------------------------|-----------------|-----------------|
| Date of Last Rate Increase | <u>07/01/18</u> | <u>01/01/18</u> |
| Minimum (2000 gallons) | \$21.36 | \$21.04 |
| Per 1000 gallons | \$10.68 | \$10.52 |
| Cost for 4,000 gallons | <u>\$42.72</u> | <u>\$42.08</u> |
| Increase % | 1.5% | |
| Affordability Index (Rate/MHI) | 1.0% | |

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2014-2018, the Utility's service area population was 34,505 with a Median Household Income (MHI) of \$51,030. The median household income for the Commonwealth is \$48,392. The project will qualify for a 2.0% interest rate.

VIII. 2020 CAPITALIZATION GRANT EQUIVALENCIES

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

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2018 through June 30, 2020. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Operating revenues decreased 5.3% from \$14 million in 2018 to \$13.3 million in 2020 while operating expenses increased 0.5% from \$6.35 million to \$6.38 million during the same period. The debt coverage ratios from 2018 to 2020 were 2.3, 2.1, and 1.9, respectively.

The balance sheet reflects a current ratio of 6.6, a debt to equity ratio of 0.5, 6.0 days of sales in accounts receivable, and 21.8 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Sewer revenues will remain steady.
- 2) Expenses will increase 2% annually for inflation.
- 3) Debt service coverage is 1.7 in 2023 when principal and interest repayments begin.
- 4) Debt service coverage includes KIA proposed loan A21-018 for \$19,725,000.

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% (\$76,000 total) of the final amount borrowed (prior to principal forgiveness, if any) to be funded annually (\$3,800 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

| | <u>Outstanding</u> | <u>Maturity</u> |
|--------------------|---------------------|-----------------|
| 2007 Revenue Bonds | \$ 3,230,000 | 2024 |
| 2010 Revenue Bonds | 6,340,000 | 2026 |
| 2013 Revenue Bonds | 8,225,000 | 2039 |
| KIA Loans Payable | 21,083,208 | Various |
| Total | \$38,878,208 | |

XI. CONTACTS

| Legal Applicant | |
|------------------------|--|
| Entity Name | City of Frankfort |
| Authorized Official | Layne Wilkerson (Mayor) |
| County | Franklin |
| Email | cmaxwell@frankfort.ky.gov |
| Phone | (502) 875-8500 |
| Address | 315 W Second St, PO Box 697 Frankfort, KY 40602 |

| Applicant Contact | |
|--------------------------|------------------------------------|
| Name | Kenny Hogsten |
| Organization | City of Frankfort Sewer Department |
| Email | khogsten@frankfort.ky.gov |
| Phone | (502) 587-5244 |
| Address | PO Box 697 Frankfort, KY 40602 |

Project Administrator

| | |
|--------------|---|
| Name | Rebecca Hall |
| Organization | City of Frankfort |
| Email | rhall@frankfort.ky.gov |
| Phone | (502) 875-8500 |
| Address | 315 W 2nd St, PO Box 697 Frankfort, KY 40602 |

Consulting Engineer

| | |
|-----------|---|
| PE Name | Kurt Zehnder |
| Firm Name | Hazen and Sawyer, PSC |
| Email | kzehnder@hazenandsawyer.com |
| Phone | (859) 219-1126 |
| Address | Ste 520, 230 Lexington Green Cir Lexington, KY 40503 |

XII. RECOMMENDATIONS

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

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

| | <u>Audited 2018</u> | <u>Audited 2019</u> | <u>Audited 2020</u> | <u>Projected 2021</u> | <u>Projected 2022</u> | <u>Projected 2023</u> | <u>Projected 2024</u> | <u>Projected 2025</u> |
|--|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Balance Sheet | | | | | | | | |
| Assets | | | | | | | | |
| Current Assets | 24,683,964 | 24,933,613 | 24,438,683 | 27,666,958 | 30,752,881 | 33,609,579 | 36,336,936 | 38,614,449 |
| Other Assets | 83,825,333 | 88,503,047 | 91,442,597 | 88,624,051 | 87,268,005 | 84,411,959 | 110,537,788 | 106,938,617 |
| Total | 108,509,297 | 113,436,660 | 115,881,280 | 116,291,009 | 118,020,886 | 118,021,538 | 146,874,724 | 145,553,066 |
| Liabilities & Equity | | | | | | | | |
| Current Liabilities | 2,501,463 | 3,061,137 | 3,695,479 | 3,725,868 | 3,841,838 | 3,958,377 | 4,075,491 | 2,842,591 |
| Long Term Liabilities | 36,653,105 | 37,700,898 | 36,427,916 | 33,586,089 | 32,144,392 | 29,102,556 | 45,685,306 | 43,793,056 |
| Total Liabilities | 39,154,568 | 40,762,035 | 40,123,395 | 37,311,957 | 35,986,230 | 33,060,933 | 49,760,797 | 46,635,647 |
| Net Assets | 69,354,729 | 72,674,625 | 75,757,885 | 78,979,052 | 82,034,656 | 84,960,605 | 97,113,927 | 98,917,419 |
| Cash Flow | | | | | | | | |
| Revenues | 14,006,274 | 13,624,489 | 13,259,315 | 13,259,315 | 13,259,315 | 13,259,315 | 13,259,315 | 13,259,315 |
| Operating Expenses | 6,347,381 | 6,500,812 | 6,379,747 | 6,595,342 | 6,725,489 | 6,862,039 | 6,997,444 | 7,135,557 |
| Other Income | 168,810 | 360,135 | 511,009 | 360,135 | 360,135 | 360,135 | 360,135 | 360,135 |
| Cash Flow Before Debt Service | 7,827,703 | 7,483,812 | 7,390,577 | 7,024,108 | 6,893,961 | 6,757,411 | 6,622,006 | 6,483,893 |
| Debt Service | | | | | | | | |
| Existing Debt Service | 3,420,582 | 3,604,566 | 3,824,405 | 3,795,844 | 3,808,038 | 3,806,346 | 3,800,282 | 4,112,013 |
| Proposed KIA Loan | 0 | 0 | 0 | 0 | 0 | 94,367 | 94,367 | 94,367 |
| Proposed KIA Loan A21-018 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,179,366 |
| Total Debt Service | 3,420,582 | 3,604,566 | 3,824,405 | 3,795,844 | 3,808,038 | 3,900,713 | 3,894,649 | 4,206,380 |
| Cash Flow After Debt Service | 4,407,121 | 3,879,246 | 3,566,172 | 3,228,264 | 3,085,923 | 2,856,698 | 2,727,357 | 2,277,513 |
| Ratios | | | | | | | | |
| Current Ratio | 9.9 | 8.1 | 6.6 | 7.4 | 8.0 | 8.5 | 8.9 | 13.6 |
| Debt to Equity | 0.6 | 0.6 | 0.5 | 0.5 | 0.4 | 0.4 | 0.5 | 0.5 |
| Days Sales in Accounts Receivable | 0.1 | 4.1 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Months Operating Expenses in Unrestricted Cash | 24.5 | 29.3 | 21.8 | 27.3 | 32.4 | 36.8 | 40.8 | 43.9 |
| Debt Coverage Ratio | 2.3 | 2.1 | 1.9 | 1.9 | 1.8 | 1.7 | 1.7 | 1.5 |

| | | | | |
|---|--|-----------------------|------------------------------|------------------------|
| EXECUTIVE SUMMARY | | Reviewer | Alex Fisher | |
| KENTUCKY INFRASTRUCTURE AUTHORITY | | Date | March 4, 2021 | |
| FUND F, FEDERALLY ASSISTED DRINKING WATER | | KIA Loan Number | F21-026 | |
| REVOLVING LOAN FUND | | WRIS Number | WX21003023 | |
| BORROWER | CITY OF SCOTTSDALE ALLEN COUNTY | | | |
| BRIEF DESCRIPTION | | | | |
| The City of Scottsville ("City") is requesting a Fund F loan in the amount of \$696,500 for the AMR and Smart Water Meter Replacement project. | | | | |
| This project is to replace all existing traditional water meters (approx. 2,400 meters) with new, more accurate AMR or AMI/smart meter radio-read type water meters to help reduce non-revenue water. Additionally, labor efficiencies will be enhanced with the installation of electronic endpoints at each meter location. This will provide a safer manner for meter reading and more timely collection of customer usage. Also, the project will include the assessment and mitigation of potential water quality issues throughout the distribution system with the installation of check valves and backflow prevention devices on susceptible customer connections. | | | | |
| Currently the City of Scottsville serves 2,074 residential and over 300 industrial and commercial customers. | | | | |
| PROJECT FINANCING | | PROJECT BUDGET | | |
| Fund F Loan | 696,500 | RD Fee % | Actual % | |
| | | Eng - Design / Const | | 20,000 |
| | | Equipment | | 615,000 |
| | | Contingency | | 61,500 |
| TOTAL | <u>\$696,500</u> | TOTAL | | <u>\$696,500</u> |
| REPAYMENT | Rate | 0.25% | Est. Annual Payment | \$18,733 |
| | Term | 20 Years | 1st Payment | 6 Mo. after first draw |
| PROFESSIONAL SERVICES | Engineer | GRW Engineers Inc | | |
| | Bond Counsel | Rubin & Hays | | |
| PROJECT SCHEDULE | Bid Opening | May-21 | | |
| | Construction Start | Jul-21 | | |
| | Construction Stop | Mar-22 | | |
| DEBT PER CUSTOMER | Existing | \$1,065 | | |
| | Proposed | \$2,685 | | |
| OTHER DEBT | See Attached | | | |
| RESIDENTIAL RATES | Current | <u>Users</u> 2,386 | <u>Avg. Bill</u> \$33.15 | (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 2018 | (68,494) | 93,307 | (161,801) | -0.7 |
| Audited 2019 | (7,087) | 90,371 | (97,458) | -0.1 |
| Audited 2020 | 83,033 | 78,861 | 4,172 | 1.1 |
| Projected 2021 | 92,430 | 74,079 | 18,351 | 1.2 |
| Projected 2022 | 228,685 | 210,594 | 18,091 | 1.1 |
| Projected 2023 | 233,188 | 210,591 | 22,597 | 1.1 |
| Projected 2024 | 237,805 | 210,594 | 27,211 | 1.1 |
| Projected 2025 | 242,539 | 210,594 | 31,945 | 1.2 |

Reviewer: Alex Fisher
Date: March 4, 2021
Loan Number: F21-026

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
CITY OF SCOTTSVILLE, ALLEN COUNTY
PROJECT REVIEW
WX21003023**

I. PROJECT DESCRIPTION

The City of Scottsville (“City”) is requesting a Fund F loan in the amount of \$696,500 for the AMR and Smart Water Meter Replacement project.

This project is to replace all existing traditional water meters (approx. 2,400 meters) with new, more accurate AMR or AMI/smart meter radio-read type water meters to help reduce non-revenue water. Additionally, labor efficiencies will be enhanced with the installation of electronic endpoints at each meter location. This will provide a safer manner for meter reading and more timely collection of customer usage. Also, the project will include the assessment and mitigation of potential water quality issues throughout the distribution system with the installation of check valves and backflow prevention devices on susceptible customer connections.

Currently the City of Scottsville serves 2,074 residential and over 300 industrial and commercial customers.

II. PROJECT BUDGET

| | <u>Total</u> |
|---------------------------|-------------------|
| Engineering Fees - Design | \$ 20,000 |
| Equipment | 615,000 |
| Contingency | 61,500 |
| Total | \$ 696,500 |

III. PROJECT FUNDING

| | <u>Amount</u> | <u>%</u> |
|--------------|-------------------|-------------|
| Fund F Loan | \$ 696,500 | 100% |
| Total | \$ 696,500 | 100% |

IV. KIA DEBT SERVICE

| | |
|--|-------------------|
| Construction Loan | \$ 696,500 |
| Less: Principal Forgiveness | 348,250 |
| Amortized Loan Amount | <u>\$ 348,250</u> |
| Interest Rate | 0.25% |
| Loan Term (Years) | <u>20</u> |
| Estimated Annual Debt Service | \$ 17,862 |
| Administrative Fee (0.25%) | 871 |
| Total Estimated Annual Debt Service | \$ 18,733 |

V. PROJECT SCHEDULE

| | |
|--------------------|---------------|
| Bid Opening | May 1, 2021 |
| Construction Start | July 1, 2021 |
| Construction Stop | March 1, 2022 |

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

| Customers | Current |
|-------------|--------------|
| Residential | 2,074 |
| Commercial | 293 |
| Industrial | 19 |
| Total | <u>2,386</u> |

B) Rates

| WATER | Current | Prior |
|-------------------------------------|----------------|----------------|
| Date of Last Rate Increase | 08/01/20 | 08/01/19 |
| Minimum (2,000 gal.) | \$18.87 | \$18.50 |
| 2,001- 5,000 Gallons per 1,000 gal. | 7.14 | 7.00 |
| 5,001 - 10,000 Gallons | 6.05 | 5.93 |
| Cost for 4,000 gallons | <u>\$33.15</u> | <u>\$32.50</u> |
| Increase % | 2.0% | |
| Affordability Index (Rate/MHI) | 1.3% | |

| SEWER | <u>Current</u> | <u>Prior</u> |
|-------------------------------------|----------------|--------------|
| Date of Last Rate Increase | 08/01/20 | 08/01/19 |
| Minimum (2,000 gal.) | \$18.87 | \$18.50 |
| 2,001- 5,000 Gallons per 1,000 gal. | 7.14 | 7.00 |
| 5,001 - 10,000 Gallons | 6.05 | 5.93 |
| Cost for 4,000 gallons | \$33.15 | \$32.50 |
| Increase % | 2.0% | |
| Affordability Index (Rate/MHI) | 1.3% | |

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2014-2018, the Utility's service area population was 5,114 with a Median Household Income (MHI) of \$31,624. The median household income for the Commonwealth is \$48,392. The increase will qualify for a 20-year loan term at 0.25% interest rate.

VIII. 2020 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of 50% of the assistance amount, not to exceed \$348,250 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, 2018 through June 30, 2020. 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 were basically flat from \$2.43 million in 2018 to \$2.44 in 2020 while operating expenses decreased 5.7% from \$2.50 million to \$2.35 million during the same period primarily due to the accounts payable and interest payable portions due to an ongoing expansion project. The debt coverage ratio was (0.7), (0.1), and 1.1 in 2018, 2019, and 2020 respectively.

The balance sheet reflects a current ratio of 0.5, a debt to equity ratio of 1.9, 42.5 days of sales in accounts receivable, and 1 month of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will continue to increase annually due to the 2% increase for water and 2% increase for sewer approved by the City.
- 2) Sewer rates are estimated to increase an additional 11% in 2022 to cover debt service for permanent financing for a sewer project currently under construction. The city has a \$3.65 million ongoing sewer project financed with a BAN through the Kentucky Rural Water Association Finance Corporation. Permanent financing is anticipated to be in place around June 2021 through U.S. Rural Development.
- 3) Expenses are projected to continue to increase 2% due to inflation.
- 4) Debt service coverage is 1.1 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 F loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$34,000 total) of the final amount borrowed (prior to principal forgiveness) to be funded annually (\$1,700 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

| | <u>Outstanding</u> | <u>Maturity</u> |
|-----------------------------------|---------------------|-----------------|
| KIA B12-008 | \$ 102,413 | 2033 |
| KIA B13-005 | 958,999 | 2036 |
| Edmonton State South Central Bank | 7,425 | 2022 |
| KY Rural Water Loan | 1,473,072 | 2023 |
| Total | \$ 2,541,909 | |

XI. CONTACTS

Legal Applicant

| | |
|---------------------|---|
| Entity Name | City of Scottsville |
| Authorized Official | David Burch (Mayor) |
| County | Allen |
| Email | david.burch@cityofscottsville.org |
| Phone | 270 237 3238 |
| Address | 201 W Main St STE 10 Scottsville, KY 42164 |

Applicant Contact

| | |
|--------------|--|
| Name | Evelina Anderson |
| Organization | City of Scottsville |
| Email | eanderson@cityofscottsville.org |
| Phone | (270) 237-4472 |
| Address | 201 W Main St STE 8 Scottsville, KY 42164 |

Project Administrator

| | |
|--------------|---|
| Name | Emily Hathcock |
| Organization | Barren River Area Development District |
| Email | emily.hathcock@bradd.org |
| Phone | (270) 781-2381 |
| Address | 177 Graham Ave Bowling Green, KY 42103 |

Consulting Engineer

| | |
|-----------|--|
| PE Name | Adalyn D Haney |
| Firm Name | GRW Engineers Inc |
| Email | ahaney@grwinc.com |
| Phone | (502) 489-8484 |
| Address | 11909 Shelbyville Rd STE 100 Louisville, KY 40243 |

XII. RECOMMENDATIONS

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

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

| | <u>Audited 2018</u> | <u>Audited 2019</u> | <u>Audited 2020</u> | <u>Projected 2021</u> | <u>Projected 2022</u> | <u>Projected 2023</u> | <u>Projected 2024</u> | <u>Projected 2025</u> |
|--|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Balance Sheet | | | | | | | | |
| Assets | | | | | | | | |
| Current Assets | 525,929 | 438,761 | 579,965 | 531,420 | 571,011 | 599,708 | 633,119 | 671,364 |
| Other Assets | 7,850,683 | 7,335,067 | 8,479,744 | 11,536,689 | 11,582,033 | 10,930,877 | 10,279,721 | 9,628,565 |
| Total | 8,376,612 | 7,773,828 | 9,059,709 | 12,068,109 | 12,153,044 | 11,530,585 | 10,912,840 | 10,299,929 |
| Liabilities & Equity | | | | | | | | |
| Current Liabilities | 1,111,646 | 778,972 | 1,056,472 | 803,163 | 821,189 | 825,724 | 830,345 | 835,053 |
| Long Term Liabilities | 3,740,386 | 3,682,112 | 4,880,129 | 8,463,274 | 8,730,623 | 8,649,245 | 8,567,387 | 8,485,044 |
| Total Liabilities | 4,852,032 | 4,461,084 | 5,936,601 | 9,266,437 | 9,551,811 | 9,474,969 | 9,397,732 | 9,320,097 |
| Net Assets | 3,524,580 | 3,312,744 | 3,123,108 | 2,801,672 | 2,601,233 | 2,055,616 | 1,515,108 | 979,832 |
| Cash Flow | | | | | | | | |
| Revenues | 2,425,592 | 2,413,213 | 2,436,810 | 2,493,297 | 2,678,083 | 2,730,330 | 2,783,622 | 2,837,980 |
| Operating Expenses | 2,496,727 | 2,421,453 | 2,354,481 | 2,401,571 | 2,450,102 | 2,497,846 | 2,546,521 | 2,596,145 |
| Other Income | 2,641 | 1,153 | 704 | 704 | 704 | 704 | 704 | 704 |
| Cash Flow Before Debt Service | (68,494) | (7,087) | 83,033 | 92,430 | 228,685 | 233,188 | 237,805 | 242,539 |
| Debt Service | | | | | | | | |
| Existing Debt Service | 93,307 | 90,371 | 78,861 | 74,079 | 191,861 | 191,858 | 191,861 | 191,861 |
| Proposed KIA Loan | 0 | 0 | 0 | 0 | 18,733 | 18,733 | 18,733 | 18,733 |
| Total Debt Service | 93,307 | 90,371 | 78,861 | 74,079 | 210,594 | 210,591 | 210,594 | 210,594 |
| Cash Flow After Debt Service | (161,801) | (97,458) | 4,172 | 18,351 | 18,091 | 22,597 | 27,211 | 31,945 |
| Ratios | | | | | | | | |
| Current Ratio | 0.5 | 0.6 | 0.5 | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 |
| Debt to Equity | 1.4 | 1.3 | 1.9 | 3.3 | 3.7 | 4.6 | 6.2 | 9.5 |
| Days Sales in Accounts Receivable | 46.6 | 43.1 | 42.5 | 42.5 | 42.5 | 42.5 | 42.5 | 42.5 |
| Months Operating Expenses in Unrestricted Cash | 0.9 | 0.7 | 1.0 | 1.1 | 1.2 | 1.3 | 1.4 | 1.5 |
| Debt Coverage Ratio | (0.7) | (0.1) | 1.1 | 1.2 | 1.1 | 1.1 | 1.1 | 1.2 |

NEW BOND ISSUE REPORT

BOND ISSUE

Name of Bond Issue: Kentucky Housing Corporation Conduit Revenue Bonds (The Alcove at Russell), Series 2021

Purpose of Issue: The bonds will be used to finance the acquisition, construction and equipping of the The Alcove at Russell, a multifamily residential rental facility consisting of two hundred and forty (202) units, located at 1975 Russell Cave Road, Lexington, Kentucky 40511. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on March 12, 2021 following the delivery of notice to the public at least seven day prior to such hearing.

Name of Project: The Alcove at Russell

Anticipated Date of Sale: April 30, 2021

Anticipated Date of Issuance: May 2, 2021

Anticipated Ratings: Private Placement

Anticipated Net Proceeds: \$30,000,000

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

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but a \$1,048,082 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$43,559,862

Terms of Issue: Net interest rate: 3.93%

Term: May 1, 2061 (480 months)

Average debt service: \$1,488,943.68

Gross debt service: \$59,557,747.20

First Call Date: 24 months

Premium at First Call: No premium

Method of Sale: Private Placement

Bond Counsel: Dinsmore & Shohl LLP

Underwriter Counsel: N/A

Financial Advisor: N/A

Bond Purchaser: R4 Capital Funding (or a designated affiliate)

Trustee: Huntington National Bank

Exhibit A

Project Funding Sources:

| | |
|------------------------|--------------------|
| KHC Tax-Exempt Bonds | \$30,000,000 |
| Tax Credit Equity | \$16,830,155 |
| Soft Funds | \$625,000 |
| Seller Note | \$625,000 |
| Deferred Developer Fee | <u>\$2,676,707</u> |
| | \$50,756,862 |

Costs of Issuance:

| | |
|--------------------------------|----------------|
| Origination Fee | \$175,000 |
| KHC Counsel | \$48,000 |
| KHC Financing Fee | \$182,729 |
| KHC Application Fee & Expenses | \$3,500 |
| KHC Admin Fee | \$5,000 |
| Bond Counsel | \$125,000 |
| Trustee Counsel | \$8,500 |
| Borrowers Counsel | \$35,000 |
| TEFRA/Publication/Print | <u>\$5,000</u> |
| | \$587,729 |

About LDG

LDG was founded by Chris Dischinger and Mark Lechner in 1994 based on their shared belief that “Everyone deserves a quality place to live.”

Since 2002, the company has focused on developing rental housing as well as affordable housing communities using 9 percent housing credits and 4 percent

Tax- Exempt Bonds. Using this model, LDG has developed over 15,000 units of affordable housing for working families and seniors in dozens of communities located in 17 states including Kentucky, Texas, Louisiana, Tennessee and Georgia.

To support its work and continued growth, LDG has three main divisions all focused on maximizing returns and maintaining the high-quality standards of each community long after construction has ended. This “full-service” model ensures LDG’s partners have a “one-stop shopping experience” when working to bring more affordable housing options to their respective communities.

LDG prides itself in being a part of the communities it serves and has more than 100 employees in its offices located in Louisville, Austin, Nashville and Atlanta.



Everyone deserves a quality place to live.



NEW BOND ISSUE REPORT

BOND ISSUE

Name of Bond Issue: Kentucky Housing Corporation Conduit Revenue Bonds (Cambridge Square), Series 2021

Purpose of Issue: The bonds will be used to finance the acquisition, rehabilitation and equipping of the Cambridge Square, an existing two hundred (200) unit residential rental multifamily facility located at 101 Promontory Dr, Covington, Kentucky 41015. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on March 12, 2021 following the delivery of notice to the public on March 3, 2021.

Name of Project: Cambridge Square

Anticipated Date of Sale: April 30, 2021

Anticipated Date of Issuance: May 7, 2021

Anticipated Ratings: Moody's (Aaa/VMIG 1)

Anticipated Net Proceeds: \$33,000,000

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

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but a \$1,320,025.00 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$76,627,900.00

Terms of Issue: Net interest rate: 1.00%
Term: 36 months
Average debt service: \$330,000.00
Gross debt service: \$990,000.00

First Call Date: 24 months

Premium at First Call: No premium

Method of Sale: Public Offering

Bond Counsel: Dinsmore & Shohl LLP

Underwriter Counsel: Tiber Hudson LLC

Financial Advisor: N/A

Underwriter: Jeffries LLC

Trustee: The Bank of New York Mellon Corporation

Exhibit A**Project Funding Sources:**

| | |
|-------------------|------------------------|
| Tax-Exempt Bonds | \$33,000,000.00 |
| Permanent Loan | \$30,711,900.00 |
| Tax Credit Equity | <u>\$12,916,000.00</u> |
| | \$76,627,900.00 |

Costs of Issuance:

| | |
|-----------------------------------|-------------------|
| Upfront Issuer Fee - KHC (35 bps) | \$107,492.00 |
| Pre-Application Fee | \$1,000.00 |
| Application Fee (\$3,500) | \$3,500.00 |
| Administration Fee (MF \$5,000) | \$5,000.00 |
| KHC Bond Counsel Fee | \$30,712.00 |
| Bond Counsel | \$80,000.00 |
| Underwriter's Counsel | \$40,000.00 |
| Underwriter | \$203,536.00 |
| Rating Agency - | \$5,500.00 |
| Printer - ImageMaster | \$1,500.00 |
| Verification Agent - | \$2,500.00 |
| Trustee | \$3,000.00 |
| Trustee's Counsel | \$9,000.00 |
| Market Analysis Review Fee | \$1,000.00 |
| Annual Issuer Fee | \$38,390.00 |
| Initial Inspection Fee | \$1,000.00 |
| Housing Credit Reservation Fee | \$136,767.00 |
| <u>Accountant Audit Fees</u> | <u>\$9,000.00</u> |
| Total Fees | \$678,897.00 |

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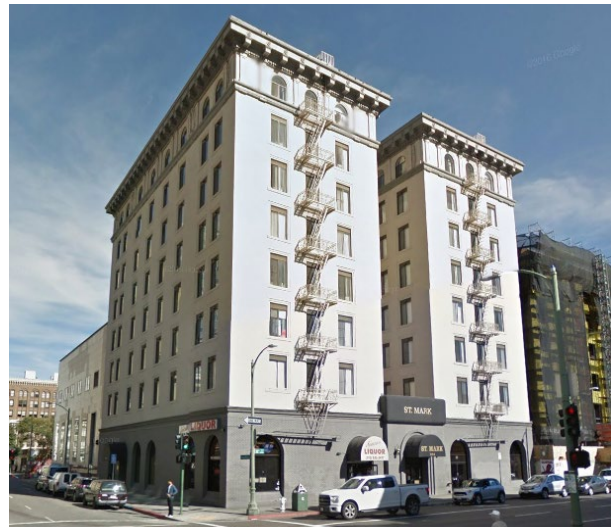
Euclid Beach Villa | Cleveland, OH | 559 units | Section 8 / LIHTC



St. Nicholas Manor | Manhattan, NY | 112 units | Section 8



Savoy Park | Manhattan, NY | 1,800 units | Workforce / Affordable



St. Marks | Oakland, CA | 102 units | Section 8 / LIHTC

Fairstead Affordable, a Fairstead subsidiary, specializes in the acquisition, rehabilitation and preservation of affordable and mixed-income housing across the US.

Fairstead is a real estate investor, developer and operator specializing in multifamily housing. Fairstead owns over 10,000 market rate, workforce and affordable rental units across the U.S.

Through its disciplined investment approach, Fairstead has acquired nearly \$3 billion in real estate since 2013.

For More Information Contact:

John Tatum
Partner, Fairstead Affordable
Tel: 212.798.4081
John.Tatum@Fairstead.com

Bobby Byrd
Vice President, Fairstead Affordable
Tel: 212.798.4083
Bobby.Byrd@Fairstead.com

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Jeffrey Goldberg is the Managing Partner of Fairstead where he currently directs day-to-day operations, including all investment and operational decision making. He has extensive experience in developing, owning and operating multifamily real estate and has acquired more than \$3.5 billion in real estate over the past 20 years.

Will Blodgett is a Partner of Fairstead where he has directed the acquisition of more than \$3 billion in multifamily rental properties since 2013. With a focus on New York, Will leads the team in overseeing the portfolio of 12,000 units in twelve markets including market-rate, mixed-use, commercial as well as affordable and supportive housing developments. Previously Will managed the acquisition, financing and development of over 4,500 units for The Related Companies' Affordable Housing Group. He also served as Special Assistant to NYCHA's Executive Department. Will serves on the board of the Children's Museum of Manhattan and the American Institute for Stuttering and holds an undergraduate bachelor's degree from Yale University and an MBA from MIT.

John Tatum is a Partner of Fairstead and leads Fairstead's Affordable group where he focuses on the acquisition, rehabilitation and preservation of affordable housing across the US. Previously, John held positions at Jonathan Rose Companies, The Related Companies and Bank of America Merrill Lynch. John has been directly involved in the acquisition of over 20,000 units of affordable housing, about half of which have been acquired and rehabilitated with 4% or 9% tax credits. John earned both his BA in Urban Studies and his Master of City and Regional Planning (Dual Degree: Urban Design and Real Estate Development) from the University of Pennsylvania.

Yehuda Kestenbaum joined Fairstead as its Chief Financial Officer in 2018. Yehuda was previously the Senior Vice President and Chief Financial Officer of HAP Investments. Prior to HAP, he served as Chief Financial Officer of Macklowe Properties and SG2 Properties as well as the Chief Financial Officer at Rockrose Development. During his more than 20 years of experience in the real estate industry, Yehuda has overseen all the financial and accounting aspects of more than 13 million square feet of office and retail properties and over 20,000 apartment units. He is a Certified Public Accountant in New York State and holds a BS in Accounting from Townson University.

Seth Hoffman is a Senior Vice President and General Counsel of Fairstead where he oversees all legal aspects of the firm, including all transactions, corporate activities, and risk management. Previously, Seth served as the Chief Operating Officer and General Counsel of HighBrook Investors, a real estate fund, where he led the firm's largest transactions and played an integral role in the firm's \$2.5B of transactions. Seth was also an attorney with the law firms Jones Day and Fried, Frank, Harris, Shriver & Jacobson LLP, representing real estate and corporate clients in affordable housing, private equity fundraising and transactions, and capital markets. He represented clients in over \$1B of low-income housing rehabilitation and new construction financed by HDC, HFA, HPD, NYC HHS, HUD, LIHTC investors, and the largest private lenders through bond issuances and direct loans. Seth earned a BA from State University of New York at Buffalo and his JD from Fordham University. He serves as Chairman of advisory board for the Schools That Can New York.

Bobby Byrd is a Vice President at Fairstead Affordable where he focuses on the acquisition, rehabilitation and preservation of affordable housing with a focus on the Mid-Atlantic region of the US. His professional experience has spanned corporate, entrepreneurial, and public sectors. Prior to joining Fairstead, Bobby worked on market-rate development for the Bozzuto Group and formed the non-profit organization Community Development Partners where he oversaw the development of over \$80M of new construction affordable housing. In addition, Bobby held positions at Microsoft and served five years as an Army Engineer Officer after graduating from the United States Military Academy, West Point. Bobby holds a BS in Aerospace Engineering, an MMP in Public Policy from the University of Michigan and an MBA from MIT.

Joe Moreno is a Vice President at Fairstead Affordable. Prior to joining Fairstead, he was responsible for underwriting potential equity investments in market-rate and affordable housing properties, including multifamily, senior and student housing across the US for Reliant Group Management, a real estate private equity firm with over \$3B under management in over 14,000 properties. He has also held positions at Acacia, an affordable housing developer in the Bronx as well as the New York City Department of Housing Preservation and Development (HPD). Joe earned both his BA in Political Science and MA in Urban Planning from Columbia University. He has also earned an MBA from the University of Southern California.

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Victoria Gousse is an Associate at Fairstead Affordable where she focuses on the acquisition and redevelopment of affordable multifamily housing across New York City. Prior to joining Fairstead, Victoria was at Jonathan Rose Companies where she managed the firm's Affordable Housing Preservation Fund, oversaw successful execution of acquisition and disposition transactions, and all capital improvements. She also held positions at The Related Companies where she managed both ground-up affordable and mixed-income development projects. Victoria holds a BS in Accounting from Fordham University, a MS in Real Estate Development from Baruch College, and serves on the board of the Baruch College Alumni Association.

Estelle Chan is an Associate at Fairstead Affordable. Prior to Fairstead, Estelle was with Omni New York where she was responsible for the development of over 1,300 units of affordable and mixed-income housing in New York and New Jersey. She also held a position with JTC Corporation, the largest industrial and commercial developer in Singapore, where she was certified as an AICP-certified planner and oversaw the permitting of office park projects totaling \$8B in value. Estelle received a BA in Urban Studies from Columbia University and MS degree in Real Estate Development from MIT.

Jordan Capellino is an Associate at Fairstead Affordable where he focuses on the acquisition, rehabilitation, and preservation of affordable and workforce housing, with a focus on markets outside of New York City. Since joining Fairstead in 2014, he has helped acquire \$3B in multifamily real estate, including one of Fairstead's largest acquisitions, Savoy Park, an 1,800-unit workforce housing complex in Harlem. Jordan earned his BA in History from Yale University.

Lauren Jensen is an Associate at Fairstead Affordable where she focuses on the acquisition, rehabilitation, and preservation of affordable housing across the US. Prior to joining Fairstead, Lauren worked at The Michaels Organization (Michaels Development Company) as an Acquisitions Analyst where she helped facilitate acquisition, rehabilitation and new construction multifamily projects utilizing both 4% and 9% tax credits, totaling over 3,000 units. Lauren earned her BS in Industrial & Systems Engineering from Lehigh University's P.C. Rossin College of Engineering and Applied Science.

Billy Kreinik is an Associate at Fairstead focusing on the acquisition of market-rate and affordable housing across the US. During his time at Fairstead, he has helped facilitate the acquisition of \$3B billion in multifamily real estate, including the firm's largest acquisition to date, the Caiola Portfolio (~1,000 multifamily units in New York City). Prior to joining Fairstead, Billy was an Investment Banking Analyst at Goldman Sachs. Billy holds an BBA in Business Administration from the University of Michigan's Ross School of Business.

Josh Feldman is an Analyst at Fairstead where he focuses on both market-rate and affordable acquisitions across the US. Prior to joining Fairstead, Josh was with Brookfield Property Group in Chicago where he dealt with the redevelopment and repositioning of multiple assets in their portfolio. Josh holds a BBA in Real Estate and Urban Land Economics from The Wisconsin School of Business at The University of Wisconsin-Madison.

Adam Sussi is an Associate at Fairstead where he focuses on the acquisition and asset management of the market-rate portfolio across the US. Prior to joining Fairstead, Adam was with Jamestown Properties where he was the Director of Asset Management at Industry City, a 6 million square-foot, 35-acre mixed-used complex along the South Brooklyn waterfront. In this role, Adam oversaw the \$650M refinancing of the portfolio, deployment of a ~\$350M development budget, and several development-intensive commercial leases, including the Brooklyn Nets \$60M practice facility and corporate headquarters. Adam was also involved in the leasehold acquisition of the South Brooklyn Marine Terminal, an adjacent 70-acre port facility. Adam holds a BBA in Finance, Investment & Banking from Wisconsin School of Business and a MS in Real Estate Finance & Investment from NYU's Schack Institute of Real Estate.

Kristen Samuelson is an Associate at Fairstead where she focuses on the acquisition and asset management of market-rate housing across the US. During her time at Fairstead, she has helped manage a portfolio of \$3B in multifamily real estate including Savoy Park, an 1,800-unit workforce housing complex in Harlem. Kristen

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previously worked at JP Morgan Chase in the Real Estate Banking group. Kristen holds an BS in Applied Accounting and Finance from Fordham University Gabelli School of Business.

Roumen Gadelev is the Controller of Fairstead Affordable. He oversees the day-to-day and period-end accounting close and reporting for all stabilized, newly developed, and newly acquired properties. He also coordinates all construction accounting and annual audits. Previously, he held Controller positions at BRIDGE Housing Corporation, one of California's leading affordable housing nonprofits, and at a non-traded public REIT. He also notably worked at Deloitte and Touché as an auditor for real estate and investment management clients. Roumen is an active CPA and a member of the AICPA and the CalCPA.

Tyler McIntyre is the Director of Construction for Fairstead and Fairstead Affordable. In this capacity, Tyler focuses on the development, construction, and rehabilitation multifamily housing. Previously, Tyler held positions at Tetra Tech, Lend Lease, and RockFarmer Capital where he focused on design and construction of commercial, multifamily and healthcare. Tyler earned both his undergraduate degrees from Dartmouth College (BE in Mechanical Engineering and a BA in Economics). In addition, Tyler graduated from the Whiting School of Engineering at Johns Hopkins University with a degree in Urban Planning and Construction Management.

FOUNDING PARTNERS BIOS

Stephen Siegel is the Founding Partner at Fairstead as well as CBRE's Chairman of Global Brokerage. Steve began his career in Cushman and Wakefield's mail room at the age of seventeen. Twenty years later, he was their CEO. He went on to mastermind Insignia/ESG's global expansion and was named by Crain's as one of New York City's 100 Most Influential Business Leaders. Steve is widely regarded as one of the industry's most prolific professionals and his relationships, expertise and ability to identify and capitalize on opportunity is second to none.

Andrew Goldberg is the Founding Partner at Fairstead as well as CBRE's Vice Chairman. With more than 25 years of experience, Andrew has completed, on behalf of his clients, several hundred deals with a total valuation over \$5B. Andrew is widely recognized as one of the industry's top retail professionals and has earned numerous industry accolades, including REBNY's Most Creative Deal and Retail Deal of the Year twice. As Fairstead's commercial real estate veteran, Andrew's expert advisory has helped to create tremendous value.



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

ANDY BESHEAR

Governor

MS. HOLLY M. JOHNSON

Secretary

HEATHER OVERBY

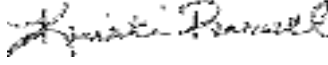
Chairman

CHELSEY COUCH

Executive Director

MEMORANDUM

TO: Ryan Barrow
Office of Financial Management

FROM: Kristi Russell, SFCC 

DATE: March 1, 2021

SUBJECT: Capital Projects and Bond Oversight Committee (CPBO)

The following information is submitted for consideration by CPBO at their next meeting tentatively scheduled for March 16, 2021:

Ashland Independent- \$445,000 estimated – Refunding of 2011 bonds. State estimated annual debt service is \$47,673 and local is \$0. No tax increase is necessary to finance this project.

Ashland independent- \$9,445,000 estimated – Refunding of 2013 bonds. State estimated annual debt service is \$98,063 and local is \$753,728. No tax increase is necessary to finance this project

Christian County- \$545,000 estimated – Roof renovation. State estimated annual debt service is \$33,392 and local is \$0. No tax increase is necessary to finance this project

Ft. Thomas Independent- \$2,795,000 estimated – Refunding of 2012 bonds. State estimated annual debt service is \$12,694 and local is \$256,197. No tax increase is necessary to finance this project

Glasgow Independent- \$15,220,000 estimated – Construct new elementary school. State estimated annual debt service is \$85,783 and local is \$882,305. No tax increase is necessary to finance this project.

Jefferson County- \$8,220,000 estimated-Refunding of 2012A bonds. State estimated annual debt service is \$872,674 and local is \$0. No tax increase is necessary to finance this project

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



Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Ashland Independent School District Series 2021
Date: February 02, 2021
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan of Refinancing 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: | \$ 445,000 |
| Issue Name: | Ashland Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series 2021 |
| Purpose: | Refinance Series 2011 - Current Call |
| Projected Sale Date of Bonds: | 26-May-21 |
| First Call Date: | 6/02/21 @ 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, Lexington, Kentucky |
| Date received by SFCC: | <input type="text"/> <i>To be filled in by SFCC</i> |
| Date scheduled for Committee review: | <input type="text"/> <i>To be filled in by SFCC</i> |

Month Day Year

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

| SFCC Portion | Local Portion | Total |
|-----------------|------------------|------------|
| \$ 445,000 | \$ 0 | \$ 445,000 |
| 100.00% | 0.00% | |
| \$ 47,673 | \$ 0 | \$ 47,673 |
| \$ 0 | \$ 0 | \$ 0 |

Estimated Cost of Issuance:

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

| | | |
|-----------|------|-----------|
| \$ 5,000 | \$ 0 | \$ 5,000 |
| \$ 0 | \$ 0 | \$ 0 |
| \$ 0 | \$ 0 | \$ 0 |
| \$ 4,000 | \$ 0 | \$ 4,000 |
| \$ 4,450 | \$ 0 | \$ 4,450 |
| \$ 3,000 | \$ 0 | \$ 3,000 |
| \$ 16,450 | \$ 0 | \$ 16,450 |

Anticipated Interest Rates:

5 Years 1.000% 10 Years 1.650% 15 Years:
 20 Years: N/A

Note: No Local Tax increase is required.

Ashland Independent School District

Projected Plan of Refinancing

Date of Report: February 2, 2021

| | |
|---|-----|
| Prior Bonds Call Reports | |
| 2011 Current Call Report..... | 1 |
| 2021 Series Refunding Bonds - Current Call | |
| Total Savings Report..... | 2-3 |

ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REVENUE BONDS, SERIES 2011 (100% SFCC)

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 |
|--------------|---------------------|-------------------|---------------------|---------------------|--------|--------------------|---------------------|
| 06/02/2021 | 425,000.00 | 44.27 | 425,044.27 | - | - | - | - |
| 12/01/2021 | - | - | - | - | - | 7,968.75 | 7,968.75 |
| 06/01/2022 | - | - | - | 35,000.00 | 3.750% | 7,968.75 | 42,968.75 |
| 12/01/2022 | - | - | - | - | - | 7,312.50 | 7,312.50 |
| 06/01/2023 | - | - | - | 35,000.00 | 3.750% | 7,312.50 | 42,312.50 |
| 12/01/2023 | - | - | - | - | - | 6,656.25 | 6,656.25 |
| 06/01/2024 | - | - | - | 40,000.00 | 3.750% | 6,656.25 | 46,656.25 |
| 12/01/2024 | - | - | - | - | - | 5,906.25 | 5,906.25 |
| 06/01/2025 | - | - | - | 40,000.00 | 3.750% | 5,906.25 | 45,906.25 |
| 12/01/2025 | - | - | - | - | - | 5,156.25 | 5,156.25 |
| 06/01/2026 | - | - | - | 40,000.00 | 3.750% | 5,156.25 | 45,156.25 |
| 12/01/2026 | - | - | - | - | - | 4,406.25 | 4,406.25 |
| 06/01/2027 | - | - | - | 45,000.00 | 3.750% | 4,406.25 | 49,406.25 |
| 12/01/2027 | - | - | - | - | - | 3,562.50 | 3,562.50 |
| 06/01/2028 | - | - | - | 45,000.00 | 3.750% | 3,562.50 | 48,562.50 |
| 12/01/2028 | - | - | - | - | - | 2,718.75 | 2,718.75 |
| 06/01/2029 | - | - | - | 45,000.00 | 3.750% | 2,718.75 | 47,718.75 |
| 12/01/2029 | - | - | - | - | - | 1,875.00 | 1,875.00 |
| 06/01/2030 | - | - | - | 50,000.00 | 3.750% | 1,875.00 | 51,875.00 |
| 12/01/2030 | - | - | - | - | - | 937.50 | 937.50 |
| 06/01/2031 | - | - | - | 50,000.00 | 3.750% | 937.50 | 50,937.50 |
| Total | \$425,000.00 | \$44.27 | \$425,044.27 | \$425,000.00 | - | \$93,000.00 | \$518,000.00 |

ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2021 (100% SFCC)
PROJECTED 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 | - | (3,505.73) | - | 3,505.73 |
| 06/30/2022 | 44,739.30 | 44,739.30 | 50,937.50 | 6,198.20 |
| 06/30/2023 | 44,592.50 | 44,592.50 | 49,625.00 | 5,032.50 |
| 06/30/2024 | 49,372.50 | 49,372.50 | 53,312.50 | 3,940.00 |
| 06/30/2025 | 49,057.50 | 49,057.50 | 51,812.50 | 2,755.00 |
| 06/30/2026 | 48,675.00 | 48,675.00 | 50,312.50 | 1,637.50 |
| 06/30/2027 | 48,225.00 | 48,225.00 | 53,812.50 | 5,587.50 |
| 06/30/2028 | 47,707.50 | 47,707.50 | 52,125.00 | 4,417.50 |
| 06/30/2029 | 47,122.50 | 47,122.50 | 50,437.50 | 3,315.00 |
| 06/30/2030 | 51,492.50 | 51,492.50 | 53,750.00 | 2,257.50 |
| 06/30/2031 | 45,742.50 | 45,742.50 | 51,875.00 | 6,132.50 |
| Total | \$476,726.80 | \$473,221.07 | \$518,000.00 | \$44,778.93 |

ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2021 (100% SFCC)
PROJECTED REFINANCING OF SERIES 2011

Debt Service Comparison

Part 2 of 2

PV Analysis Summary (Net to Net)

| | |
|--|-------------|
| Gross PV Debt Service Savings | 37,537.16 |
| Net PV Cashflow Savings @ 1.966%(AIC) | 37,537.16 |
| Contingency or Rounding Amount | 3,505.73 |
| Net Present Value Benefit | \$41,042.89 |
| Net PV Benefit / \$425,000 Refunded Principal | 9.657% |
| Net PV Benefit / \$445,000 Refunding Principal | 9.223% |

Refunding Bond Information

| | |
|-------------------------|-----------|
| Refunding Dated Date | 6/02/2021 |
| Refunding Delivery Date | 6/02/2021 |

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Ashland Independent School District Series 2021
Date: February 02, 2021
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan of Refinancing 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: | \$ 9,445,000 |
| Issue Name: | Ashland Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series 2021 |
| Purpose: | Refinance Series 2013 |
| Projected Sale Date of Bonds: | 26-May-21 |
| First Call Date: | 8/01/23 @ 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, Lexington, Kentucky |
| Date received by SFCC: | <input style="width: 100px; height: 20px;" type="text"/> <i>To be filled in by SFCC</i> |
| Date scheduled for Committee review: | <input style="width: 100px; height: 20px;" type="text"/> <i>To be filled in by SFCC</i> |
| | Month Day Year |

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

| SFCC Portion | Local Portion | Total |
|--------------|---------------|--------------|
| \$ 1,087,364 | \$ 8,357,636 | \$ 9,445,000 |
| 11.51% | 88.49% | |
| \$ 98,063 | \$ 753,728 | \$ 851,791 |
| \$ 0 | \$ 0 | \$ 0 |

Estimated Cost of Issuance:

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

| | | |
|-----------|------------|------------|
| \$ 5,846 | \$ 44,934 | \$ 50,780 |
| \$ 0 | \$ 0 | \$ 0 |
| \$ 161 | \$ 1,239 | \$ 1,400 |
| \$ 1,554 | \$ 11,946 | \$ 13,500 |
| \$ 10,874 | \$ 83,576 | \$ 94,450 |
| \$ 432 | \$ 3,318 | \$ 3,750 |
| \$ 18,867 | \$ 145,013 | \$ 163,880 |

Anticipated Interest Rates:

5 Years 1.00% 10 Years 1.650' 15 Years:
 20 Years: N/A

Note: No Local Tax increase is required.

Ashland Independent School District

Projected Plan of Refinancing

Date of Report: February 02, 2021

| | |
|------------------------------------|-----|
| Prior Bonds Call Reports | |
| 2013 Call Report..... | 1 |
| 2021 Series Refunding Bonds | |
| Total Savings Report..... | 2-3 |
| Escrow Fund Cash Flow..... | 4 |
| Savings Summary..... | 5 |

ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REVENUE BONDS, SERIES 2013

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 |
|--------------|-----------------------|---------------------|-----------------------|-----------------------|--------|-----------------------|------------------------|
| 06/02/2021 | - | - | - | - | - | - | - |
| 08/01/2021 | - | 177,250.00 | 177,250.00 | - | 3.000% | 177,250.00 | 177,250.00 |
| 02/01/2022 | - | 177,250.00 | 177,250.00 | - | - | 177,250.00 | 177,250.00 |
| 08/01/2022 | - | 177,250.00 | 177,250.00 | - | 3.000% | 177,250.00 | 177,250.00 |
| 02/01/2023 | - | 177,250.00 | 177,250.00 | - | - | 177,250.00 | 177,250.00 |
| 08/01/2023 | 8,415,000.00 | 177,250.00 | 8,592,250.00 | - | 3.250% | 177,250.00 | 177,250.00 |
| 02/01/2024 | - | - | - | - | - | 177,250.00 | 177,250.00 |
| 08/01/2024 | - | - | - | 375,000.00 | 4.000% | 177,250.00 | 552,250.00 |
| 02/01/2025 | - | - | - | - | - | 169,750.00 | 169,750.00 |
| 08/01/2025 | - | - | - | 390,000.00 | 4.000% | 169,750.00 | 559,750.00 |
| 02/01/2026 | - | - | - | - | - | 161,950.00 | 161,950.00 |
| 08/01/2026 | - | - | - | 400,000.00 | 4.000% | 161,950.00 | 561,950.00 |
| 02/01/2027 | - | - | - | - | - | 153,950.00 | 153,950.00 |
| 08/01/2027 | - | - | - | 675,000.00 | 4.000% | 153,950.00 | 828,950.00 |
| 02/01/2028 | - | - | - | - | - | 140,450.00 | 140,450.00 |
| 08/01/2028 | - | - | - | 700,000.00 | 4.000% | 140,450.00 | 840,450.00 |
| 02/01/2029 | - | - | - | - | - | 126,450.00 | 126,450.00 |
| 08/01/2029 | - | - | - | 725,000.00 | 4.000% | 126,450.00 | 851,450.00 |
| 02/01/2030 | - | - | - | - | - | 111,950.00 | 111,950.00 |
| 08/01/2030 | - | - | - | 1,215,000.00 | 4.250% | 111,950.00 | 1,326,950.00 |
| 02/01/2031 | - | - | - | - | - | 86,131.25 | 86,131.25 |
| 08/01/2031 | - | - | - | 1,265,000.00 | 4.250% | 86,131.25 | 1,351,131.25 |
| 02/01/2032 | - | - | - | - | - | 59,250.00 | 59,250.00 |
| 08/01/2032 | - | - | - | 1,320,000.00 | 4.375% | 59,250.00 | 1,379,250.00 |
| 02/01/2033 | - | - | - | - | - | 30,375.00 | 30,375.00 |
| 08/01/2033 | - | - | - | 1,350,000.00 | 4.500% | 30,375.00 | 1,380,375.00 |
| Total | \$8,415,000.00 | \$886,250.00 | \$9,301,250.00 | \$8,415,000.00 | - | \$3,321,262.50 | \$11,736,262.50 |

ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2021
PROJECTED REFINANCING OF SERIES 2013

Debt Service Comparison

Part 1 of 2

| Date | Total P+I | Existing D/S | Net New D/S | Old Net D/S | Savings |
|--------------|------------------------|---------------------|------------------------|------------------------|-----------------------|
| 06/30/2021 | - | - | - | - | - |
| 06/30/2022 | 271,789.87 | 324,512.50 | 596,302.37 | 679,012.50 | 82,710.13 |
| 06/30/2023 | 270,312.50 | 330,287.50 | 600,600.00 | 684,787.50 | 84,187.50 |
| 06/30/2024 | 269,647.50 | 330,281.25 | 599,928.75 | 684,781.25 | 84,852.50 |
| 06/30/2025 | 637,477.50 | - | 637,477.50 | 722,000.00 | 84,522.50 |
| 06/30/2026 | 638,503.75 | - | 638,503.75 | 721,700.00 | 83,196.25 |
| 06/30/2027 | 633,740.00 | - | 633,740.00 | 715,900.00 | 82,160.00 |
| 06/30/2028 | 886,708.75 | - | 886,708.75 | 969,400.00 | 82,691.25 |
| 06/30/2029 | 882,182.50 | - | 882,182.50 | 966,900.00 | 84,717.50 |
| 06/30/2030 | 881,582.50 | - | 881,582.50 | 963,400.00 | 81,817.50 |
| 06/30/2031 | 1,326,677.50 | - | 1,326,677.50 | 1,413,081.25 | 86,403.75 |
| 06/30/2032 | 1,326,825.00 | - | 1,326,825.00 | 1,410,381.25 | 83,556.25 |
| 06/30/2033 | 1,325,060.00 | - | 1,325,060.00 | 1,409,625.00 | 84,565.00 |
| 06/30/2034 | 1,296,886.25 | - | 1,296,886.25 | 1,380,375.00 | 83,488.75 |
| Total | \$10,647,393.62 | \$985,081.25 | \$11,632,474.87 | \$12,721,343.75 | \$1,088,868.88 |

ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2021
PROJECTED REFINANCING OF SERIES 2013

Debt Service Comparison

Part 2 of 2

PV Analysis Summary (Net to Net)

| | |
|--|--------------|
| Gross PV Debt Service Savings | 971,636.05 |
| Net PV Cashflow Savings @ 1.757%(AIC) | 971,636.05 |
| Contingency or Rounding Amount | 2,133.17 |
| Net Present Value Benefit | \$973,769.22 |
| Net PV Benefit / \$8,415,000 Refunded Principal | 11.572% |
| Net PV Benefit / \$9,445,000 Refunding Principal | 10.310% |

Refunding Bond Information

| | |
|-------------------------|-----------|
| Refunding Dated Date | 6/02/2021 |
| Refunding Delivery Date | 6/02/2021 |

ASHLAND INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2021
PROJECTED REFINANCING OF SERIES 2013

Escrow Fund Cashflow

| Date | Principal | Rate | Interest | Receipts | Disbursements | Cash Balance |
|--------------|-----------------------|--------|--------------------|-----------------------|-----------------------|--------------|
| 06/02/2021 | - | - | - | 0.83 | - | 0.83 |
| 08/01/2021 | 175,766.00 | 0.050% | 1,483.68 | 177,249.68 | 177,250.00 | 0.51 |
| 02/01/2022 | 172,749.00 | 0.060% | 4,501.52 | 177,250.52 | 177,250.00 | 1.03 |
| 08/01/2022 | 172,817.00 | 0.070% | 4,432.24 | 177,249.24 | 177,250.00 | 0.27 |
| 02/01/2023 | 172,878.00 | 0.090% | 4,371.76 | 177,249.76 | 177,250.00 | 0.03 |
| 08/01/2023 | 8,587,956.00 | 0.100% | 4,293.97 | 8,592,249.97 | 8,592,250.00 | - |
| Total | \$9,282,166.00 | - | \$19,083.17 | \$9,301,250.00 | \$9,301,250.00 | - |

Investment Parameters

| | |
|--|----------------|
| Investment Model PV, GIC, or Securities | Securities |
| Default investment yield target | Bond Yield |
| Cash Deposit | 0.83 |
| Cost of Investments Purchased with Bond Proceeds | 9,282,166.00 |
| Total Cost of Investments | \$9,282,166.83 |
| Target Cost of Investments at bond yield | \$9,012,015.09 |
| Actual positive or (negative) arbitrage | (270,151.74) |
| Yield to Receipt | 0.0993114% |
| Yield for Arbitrage Purposes | 1.5337322% |
| State and Local Government Series (SLGS) rates for | 2/01/2021 |

Ashland Independent School District Finance Corporation
 School Building Refunding Revenue Taxable Bonds, Series 2021
 Refunding of Prior Series 2013 Bonds - Dated Date of 08.01.13

| Fiscal Year | (A) Current Bond Payments | | | (B) New Bond Payments | | | Unrefunded Portion | (C) Savings |
|-------------|---------------------------|------------------|---------------|-----------------------|------------------|----------------|--------------------|-------------|
| | Principal Portion | Interest Portion | Total Payment | Principal Portion | Interest Portion | Payment Totals | | |
| Closing | | | | | | | | |
| 2022 | \$300,000 | \$379,013 | \$679,013 | \$185,000 | \$86,790 | \$271,790 | \$324,513 | \$82,710 |
| 2023 | \$315,000 | \$369,788 | \$684,788 | \$140,000 | \$130,313 | \$270,313 | \$330,288 | \$84,188 |
| 2024 | \$325,000 | \$359,781 | \$684,781 | \$140,000 | \$129,648 | \$269,648 | \$330,281 | \$84,853 |
| 2025 | \$375,000 | \$347,000 | \$722,000 | \$510,000 | \$127,478 | \$637,478 | | \$84,523 |
| 2026 | \$390,000 | \$331,700 | \$721,700 | \$515,000 | \$123,504 | \$638,504 | | \$83,196 |
| 2027 | \$400,000 | \$315,900 | \$715,900 | \$515,000 | \$118,740 | \$633,740 | | \$82,160 |
| 2028 | \$675,000 | \$294,400 | \$969,400 | \$775,000 | \$111,709 | \$886,709 | | \$82,691 |
| 2029 | \$700,000 | \$266,900 | \$966,900 | \$780,000 | \$102,183 | \$882,183 | | \$84,718 |
| 2030 | \$725,000 | \$238,400 | \$963,400 | \$790,000 | \$91,583 | \$881,583 | | \$81,818 |
| 2031 | \$1,215,000 | \$198,081 | \$1,413,081 | \$1,250,000 | \$76,678 | \$1,326,678 | | \$86,404 |
| 2032 | \$1,265,000 | \$145,381 | \$1,410,381 | \$1,270,000 | \$56,825 | \$1,326,825 | | \$83,556 |
| 2033 | \$1,320,000 | \$89,625 | \$1,409,625 | \$1,290,000 | \$35,060 | \$1,325,060 | | \$84,565 |
| | \$1,350,000 | \$30,375 | \$1,380,375 | \$1,285,000 | \$11,886 | \$1,296,886 | | \$83,489 |
| Totals: | \$9,355,000 | \$3,366,344 | \$12,721,344 | \$9,445,000 | \$1,202,394 | \$10,647,394 | \$985,081 | \$1,088,869 |

Gross Savings Amount: \$1,088,869

Present Value Savings Amount: \$971,636

NPV Savings % of Prior: 11.572%

Negative Arbitrage Efficiency Ratio: (\$270,152) 75.19%

Series 2013 Average Coupon: 4.250%

Series 2021 Total Interest Cost: 1.660%

Interest Rate Reduction: 2.590%



Interest Rate Reduction Summary



February 23, 2021

Ms. Chelsey Couch
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. Couch:

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

\$545,000 (est.)
Christian County
School District Finance Corporation
School Building Revenue Bonds
Series 2021

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 502.588.1829

Sincerely,

/s/ Alex Perdue

Alex Perdue
Public Finance

BOND PAYEE DISCLOSURE FORM

| | |
|--|---|
| Par Amount: | \$545,000 |
| Issue Name: | Christian County School District School Building Revenue Bonds, Series 2021 |
| Purpose: | South Christian roof renovation |
| Projected Sale Date of Bonds: | Spring 2021 |
| First Call Date: | TBD |
| Method of Sale: | Competitive |
| Place/Time of Sale: | TBD |
| Bond Rating: | Expected "A1" – Moody's |
| Bond Counsel: | Rubin & Hays |
| Fiscal Agent: | Baird |
| Construction Manager/General Contractor: | N/A |
| Architect/Engineer: | TBD |

| | SFCC Portion | Local Portion | Total |
|---|--------------|---------------|-----------|
| Estimated par amount of Bonds: | \$545,000 | - | \$545,000 |
| % Share of total Bonds: | 100% | - | 100% |
| Estimated average annual debt service: | 33,392 | - | 33,392 |
| Estimated debt service reserve: | | - | - |
| Estimated Costs of Issuance (1): | | | |
| Fiscal Agent, Bond Counsel, Advertisements, Printing, etc. | 7,500 | | 7,500 |
| Special Tax Counsel | | - | - |
| Number Verifications | | - | - |
| Bond Rating | 14,000 | - | 14,000 |
| Underwriter's Discount | 10,900 | - | 10,900 |
| Paying Agent/Escrow Agent Bank | 3,500 | - | 3,500 |
| Total Cost of Issuance: | \$35,900 | - | \$35,900 |

Anticipated Interest Rates: 5 Years: 1.48% 10 Years: 1.48%
 15 Years: 2.19% 20 Years: 2.19%

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

TABLE OF CONTENTS

**Christian County School District Finance Corporation
School Building Revenue Bonds Series 2021 BG-1
BG-1 Numbers for South Christian Elementary School Roof Project
100% SFCC Bonds and District Restricted Fund Cash
Assumptions: BQ, Moody's A1 Underlying / A1 Enhanced
Assumes: Generic Scale as of 2/18/21 BQ/School Rev/ A2 Und. A1 Enh +45bps
2031 & 2041 Term Bonds**

| <i>Report</i> | <i>Page</i> |
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| Sources and Uses of Funds | 1 |
| Bond Debt Service | 2 |
| Bond Summary Statistics | 5 |
| Bond Pricing | 6 |
| Bond Solution | 7 |

SOURCES AND USES OF FUNDS**Christian County School District Finance Corporation
SFCC Portion*****Sources:***

| | |
|---------------------------------|--------------|
| Bond Proceeds: | |
| Par Amount | 545,000.00 |
| Other Sources of Funds: | |
| District - Restricted Fund Cash | 485,245.00 |
| | <hr/> |
| | 1,030,245.00 |

Uses:

| | |
|--------------------------|--------------|
| Project Fund Deposits: | |
| Construction | 869,750.00 |
| A/E Fee | 76,103.00 |
| Contingency | 45,487.50 |
| HBC Plan Review Fee | 2,000.00 |
| Advertising and Printing | 1,000.00 |
| | <hr/> |
| | 994,340.50 |
| Cost of Issuance: | |
| FA/BC | 7,500.00 |
| Rating Fee | 14,000.00 |
| Paying Agent | 3,500.00 |
| | <hr/> |
| | 25,000.00 |
| Delivery Date Expenses: | |
| Underwriter's Discount | 10,900.00 |
| Other Uses of Funds: | |
| Additional Proceeds | 4.50 |
| | <hr/> |
| | 1,030,245.00 |

BOND DEBT SERVICE

Christian County School District Finance Corporation
School Building Revenue Bonds Series 2021 BG-1
BG-1 Numbers for South Christian Elementary School Roof Project
100% SFCC Bonds and District Restricted Fund Cash
Assumptions: BQ, Moody's A1 Underlying / A1 Enhanced
Assumes: Generic Scale as of 2/18/21 BQ/School Rev/ A2 Und. A1 Enh +45bps
2031 & 2041 Term Bonds

| <i>Period Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt Service</i> | <i>Annual Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|---------------------|--------------------------------|
| 10/01/2021 | | | 5,098.00 | 5,098.00 | |
| 04/01/2022 | 20,000 | 1.480% | 5,098.00 | 25,098.00 | |
| 06/30/2022 | | | | | 30,196.00 |
| 10/01/2022 | | | 4,950.00 | 4,950.00 | |
| 04/01/2023 | 20,000 | 1.480% | 4,950.00 | 24,950.00 | |
| 06/30/2023 | | | | | 29,900.00 |
| 10/01/2023 | | | 4,802.00 | 4,802.00 | |
| 04/01/2024 | 25,000 | 1.480% | 4,802.00 | 29,802.00 | |
| 06/30/2024 | | | | | 34,604.00 |
| 10/01/2024 | | | 4,617.00 | 4,617.00 | |
| 04/01/2025 | 25,000 | 1.480% | 4,617.00 | 29,617.00 | |
| 06/30/2025 | | | | | 34,234.00 |
| 10/01/2025 | | | 4,432.00 | 4,432.00 | |
| 04/01/2026 | 30,000 | 1.480% | 4,432.00 | 34,432.00 | |
| 06/30/2026 | | | | | 38,864.00 |
| 10/01/2026 | | | 4,210.00 | 4,210.00 | |
| 04/01/2027 | 25,000 | 1.480% | 4,210.00 | 29,210.00 | |
| 06/30/2027 | | | | | 33,420.00 |
| 10/01/2027 | | | 4,025.00 | 4,025.00 | |
| 04/01/2028 | 30,000 | 1.480% | 4,025.00 | 34,025.00 | |
| 06/30/2028 | | | | | 38,050.00 |
| 10/01/2028 | | | 3,803.00 | 3,803.00 | |
| 04/01/2029 | 25,000 | 1.480% | 3,803.00 | 28,803.00 | |
| 06/30/2029 | | | | | 32,606.00 |
| 10/01/2029 | | | 3,618.00 | 3,618.00 | |
| 04/01/2030 | 20,000 | 1.480% | 3,618.00 | 23,618.00 | |
| 06/30/2030 | | | | | 27,236.00 |
| 10/01/2030 | | | 3,470.00 | 3,470.00 | |
| 04/01/2031 | 25,000 | 1.480% | 3,470.00 | 28,470.00 | |
| 06/30/2031 | | | | | 31,940.00 |
| 10/01/2031 | | | 3,285.00 | 3,285.00 | |
| 04/01/2032 | 30,000 | 2.190% | 3,285.00 | 33,285.00 | |
| 06/30/2032 | | | | | 36,570.00 |
| 10/01/2032 | | | 2,956.50 | 2,956.50 | |
| 04/01/2033 | 30,000 | 2.190% | 2,956.50 | 32,956.50 | |
| 06/30/2033 | | | | | 35,913.00 |
| 10/01/2033 | | | 2,628.00 | 2,628.00 | |
| 04/01/2034 | 30,000 | 2.190% | 2,628.00 | 32,628.00 | |
| 06/30/2034 | | | | | 35,256.00 |
| 10/01/2034 | | | 2,299.50 | 2,299.50 | |
| 04/01/2035 | 30,000 | 2.190% | 2,299.50 | 32,299.50 | |
| 06/30/2035 | | | | | 34,599.00 |
| 10/01/2035 | | | 1,971.00 | 1,971.00 | |
| 04/01/2036 | 25,000 | 2.190% | 1,971.00 | 26,971.00 | |
| 06/30/2036 | | | | | 28,942.00 |
| 10/01/2036 | | | 1,697.25 | 1,697.25 | |
| 04/01/2037 | 25,000 | 2.190% | 1,697.25 | 26,697.25 | |
| 06/30/2037 | | | | | 28,394.50 |
| 10/01/2037 | | | 1,423.50 | 1,423.50 | |
| 04/01/2038 | 35,000 | 2.190% | 1,423.50 | 36,423.50 | |
| 06/30/2038 | | | | | 37,847.00 |
| 10/01/2038 | | | 1,040.25 | 1,040.25 | |
| 04/01/2039 | 30,000 | 2.190% | 1,040.25 | 31,040.25 | |
| 06/30/2039 | | | | | 32,080.50 |
| 10/01/2039 | | | 711.75 | 711.75 | |
| 04/01/2040 | 30,000 | 2.190% | 711.75 | 30,711.75 | |

BOND DEBT SERVICE

Christian County School District Finance Corporation
School Building Revenue Bonds Series 2021 BG-1
BG-1 Numbers for South Christian Elementary School Roof Project
100% SFCC Bonds and District Restricted Fund Cash
Assumptions: BQ, Moody's A1 Underlying / A1 Enhanced
Assumes: Generic Scale as of 2/18/21 BQ/School Rev/ A2 Und. A1 Enh +45bps
2031 & 2041 Term Bonds

| <i>Period Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt Service</i> | <i>Annual Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|---------------------|--------------------------------|
| 06/30/2040 | | | | | 31,423.50 |
| 10/01/2040 | | | 383.25 | 383.25 | |
| 04/01/2041 | 35,000 | 2.190% | 383.25 | 35,383.25 | |
| 06/30/2041 | | | | | 35,766.50 |
| | 545,000 | | 122,842.00 | 667,842.00 | 667,842.00 |

BOND DEBT SERVICE

Christian County School District Finance Corporation
School Building Revenue Bonds Series 2021 BG-1
BG-1 Numbers for South Christian Elementary School Roof Project
100% SFCC Bonds and District Restricted Fund Cash
Assumptions: BQ, Moody's A1 Underlying / A1 Enhanced
Assumes: Generic Scale as of 2/18/21 BQ/School Rev/ A2 Und. A1 Enh +45bps
2031 & 2041 Term Bonds

| <i>Period Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|---------------------|
| 06/30/2022 | 20,000 | 1.480% | 10,196.00 | 30,196.00 |
| 06/30/2023 | 20,000 | 1.480% | 9,900.00 | 29,900.00 |
| 06/30/2024 | 25,000 | 1.480% | 9,604.00 | 34,604.00 |
| 06/30/2025 | 25,000 | 1.480% | 9,234.00 | 34,234.00 |
| 06/30/2026 | 30,000 | 1.480% | 8,864.00 | 38,864.00 |
| 06/30/2027 | 25,000 | 1.480% | 8,420.00 | 33,420.00 |
| 06/30/2028 | 30,000 | 1.480% | 8,050.00 | 38,050.00 |
| 06/30/2029 | 25,000 | 1.480% | 7,606.00 | 32,606.00 |
| 06/30/2030 | 20,000 | 1.480% | 7,236.00 | 27,236.00 |
| 06/30/2031 | 25,000 | 1.480% | 6,940.00 | 31,940.00 |
| 06/30/2032 | 30,000 | 2.190% | 6,570.00 | 36,570.00 |
| 06/30/2033 | 30,000 | 2.190% | 5,913.00 | 35,913.00 |
| 06/30/2034 | 30,000 | 2.190% | 5,256.00 | 35,256.00 |
| 06/30/2035 | 30,000 | 2.190% | 4,599.00 | 34,599.00 |
| 06/30/2036 | 25,000 | 2.190% | 3,942.00 | 28,942.00 |
| 06/30/2037 | 25,000 | 2.190% | 3,394.50 | 28,394.50 |
| 06/30/2038 | 35,000 | 2.190% | 2,847.00 | 37,847.00 |
| 06/30/2039 | 30,000 | 2.190% | 2,080.50 | 32,080.50 |
| 06/30/2040 | 30,000 | 2.190% | 1,423.50 | 31,423.50 |
| 06/30/2041 | 35,000 | 2.190% | 766.50 | 35,766.50 |
| | 545,000 | | 122,842.00 | 667,842.00 |

BOND SUMMARY STATISTICS

Christian County School District Finance Corporation
School Building Revenue Bonds Series 2021 BG-1
BG-1 Numbers for South Christian Elementary School Roof Project
100% SFCC Bonds and District Restricted Fund Cash
Assumptions: BQ, Moody's A1 Underlying / A1 Enhanced
Assumes: Generic Scale as of 2/18/21 BQ/School Rev/ A2 Und. A1 Enh +45bps
2031 & 2041 Term Bonds

| | |
|---------------------------------|------------|
| Dated Date | 04/01/2021 |
| Delivery Date | 04/01/2021 |
| Last Maturity | 04/01/2041 |
| Arbitrage Yield | 2.017465% |
| True Interest Cost (TIC) | 2.226623% |
| Net Interest Cost (NIC) | 2.208786% |
| All-In TIC | 2.729734% |
| Average Coupon | 2.028770% |
| Average Life (years) | 11.110 |
| Duration of Issue (years) | 9.728 |
| Par Amount | 545,000.00 |
| Bond Proceeds | 545,000.00 |
| Total Interest | 122,842.00 |
| Net Interest | 133,742.00 |
| Total Debt Service | 667,842.00 |
| Maximum Annual Debt Service | 38,864.00 |
| Average Annual Debt Service | 33,392.10 |
| Underwriter's Fees (per \$1000) | |
| Average Takedown | |
| Other Fee | 20.000000 |
| Total Underwriter's Discount | 20.000000 |
| Bid Price | 98.000000 |

| <i>Bond Component</i> | <i>Par Value</i> | <i>Price</i> | <i>Average Coupon</i> | <i>Average Life</i> |
|-----------------------|------------------|--------------|-----------------------|---------------------|
| Term Bond 2031 | 245,000.00 | 100.000 | 1.480% | 5.612 |
| Term Bond 2041 | 300,000.00 | 100.000 | 2.190% | 15.600 |
| | 545,000.00 | | | 11.110 |

| | TIC | All-In TIC | Arbitrage Yield |
|----------------------------|------------|------------|-----------------|
| Par Value | 545,000.00 | 545,000.00 | 545,000.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | | | |
| - Underwriter's Discount | -10,900.00 | -10,900.00 | |
| - Cost of Issuance Expense | | -25,000.00 | |
| - Other Amounts | | | |
| Target Value | 534,100.00 | 509,100.00 | 545,000.00 |
| Target Date | 04/01/2021 | 04/01/2021 | 04/01/2021 |
| Yield | 2.226623% | 2.729734% | 2.017465% |

BOND PRICING

**Christian County School District Finance Corporation
 School Building Revenue Bonds Series 2021 BG-1
 BG-1 Numbers for South Christian Elementary School Roof Project
 100% SFCC Bonds and District Restricted Fund Cash
 Assumptions: BQ, Moody's A1 Underlying / A1 Enhanced
 Assumes: Generic Scale as of 2/18/21 BQ/School Rev/ A2 Und. A1 Enh +45bps
 2031 & 2041 Term Bonds**

| <i>Bond Component</i> | <i>Maturity Date</i> | <i>Amount</i> | <i>Rate</i> | <i>Yield</i> | <i>Price</i> |
|-----------------------|----------------------|----------------|-------------|--------------|--------------|
| Term Bond 2031: | 04/01/2031 | 245,000 | 1.480% | 1.480% | 100.000 |
| Term Bond 2041: | 04/01/2032 | 30,000 | 2.190% | 2.190% | 100.000 |
| | 04/01/2033 | 30,000 | 2.190% | 2.190% | 100.000 |
| | 04/01/2034 | 30,000 | 2.190% | 2.190% | 100.000 |
| | 04/01/2035 | 30,000 | 2.190% | 2.190% | 100.000 |
| | 04/01/2036 | 25,000 | 2.190% | 2.190% | 100.000 |
| | 04/01/2037 | 25,000 | 2.190% | 2.190% | 100.000 |
| | 04/01/2038 | 35,000 | 2.190% | 2.190% | 100.000 |
| | 04/01/2039 | 30,000 | 2.190% | 2.190% | 100.000 |
| | 04/01/2040 | 30,000 | 2.190% | 2.190% | 100.000 |
| | 04/01/2041 | 35,000 | 2.190% | 2.190% | 100.000 |
| | | <u>300,000</u> | | | |
| | | 545,000 | | | |

| | | |
|-------------------------|------------|-------------|
| Dated Date | 04/01/2021 | |
| Delivery Date | 04/01/2021 | |
| First Coupon | 10/01/2021 | |
| Par Amount | 545,000.00 | |
| Original Issue Discount | | |
| Production | 545,000.00 | 100.000000% |
| Underwriter's Discount | -10,900.00 | -2.000000% |
| Purchase Price | 534,100.00 | 98.000000% |
| Accrued Interest | | |
| Net Proceeds | 534,100.00 | |

BOND SOLUTION**Christian County School District Finance Corporation
SFCC Portion**

| <i>Period Ending</i> | <i>Proposed Principal</i> | <i>Proposed Debt Service</i> | <i>Total Adj Debt Service</i> | <i>Revenue Constraints</i> | <i>Unused Revenues</i> | <i>Debt Serv Coverage</i> |
|--------------------------|-------------------------------|----------------------------------|-----------------------------------|--------------------------------|----------------------------|-------------------------------|
| 06/30/2021 | | | | | | |
| 06/30/2022 | 20,000 | 30,196 | 30,196 | 34,963 | 4,767 | 115.78520% |
| 06/30/2023 | 20,000 | 29,900 | 29,900 | 32,335 | 2,435 | 108.14381% |
| 06/30/2024 | 25,000 | 34,604 | 34,604 | 34,795 | 191 | 100.55196% |
| 06/30/2025 | 25,000 | 34,234 | 34,234 | 37,255 | 3,021 | 108.82456% |
| 06/30/2026 | 30,000 | 38,864 | 38,864 | 39,715 | 851 | 102.18969% |
| 06/30/2027 | 25,000 | 33,420 | 33,420 | 37,403 | 3,983 | 111.91652% |
| 06/30/2028 | 30,000 | 38,050 | 38,050 | 40,178 | 2,128 | 105.59133% |
| 06/30/2029 | 25,000 | 32,606 | 32,606 | 33,040 | 434 | 101.33104% |
| 06/30/2030 | 20,000 | 27,236 | 27,236 | 31,203 | 3,967 | 114.56345% |
| 06/30/2031 | 25,000 | 31,940 | 31,940 | 34,453 | 2,513 | 107.86631% |
| 06/30/2032 | 30,000 | 36,570 | 36,570 | 38,078 | 1,508 | 104.12223% |
| 06/30/2033 | 30,000 | 35,913 | 35,913 | 36,790 | 877 | 102.44201% |
| 06/30/2034 | 30,000 | 35,256 | 35,256 | 35,678 | 422 | 101.19554% |
| 06/30/2035 | 30,000 | 34,599 | 34,599 | 34,653 | 54 | 100.15463% |
| 06/30/2036 | 25,000 | 28,942 | 28,942 | 33,915 | 4,973 | 117.18264% |
| 06/30/2037 | 25,000 | 28,395 | 28,395 | 33,353 | 4,958 | 117.46113% |
| 06/30/2038 | 35,000 | 37,847 | 37,847 | 37,878 | 31 | 100.08059% |
| 06/30/2039 | 30,000 | 32,081 | 32,081 | 32,490 | 410 | 101.27648% |
| 06/30/2040 | 30,000 | 31,424 | 31,424 | 32,478 | 1,054 | 103.35418% |
| 06/30/2041 | 35,000 | 35,767 | 35,767 | 36,806 | 1,040 | 102.90705% |
| | 545,000 | 667,842 | 667,842 | 707,454 | 39,612 | |

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Ft. Thomas Independent School District
Series 2021
Date: February 25, 2021
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan of Refinancing for the Ft. Thomas 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: | \$ 2,795,000 |
| Issue Name: | Ft. Thomas Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series 2021 |
| Purpose: | Refinance Series 2012 |
| Projected Sale Date of Bonds: | 26-May-21 |
| First Call Date: | 8/01/22 @ 100 |
| Method of Sale: | Competitive Bids |
| Place/time of sale: | PAR II Y/SFCC |
| Bond Rating: | Moodys: "A1" |
| Bond Counsel: | Steptoe & Johnson, Louisville, KY |
| Fiscal Agent: | RSA Advisors, Lexington, Kentucky |
| Date received by SFCC: | <input type="text"/> To be filled in by SFCC |
| Date scheduled for Committee review: | <input type="text"/> To be filled in by SFCC |

| | | | | | | | | | |
|----------------|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
| Month Day Year | | | | | | | | | |

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

| SFCC Portion | Local Portion | Total |
|--------------|---------------|--------------|
| \$ 131,952 | \$ 2,663,048 | \$ 2,795,000 |
| 4.72% | 95.28% | |
| \$ 12,694 | \$ 256,197 | \$ 268,891 |
| \$ 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:

| | | |
|----------|-----------|-----------|
| \$ 1,142 | \$ 23,038 | \$ 24,180 |
| \$ 0 | \$ 0 | \$ 0 |
| \$ 0 | \$ 0 | \$ 0 |
| \$ 448 | \$ 9,052 | \$ 9,500 |
| \$ 1,320 | \$ 26,630 | \$ 27,950 |
| \$ 177 | \$ 3,573 | \$ 3,750 |
| \$ 3,087 | \$ 62,293 | \$ 65,380 |

Anticipated Interest Rates:

5 Years .850% 10 Years 1.500 15 Years:
 20 Years: N/A

Note: No Local Tax increase is required.

Fort Thomas Independent School District

Projected Plan of Refinancing

Date of Report: February 25, 2021



| | |
|------------------------------------|-----|
| Prior Bonds Call Reports | |
| 2012 Call Report..... | 1 |
| 2021 Series Refunding Bonds | |
| Total Savings Report..... | 2-3 |
| Escrow Fund Cash Flow..... | 4 |
| Savings Summary..... | 5 |

FORT THOMAS INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REVENUE BONDS, SERIES 2012

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 |
|--------------|-----------------------|---------------------|-----------------------|-----------------------|--------|---------------------|-----------------------|
| 06/01/2021 | - | - | - | - | - | - | - |
| 08/01/2021 | 40,000.00 | 37,761.25 | 77,761.25 | 40,000.00 | 1.500% | 37,761.25 | 77,761.25 |
| 02/01/2022 | - | 37,461.25 | 37,461.25 | - | - | 37,461.25 | 37,461.25 |
| 08/01/2022 | 2,585,000.00 | 37,461.25 | 2,622,461.25 | 45,000.00 | 1.500% | 37,461.25 | 82,461.25 |
| 02/01/2023 | - | - | - | - | - | 37,123.75 | 37,123.75 |
| 08/01/2023 | - | - | - | 45,000.00 | 2.550% | 37,123.75 | 82,123.75 |
| 02/01/2024 | - | - | - | - | - | 36,550.00 | 36,550.00 |
| 08/01/2024 | - | - | - | 50,000.00 | 2.550% | 36,550.00 | 86,550.00 |
| 02/01/2025 | - | - | - | - | - | 35,912.50 | 35,912.50 |
| 08/01/2025 | - | - | - | 55,000.00 | 2.550% | 35,912.50 | 90,912.50 |
| 02/01/2026 | - | - | - | - | - | 35,211.25 | 35,211.25 |
| 08/01/2026 | - | - | - | 310,000.00 | 2.650% | 35,211.25 | 345,211.25 |
| 02/01/2027 | - | - | - | - | - | 31,103.75 | 31,103.75 |
| 08/01/2027 | - | - | - | 325,000.00 | 2.750% | 31,103.75 | 356,103.75 |
| 02/01/2028 | - | - | - | - | - | 26,635.00 | 26,635.00 |
| 08/01/2028 | - | - | - | 330,000.00 | 2.850% | 26,635.00 | 356,635.00 |
| 02/01/2029 | - | - | - | - | - | 21,932.50 | 21,932.50 |
| 08/01/2029 | - | - | - | 335,000.00 | 3.000% | 21,932.50 | 356,932.50 |
| 02/01/2030 | - | - | - | - | - | 16,907.50 | 16,907.50 |
| 08/01/2030 | - | - | - | 350,000.00 | 3.000% | 16,907.50 | 366,907.50 |
| 02/01/2031 | - | - | - | - | - | 11,657.50 | 11,657.50 |
| 08/01/2031 | - | - | - | 365,000.00 | 3.100% | 11,657.50 | 376,657.50 |
| 02/01/2032 | - | - | - | - | - | 6,000.00 | 6,000.00 |
| 08/01/2032 | - | - | - | 375,000.00 | 3.200% | 6,000.00 | 381,000.00 |
| Total | \$2,625,000.00 | \$112,683.75 | \$2,737,683.75 | \$2,625,000.00 | - | \$630,751.25 | \$3,255,751.25 |

FORT THOMAS INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION

SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2021

PROJECTED REFUNDING OF SERIES 2012

Debt Service Comparison

Part 1 of 2

| Date | Total P+I | Net New D/S | Old Net D/S | Savings |
|--------------|-----------------------|-----------------------|-----------------------|---------------------|
| 06/30/2021 | - | (3,779.14) | - | 3,779.14 |
| 06/30/2022 | 98,929.17 | 98,929.17 | 115,222.50 | 16,293.33 |
| 06/30/2023 | 105,697.50 | 105,697.50 | 119,585.00 | 13,887.50 |
| 06/30/2024 | 105,365.00 | 105,365.00 | 118,673.75 | 13,308.75 |
| 06/30/2025 | 109,910.00 | 109,910.00 | 122,462.50 | 12,552.50 |
| 06/30/2026 | 114,307.50 | 114,307.50 | 126,123.75 | 11,816.25 |
| 06/30/2027 | 362,317.50 | 362,317.50 | 376,315.00 | 13,997.50 |
| 06/30/2028 | 368,712.50 | 368,712.50 | 382,738.75 | 14,026.25 |
| 06/30/2029 | 364,547.50 | 364,547.50 | 378,567.50 | 14,020.00 |
| 06/30/2030 | 359,957.50 | 359,957.50 | 373,840.00 | 13,882.50 |
| 06/30/2031 | 364,952.50 | 364,952.50 | 378,565.00 | 13,612.50 |
| 06/30/2032 | 369,357.50 | 369,357.50 | 382,657.50 | 13,300.00 |
| 06/30/2033 | 368,193.75 | 368,193.75 | 381,000.00 | 12,806.25 |
| Total | \$3,092,247.92 | \$3,088,468.78 | \$3,255,751.25 | \$167,282.47 |

FORT THOMAS INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION

SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2021

PROJECTED REFUNDING OF SERIES 2012

Debt Service Comparison

Part 2 of 2

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings 150,208.60

Net PV Cashflow Savings @ 1.427%(Bond Yield) 150,208.60

Contingency or Rounding Amount 3,779.14

Net Present Value Benefit \$153,987.74

Net PV Benefit / \$2,625,000 Refunded Principal 5.866%

Net PV Benefit / \$2,795,000 Refunding Principal 5.509%

Refunding Bond Information

Refunding Dated Date 6/01/2021

Refunding Delivery Date 6/01/2021

FORT THOMAS INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2021
PROJECTED REFUNDING OF SERIES 2012

Escrow Fund Cashflow

| Date | Principal | Rate | Interest | Receipts | Disbursements | Cash Balance |
|--------------|-----------------------|--------|-------------------|-----------------------|-----------------------|--------------|
| 06/01/2021 | - | - | - | 0.86 | - | 0.86 |
| 08/01/2021 | 77,448.00 | 0.030% | 313.10 | 77,761.10 | 77,761.25 | 0.71 |
| 02/01/2022 | 36,529.00 | 0.060% | 932.25 | 37,461.25 | 37,461.25 | 0.71 |
| 08/01/2022 | 2,621,543.00 | 0.070% | 917.54 | 2,622,460.54 | 2,622,461.25 | - |
| Total | \$2,735,520.00 | - | \$2,162.89 | \$2,737,683.75 | \$2,737,683.75 | - |

Investment Parameters

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

| | |
|--|-----------------------|
| Cash Deposit | 0.86 |
| Cost of Investments Purchased with Bond Proceeds | 2,735,520.00 |
| Total Cost of Investments | \$2,735,520.86 |

| | |
|--|----------------|
| Target Cost of Investments at bond yield | \$2,694,013.69 |
| Actual positive or (negative) arbitrage | (41,507.17) |

| | |
|------------------------------|------------|
| Yield to Receipt | 0.0698681% |
| Yield for Arbitrage Purposes | 1.4265646% |

State and Local Government Series (SLGS) rates for 2/16/2021

Fort Thomas Independent School District Finance Corporation
 School Building Refunding Revenue Taxable Bonds, Series 2021
 Refunding of Prior Series 2012 Bonds - Dated Date of 7.01.12

| 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 | \$40,000 | \$75,223 | \$115,223 | \$75,000 | \$20,150 | \$95,150 | \$0 |
| 2022 | \$45,000 | \$74,585 | \$119,585 | \$70,000 | \$35,698 | \$105,698 | \$20,072 |
| 2023 | \$45,000 | \$73,674 | \$118,674 | \$70,000 | \$35,365 | \$105,365 | \$13,888 |
| 2024 | \$50,000 | \$72,463 | \$122,463 | \$75,000 | \$34,910 | \$109,910 | \$13,309 |
| 2025 | \$55,000 | \$71,124 | \$126,124 | \$80,000 | \$34,308 | \$114,308 | \$12,553 |
| 2026 | \$310,000 | \$66,315 | \$376,315 | \$330,000 | \$32,318 | \$362,318 | \$11,816 |
| 2027 | \$325,000 | \$57,739 | \$382,739 | \$340,000 | \$28,713 | \$368,713 | \$13,998 |
| 2028 | \$330,000 | \$48,568 | \$378,568 | \$340,000 | \$24,548 | \$364,548 | \$14,026 |
| 2029 | \$335,000 | \$38,840 | \$373,840 | \$340,000 | \$19,958 | \$359,958 | \$14,020 |
| 2030 | \$350,000 | \$28,565 | \$378,565 | \$350,000 | \$14,953 | \$364,953 | \$13,883 |
| 2031 | \$365,000 | \$17,658 | \$382,658 | \$360,000 | \$9,358 | \$369,358 | \$13,613 |
| 2032 | \$375,000 | \$6,000 | \$381,000 | \$365,000 | \$3,194 | \$368,194 | \$13,300 |
| Totals: | \$2,625,000 | \$630,751 | \$3,255,751 | \$2,795,000 | \$293,469 | \$3,088,469 | \$167,282 |

Net Savings Summary

Gross Savings Amount: \$167,282
 Present Value Savings Amount: \$150,209
 NPV Savings % of Prior: 5.866%
 Negative Arbitrage Efficiency Ratio: \$41,507 (75.19%)

Interest Rate Reduction Summary

Series 2012 Average Coupon: 2.980%
 Series 2021 Total Interest Cost: 1.570%
 Interest Rate Reduction: 1.410%





February 25, 2021

Ms. Chelsey Couch
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. Couch:

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

\$15,220,000 (est.)
Glasgow Independent
School District Finance Corporation
School Building Revenue Bonds,
Series of 2021

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

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

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

Sincerely,

/s/ Maria Long

Maria Long
Analyst

BOND PAYEE DISCLOSURE FORM

| | |
|-------------------------------|--|
| Par Amount: | \$15,220,000 |
| Issue Name: | Glasgow Independent School District Finance Corporation School Building Revenue Bonds, Series of 2021 |
| Purpose: | Construct the new South Green Elementary School |
| Projected Sale Date of Bonds: | October 2021 |
| 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: | \$1,456,328 | \$13,763,672 | \$15,220,000 |
| % Share of total Bonds: | 10% | 90% | 100% |
| Estimated average annual debt service: | 85,783 | 882,305 | 968,088 |
| Estimated debt service reserve: | 0 | 0 | 0 |
| Estimated Costs of Issuance (1): | | | |
| Fiscal Agent, Bond Counsel, Advertisements, Printing, etc. | 7,069 | 66,811 | 73,880 |
| Special Tax Counsel | 0 | 0 | 0 |
| Number Verifications | 0 | 0 | 0 |
| Bond Rating | 2,679 | 25,321 | 28,000 |
| Underwriter's Discount | 29,127 | 275,273 | 304,400 |
| Paying Agent/Escrow Agent Bank | 383 | 3,617 | 4,000 |
| Total Cost of Issuance: | \$39,258 | \$371,022 | \$410,280 |

Anticipated Interest Rates:

| | |
|-----------------|-----------------|
| 1 Years: 0.63% | 5 Years: 0.80% |
| 10 Years: 1.71% | 20 Years: 2.56% |

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

TABLE OF CONTENTS

Glasgow Independent School District
School Building Revenue Bonds, Series of 2021
New South Green Elementary School
Preliminary BG1 Numbers

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| Bond Summary Statistics | 4 |
| Bond Pricing | 5 |
| Bond Debt Service | 6 |
| Bond Solution | 10 |



SOURCES AND USES OF FUNDS

Glasgow Independent School District
 School Building Revenue Bonds, Series of 2021
 New South Green Elementary School
 Preliminary BG1 Numbers

Dated Date 10/15/2021
 Delivery Date 10/15/2021

| Sources: | SFCC Portion | District Portion | Total |
|----------------------------------|--------------|------------------|---------------|
| <hr/> | | | |
| Bond Proceeds: | | | |
| Par Amount | 1,456,328.00 | 13,763,672.00 | 15,220,000.00 |
| Other Sources of Funds: | | | |
| SFCC Cash Requirements | | 1,512,828.00 | 1,512,828.00 |
| | <hr/> | <hr/> | <hr/> |
| | 1,456,328.00 | 15,276,500.00 | 16,732,828.00 |
| <hr/> | | | |
| Uses: | SFCC Portion | District Portion | Total |
| <hr/> | | | |
| Project Fund Deposits: | | | |
| Total Construction Cost | 1,348,354.00 | 12,743,216.00 | 14,091,570.00 |
| Construction Contingency | 67,417.70 | 637,160.80 | 704,578.50 |
| Architect/Engineer | 74,159.47 | 700,876.88 | 775,036.35 |
| Equipment/Furnishings | 33,489.80 | 316,510.20 | 350,000.00 |
| Equipment/Computers | 4,784.26 | 45,215.74 | 50,000.00 |
| Technology Network System (KETS) | 11,960.64 | 113,039.36 | 125,000.00 |
| Other Costs | 21,385.63 | 202,114.37 | 223,500.00 |
| | <hr/> | <hr/> | <hr/> |
| | 1,561,551.50 | 14,758,133.35 | 16,319,684.85 |
| Cost of Issuance: | | | |
| FA/BC | 7,069.22 | 66,810.78 | 73,880.00 |
| Rating Fee | 2,679.18 | 25,320.82 | 28,000.00 |
| Paying Agent | 382.74 | 3,617.26 | 4,000.00 |
| | <hr/> | <hr/> | <hr/> |
| | 10,131.14 | 95,748.86 | 105,880.00 |
| Underwriter's Discount: | | | |
| Underwriter's Discount | 29,126.56 | 275,273.44 | 304,400.00 |
| Other Uses of Funds: | | | |
| Additional Proceeds | -144,481.20 | 147,344.35 | 2,863.15 |
| | <hr/> | <hr/> | <hr/> |
| | 1,456,328.00 | 15,276,500.00 | 16,732,828.00 |
| <hr/> | | | |

BOND DEBT SERVICE

Glasgow Independent School District
School Building Revenue Bonds, Series of 2021
New South Green Elementary School
Preliminary BG1 Numbers

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|---------------|------------|--------|--------------|---------------|---------------------|
| 04/01/2022 | | | 153,338.71 | 153,338.71 | |
| 06/30/2022 | | | | | 153,338.71 |
| 10/01/2022 | 75,000 | 0.630% | 166,270.90 | 241,270.90 | |
| 04/01/2023 | | | 166,034.65 | 166,034.65 | |
| 06/30/2023 | | | | | 407,305.55 |
| 10/01/2023 | 80,000 | 0.650% | 166,034.65 | 246,034.65 | |
| 04/01/2024 | | | 165,774.65 | 165,774.65 | |
| 06/30/2024 | | | | | 411,809.30 |
| 10/01/2024 | 55,000 | 0.690% | 165,774.65 | 220,774.65 | |
| 04/01/2025 | | | 165,584.90 | 165,584.90 | |
| 06/30/2025 | | | | | 386,359.55 |
| 10/01/2025 | 55,000 | 0.730% | 165,584.90 | 220,584.90 | |
| 04/01/2026 | | | 165,384.15 | 165,384.15 | |
| 06/30/2026 | | | | | 385,969.05 |
| 10/01/2026 | 55,000 | 0.800% | 165,384.15 | 220,384.15 | |
| 04/01/2027 | | | 165,164.15 | 165,164.15 | |
| 06/30/2027 | | | | | 385,548.30 |
| 10/01/2027 | 55,000 | 0.960% | 165,164.15 | 220,164.15 | |
| 04/01/2028 | | | 164,900.15 | 164,900.15 | |
| 06/30/2028 | | | | | 385,064.30 |
| 10/01/2028 | 55,000 | 1.090% | 164,900.15 | 219,900.15 | |
| 04/01/2029 | | | 164,600.40 | 164,600.40 | |
| 06/30/2029 | | | | | 384,500.55 |
| 10/01/2029 | 55,000 | 1.220% | 164,600.40 | 219,600.40 | |
| 04/01/2030 | | | 164,264.90 | 164,264.90 | |
| 06/30/2030 | | | | | 383,865.30 |
| 10/01/2030 | 60,000 | 1.410% | 164,264.90 | 224,264.90 | |
| 04/01/2031 | | | 163,841.90 | 163,841.90 | |
| 06/30/2031 | | | | | 388,106.80 |
| 10/01/2031 | 1,200,000 | 1.712% | 163,841.90 | 1,363,841.90 | |
| 04/01/2032 | | | 153,569.90 | 153,569.90 | |
| 06/30/2032 | | | | | 1,517,411.80 |
| 10/01/2032 | 1,225,000 | 1.953% | 153,569.90 | 1,378,569.90 | |
| 04/01/2033 | | | 141,607.78 | 141,607.78 | |
| 06/30/2033 | | | | | 1,520,177.68 |
| 10/01/2033 | 1,245,000 | 2.040% | 141,607.78 | 1,386,607.78 | |
| 04/01/2034 | | | 128,908.78 | 128,908.78 | |
| 06/30/2034 | | | | | 1,515,516.56 |
| 10/01/2034 | 1,270,000 | 2.122% | 128,908.78 | 1,398,908.78 | |
| 04/01/2035 | | | 115,434.08 | 115,434.08 | |
| 06/30/2035 | | | | | 1,514,342.86 |
| 10/01/2035 | 1,295,000 | 2.167% | 115,434.08 | 1,410,434.08 | |
| 04/01/2036 | | | 101,402.75 | 101,402.75 | |
| 06/30/2036 | | | | | 1,511,836.83 |
| 10/01/2036 | 1,325,000 | 2.230% | 101,402.75 | 1,426,402.75 | |
| 04/01/2037 | | | 86,629.00 | 86,629.00 | |
| 06/30/2037 | | | | | 1,513,031.75 |
| 10/01/2037 | 1,355,000 | 2.300% | 86,629.00 | 1,441,629.00 | |
| 04/01/2038 | | | 71,046.50 | 71,046.50 | |
| 06/30/2038 | | | | | 1,512,675.50 |
| 10/01/2038 | 1,390,000 | 2.370% | 71,046.50 | 1,461,046.50 | |
| 04/01/2039 | | | 54,575.00 | 54,575.00 | |
| 06/30/2039 | | | | | 1,515,621.50 |
| 10/01/2039 | 1,420,000 | 2.430% | 54,575.00 | 1,474,575.00 | |
| 04/01/2040 | | | 37,322.00 | 37,322.00 | |
| 06/30/2040 | | | | | 1,511,897.00 |
| 10/01/2040 | 1,460,000 | 2.500% | 37,322.00 | 1,497,322.00 | |
| 04/01/2041 | | | 19,072.00 | 19,072.00 | |
| 06/30/2041 | | | | | 1,516,394.00 |
| 10/01/2041 | 1,490,000 | 2.560% | 19,072.00 | 1,509,072.00 | |
| 06/30/2042 | | | | | 1,509,072.00 |
| | 15,220,000 | | 5,109,844.89 | 20,329,844.89 | 20,329,844.89 |

BOND DEBT SERVICE

Glasgow Independent School District
 School Building Revenue Bonds, Series of 2021
 New South Green Elementary School
 Preliminary BG1 Numbers

| Period Ending | Principal | Coupon | Interest | Debt Service |
|------------------|------------|--------|--------------|---------------|
| 06/30/2022 | | | 153,338.71 | 153,338.71 |
| 06/30/2023 | 75,000 | 0.630% | 332,305.55 | 407,305.55 |
| 06/30/2024 | 80,000 | 0.650% | 331,809.30 | 411,809.30 |
| 06/30/2025 | 55,000 | 0.690% | 331,359.55 | 386,359.55 |
| 06/30/2026 | 55,000 | 0.730% | 330,969.05 | 385,969.05 |
| 06/30/2027 | 55,000 | 0.800% | 330,548.30 | 385,548.30 |
| 06/30/2028 | 55,000 | 0.960% | 330,064.30 | 385,064.30 |
| 06/30/2029 | 55,000 | 1.090% | 329,500.55 | 384,500.55 |
| 06/30/2030 | 55,000 | 1.220% | 328,865.30 | 383,865.30 |
| 06/30/2031 | 60,000 | 1.410% | 328,106.80 | 388,106.80 |
| 06/30/2032 | 1,200,000 | 1.712% | 317,411.80 | 1,517,411.80 |
| 06/30/2033 | 1,225,000 | 1.953% | 295,177.68 | 1,520,177.68 |
| 06/30/2034 | 1,245,000 | 2.040% | 270,516.56 | 1,515,516.56 |
| 06/30/2035 | 1,270,000 | 2.122% | 244,342.86 | 1,514,342.86 |
| 06/30/2036 | 1,295,000 | 2.167% | 216,836.83 | 1,511,836.83 |
| 06/30/2037 | 1,325,000 | 2.230% | 188,031.75 | 1,513,031.75 |
| 06/30/2038 | 1,355,000 | 2.300% | 157,675.50 | 1,512,675.50 |
| 06/30/2039 | 1,390,000 | 2.370% | 125,621.50 | 1,515,621.50 |
| 06/30/2040 | 1,420,000 | 2.430% | 91,897.00 | 1,511,897.00 |
| 06/30/2041 | 1,460,000 | 2.500% | 56,394.00 | 1,516,394.00 |
| 06/30/2042 | 1,490,000 | 2.560% | 19,072.00 | 1,509,072.00 |
| | 15,220,000 | | 5,109,844.89 | 20,329,844.89 |

BOND SUMMARY STATISTICS

Glasgow Independent School District
 School Building Revenue Bonds, Series of 2021
 New South Green Elementary School
 Preliminary BG1 Numbers

| | |
|---------------------------------|---------------|
| Dated Date | 10/15/2021 |
| Delivery Date | 10/15/2021 |
| Last Maturity | 10/01/2041 |
| Arbitrage Yield | 2.258907% |
| True Interest Cost (TIC) | 2.421409% |
| Net Interest Cost (NIC) | 2.402720% |
| All-In TIC | 2.478873% |
| Average Coupon | 2.267635% |
| Average Life (years) | 14.805 |
| Duration of Issue (years) | 12.557 |
| Par Amount | 15,220,000.00 |
| Bond Proceeds | 15,220,000.00 |
| Total Interest | 5,109,844.89 |
| Net Interest | 5,414,244.89 |
| Total Debt Service | 20,329,844.89 |
| Maximum Annual Debt Service | 1,520,177.68 |
| Average Annual Debt Service | 1,018,472.61 |
| 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 | 15,220,000.00 | 100.000 | 2.268% | 14.805 |
| | 15,220,000.00 | | | 14.805 |

| | TIC | All-In TIC | Arbitrage Yield |
|----------------------------|---------------|---------------|-----------------|
| Par Value | 15,220,000.00 | 15,220,000.00 | 15,220,000.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | | | |
| - Underwriter's Discount | -304,400.00 | -304,400.00 | |
| - Cost of Issuance Expense | | -105,880.00 | |
| - Other Amounts | | | |
| Target Value | 14,915,600.00 | 14,809,720.00 | 15,220,000.00 |
| Target Date | 10/15/2021 | 10/15/2021 | 10/15/2021 |
| Yield | 2.421409% | 2.478873% | 2.258907% |



BOND PRICING

Glasgow Independent School District
 School Building Revenue Bonds, Series of 2021
 New South Green Elementary School
 Preliminary BG1 Numbers

| Bond Component | Maturity Date | Amount | Rate | Yield | Price |
|-----------------|---------------|------------|--------|--------|---------|
| Bond Component: | | | | | |
| | 10/01/2022 | 75,000 | 0.630% | 0.630% | 100.000 |
| | 10/01/2023 | 80,000 | 0.650% | 0.650% | 100.000 |
| | 10/01/2024 | 55,000 | 0.690% | 0.690% | 100.000 |
| | 10/01/2025 | 55,000 | 0.730% | 0.730% | 100.000 |
| | 10/01/2026 | 55,000 | 0.800% | 0.800% | 100.000 |
| | 10/01/2027 | 55,000 | 0.960% | 0.960% | 100.000 |
| | 10/01/2028 | 55,000 | 1.090% | 1.090% | 100.000 |
| | 10/01/2029 | 55,000 | 1.220% | 1.220% | 100.000 |
| | 10/01/2030 | 60,000 | 1.410% | 1.410% | 100.000 |
| | 10/01/2031 | 1,200,000 | 1.712% | 1.712% | 100.000 |
| | 10/01/2032 | 1,225,000 | 1.953% | 1.953% | 100.000 |
| | 10/01/2033 | 1,245,000 | 2.040% | 2.040% | 100.000 |
| | 10/01/2034 | 1,270,000 | 2.122% | 2.122% | 100.000 |
| | 10/01/2035 | 1,295,000 | 2.167% | 2.167% | 100.000 |
| | 10/01/2036 | 1,325,000 | 2.230% | 2.230% | 100.000 |
| | 10/01/2037 | 1,355,000 | 2.300% | 2.300% | 100.000 |
| | 10/01/2038 | 1,390,000 | 2.370% | 2.370% | 100.000 |
| | 10/01/2039 | 1,420,000 | 2.430% | 2.430% | 100.000 |
| | 10/01/2040 | 1,460,000 | 2.500% | 2.500% | 100.000 |
| | 10/01/2041 | 1,490,000 | 2.560% | 2.560% | 100.000 |
| | | 15,220,000 | | | |

| | | |
|-------------------------|---------------|-------------|
| Dated Date | 10/15/2021 | |
| Delivery Date | 10/15/2021 | |
| First Coupon | 04/01/2022 | |
| Par Amount | 15,220,000.00 | |
| Original Issue Discount | | |
| Production | 15,220,000.00 | 100.000000% |
| Underwriter's Discount | -304,400.00 | -2.000000% |
| Purchase Price | 14,915,600.00 | 98.000000% |
| Accrued Interest | | |
| Net Proceeds | 14,915,600.00 | |

BOND DEBT SERVICE

Glasgow Independent School District
SFCC Portion

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|---------------|-----------|--------|------------|--------------|---------------------|
| 04/01/2022 | | | 11,704.51 | 11,704.51 | |
| 06/30/2022 | | | | | 11,704.51 |
| 10/01/2022 | 73,692 | 0.630% | 12,691.64 | 86,383.64 | |
| 04/01/2023 | | | 12,459.51 | 12,459.51 | |
| 06/30/2023 | | | | | 98,843.15 |
| 10/01/2023 | 78,103 | 0.650% | 12,459.51 | 90,562.51 | |
| 04/01/2024 | | | 12,205.68 | 12,205.68 | |
| 06/30/2024 | | | | | 102,768.19 |
| 10/01/2024 | 52,205 | 0.690% | 12,205.68 | 64,410.68 | |
| 04/01/2025 | | | 12,025.57 | 12,025.57 | |
| 06/30/2025 | | | | | 76,436.25 |
| 10/01/2025 | 52,576 | 0.730% | 12,025.57 | 64,601.57 | |
| 04/01/2026 | | | 11,833.67 | 11,833.67 | |
| 06/30/2026 | | | | | 76,435.24 |
| 10/01/2026 | 52,981 | 0.800% | 11,833.67 | 64,814.67 | |
| 04/01/2027 | | | 11,621.74 | 11,621.74 | |
| 06/30/2027 | | | | | 76,436.41 |
| 10/01/2027 | 53,449 | 0.960% | 11,621.74 | 65,070.74 | |
| 04/01/2028 | | | 11,365.19 | 11,365.19 | |
| 06/30/2028 | | | | | 76,435.93 |
| 10/01/2028 | 54,000 | 1.090% | 11,365.19 | 65,365.19 | |
| 04/01/2029 | | | 11,070.89 | 11,070.89 | |
| 06/30/2029 | | | | | 76,436.08 |
| 10/01/2029 | 54,627 | 1.220% | 11,070.89 | 65,697.89 | |
| 04/01/2030 | | | 10,737.66 | 10,737.66 | |
| 06/30/2030 | | | | | 76,435.55 |
| 10/01/2030 | 55,350 | 1.410% | 10,737.66 | 66,087.66 | |
| 04/01/2031 | | | 10,347.45 | 10,347.45 | |
| 06/30/2031 | | | | | 76,435.11 |
| 10/01/2031 | 80,615 | 1.712% | 10,347.45 | 90,962.45 | |
| 04/01/2032 | | | 9,657.38 | 9,657.38 | |
| 06/30/2032 | | | | | 100,619.83 |
| 10/01/2032 | 82,569 | 1.953% | 9,657.38 | 92,226.38 | |
| 04/01/2033 | | | 8,851.10 | 8,851.10 | |
| 06/30/2033 | | | | | 101,077.48 |
| 10/01/2033 | 79,577 | 2.040% | 8,851.10 | 88,428.10 | |
| 04/01/2034 | | | 8,039.41 | 8,039.41 | |
| 06/30/2034 | | | | | 96,467.51 |
| 10/01/2034 | 81,908 | 2.122% | 8,039.41 | 89,947.41 | |
| 04/01/2035 | | | 7,170.37 | 7,170.37 | |
| 06/30/2035 | | | | | 97,117.78 |
| 10/01/2035 | 77,392 | 2.167% | 7,170.37 | 84,562.37 | |
| 04/01/2036 | | | 6,331.82 | 6,331.82 | |
| 06/30/2036 | | | | | 90,894.19 |
| 10/01/2036 | 83,394 | 2.230% | 6,331.82 | 89,725.82 | |
| 04/01/2037 | | | 5,401.98 | 5,401.98 | |
| 06/30/2037 | | | | | 95,127.80 |
| 10/01/2037 | 84,921 | 2.300% | 5,401.98 | 90,322.98 | |
| 04/01/2038 | | | 4,425.39 | 4,425.39 | |
| 06/30/2038 | | | | | 94,748.37 |
| 10/01/2038 | 86,998 | 2.370% | 4,425.39 | 91,423.39 | |
| 04/01/2039 | | | 3,394.46 | 3,394.46 | |
| 06/30/2039 | | | | | 94,817.85 |
| 10/01/2039 | 90,047 | 2.430% | 3,394.46 | 93,441.46 | |
| 04/01/2040 | | | 2,300.39 | 2,300.39 | |
| 06/30/2040 | | | | | 95,741.85 |
| 10/01/2040 | 94,118 | 2.500% | 2,300.39 | 96,418.39 | |
| 04/01/2041 | | | 1,123.92 | 1,123.92 | |
| 06/30/2041 | | | | | 97,542.31 |
| 10/01/2041 | 87,806 | 2.560% | 1,123.92 | 88,929.92 | |
| 06/30/2042 | | | | | 88,929.92 |
| | 1,456,328 | | 345,123.31 | 1,801,451.31 | 1,801,451.31 |

BOND DEBT SERVICE

Glasgow Independent School District
District Portion

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|---------------|------------|--------|--------------|---------------|---------------------|
| 04/01/2022 | | | 141,634.20 | 141,634.20 | |
| 06/30/2022 | | | | | 141,634.20 |
| 10/01/2022 | 1,308 | 0.630% | 153,579.26 | 154,887.26 | |
| 04/01/2023 | | | 153,575.14 | 153,575.14 | |
| 06/30/2023 | | | | | 308,462.40 |
| 10/01/2023 | 1,897 | 0.650% | 153,575.14 | 155,472.14 | |
| 04/01/2024 | | | 153,568.97 | 153,568.97 | |
| 06/30/2024 | | | | | 309,041.11 |
| 10/01/2024 | 2,795 | 0.690% | 153,568.97 | 156,363.97 | |
| 04/01/2025 | | | 153,559.33 | 153,559.33 | |
| 06/30/2025 | | | | | 309,923.30 |
| 10/01/2025 | 2,424 | 0.730% | 153,559.33 | 155,983.33 | |
| 04/01/2026 | | | 153,550.48 | 153,550.48 | |
| 06/30/2026 | | | | | 309,533.81 |
| 10/01/2026 | 2,019 | 0.800% | 153,550.48 | 155,569.48 | |
| 04/01/2027 | | | 153,542.41 | 153,542.41 | |
| 06/30/2027 | | | | | 309,111.89 |
| 10/01/2027 | 1,551 | 0.960% | 153,542.41 | 155,093.41 | |
| 04/01/2028 | | | 153,534.96 | 153,534.96 | |
| 06/30/2028 | | | | | 308,628.37 |
| 10/01/2028 | 1,000 | 1.090% | 153,534.96 | 154,534.96 | |
| 04/01/2029 | | | 153,529.51 | 153,529.51 | |
| 06/30/2029 | | | | | 308,064.47 |
| 10/01/2029 | 373 | 1.220% | 153,529.51 | 153,902.51 | |
| 04/01/2030 | | | 153,527.24 | 153,527.24 | |
| 06/30/2030 | | | | | 307,429.75 |
| 10/01/2030 | 4,650 | 1.410% | 153,527.24 | 158,177.24 | |
| 04/01/2031 | | | 153,494.45 | 153,494.45 | |
| 06/30/2031 | | | | | 311,671.69 |
| 10/01/2031 | 1,119,385 | 1.712% | 153,494.45 | 1,272,879.45 | |
| 04/01/2032 | | | 143,912.52 | 143,912.52 | |
| 06/30/2032 | | | | | 1,416,791.97 |
| 10/01/2032 | 1,142,431 | 1.953% | 143,912.52 | 1,286,343.52 | |
| 04/01/2033 | | | 132,756.68 | 132,756.68 | |
| 06/30/2033 | | | | | 1,419,100.20 |
| 10/01/2033 | 1,165,423 | 2.040% | 132,756.68 | 1,298,179.68 | |
| 04/01/2034 | | | 120,869.37 | 120,869.37 | |
| 06/30/2034 | | | | | 1,419,049.05 |
| 10/01/2034 | 1,188,092 | 2.122% | 120,869.37 | 1,308,961.37 | |
| 04/01/2035 | | | 108,263.71 | 108,263.71 | |
| 06/30/2035 | | | | | 1,417,225.08 |
| 10/01/2035 | 1,217,608 | 2.167% | 108,263.71 | 1,325,871.71 | |
| 04/01/2036 | | | 95,070.93 | 95,070.93 | |
| 06/30/2036 | | | | | 1,420,942.64 |
| 10/01/2036 | 1,241,606 | 2.230% | 95,070.93 | 1,336,676.93 | |
| 04/01/2037 | | | 81,227.02 | 81,227.02 | |
| 06/30/2037 | | | | | 1,417,903.95 |
| 10/01/2037 | 1,270,079 | 2.300% | 81,227.02 | 1,351,306.02 | |
| 04/01/2038 | | | 66,621.11 | 66,621.11 | |
| 06/30/2038 | | | | | 1,417,927.13 |
| 10/01/2038 | 1,303,002 | 2.370% | 66,621.11 | 1,369,623.11 | |
| 04/01/2039 | | | 51,180.54 | 51,180.54 | |
| 06/30/2039 | | | | | 1,420,803.65 |
| 10/01/2039 | 1,329,953 | 2.430% | 51,180.54 | 1,381,133.54 | |
| 04/01/2040 | | | 35,021.61 | 35,021.61 | |
| 06/30/2040 | | | | | 1,416,155.15 |
| 10/01/2040 | 1,365,882 | 2.500% | 35,021.61 | 1,400,903.61 | |
| 04/01/2041 | | | 17,948.08 | 17,948.08 | |
| 06/30/2041 | | | | | 1,418,851.69 |
| 10/01/2041 | 1,402,194 | 2.560% | 17,948.08 | 1,420,142.08 | |
| 06/30/2042 | | | | | 1,420,142.08 |
| | 13,763,672 | | 4,764,721.58 | 18,528,393.58 | 18,528,393.58 |



BOND DEBT SERVICE

Glasgow Independent School District
SFCC Portion

| Period Ending | Principal | Coupon | Interest | Debt Service |
|------------------|-----------|--------|------------|--------------|
| 06/30/2022 | | | 11,704.51 | 11,704.51 |
| 06/30/2023 | 73,692 | 0.630% | 25,151.15 | 98,843.15 |
| 06/30/2024 | 78,103 | 0.650% | 24,665.19 | 102,768.19 |
| 06/30/2025 | 52,205 | 0.690% | 24,231.25 | 76,436.25 |
| 06/30/2026 | 52,576 | 0.730% | 23,859.24 | 76,435.24 |
| 06/30/2027 | 52,981 | 0.800% | 23,455.41 | 76,436.41 |
| 06/30/2028 | 53,449 | 0.960% | 22,986.93 | 76,435.93 |
| 06/30/2029 | 54,000 | 1.090% | 22,436.08 | 76,436.08 |
| 06/30/2030 | 54,627 | 1.220% | 21,808.55 | 76,435.55 |
| 06/30/2031 | 55,350 | 1.410% | 21,085.11 | 76,435.11 |
| 06/30/2032 | 80,615 | 1.712% | 20,004.83 | 100,619.83 |
| 06/30/2033 | 82,569 | 1.953% | 18,508.48 | 101,077.48 |
| 06/30/2034 | 79,577 | 2.040% | 16,890.51 | 96,467.51 |
| 06/30/2035 | 81,908 | 2.122% | 15,209.78 | 97,117.78 |
| 06/30/2036 | 77,392 | 2.167% | 13,502.19 | 90,894.19 |
| 06/30/2037 | 83,394 | 2.230% | 11,733.80 | 95,127.80 |
| 06/30/2038 | 84,921 | 2.300% | 9,827.37 | 94,748.37 |
| 06/30/2039 | 86,998 | 2.370% | 7,819.85 | 94,817.85 |
| 06/30/2040 | 90,047 | 2.430% | 5,694.85 | 95,741.85 |
| 06/30/2041 | 94,118 | 2.500% | 3,424.31 | 97,542.31 |
| 06/30/2042 | 87,806 | 2.560% | 1,123.92 | 88,929.92 |
| | 1,456,328 | | 345,123.31 | 1,801,451.31 |

BOND DEBT SERVICE

Glasgow Independent School District
District Portion

| Period Ending | Principal | Coupon | Interest | Debt Service |
|------------------|------------|--------|--------------|---------------|
| 06/30/2022 | | | 141,634.20 | 141,634.20 |
| 06/30/2023 | 1,308 | 0.630% | 307,154.40 | 308,462.40 |
| 06/30/2024 | 1,897 | 0.650% | 307,144.11 | 309,041.11 |
| 06/30/2025 | 2,795 | 0.690% | 307,128.30 | 309,923.30 |
| 06/30/2026 | 2,424 | 0.730% | 307,109.81 | 309,533.81 |
| 06/30/2027 | 2,019 | 0.800% | 307,092.89 | 309,111.89 |
| 06/30/2028 | 1,551 | 0.960% | 307,077.37 | 308,628.37 |
| 06/30/2029 | 1,000 | 1.090% | 307,064.47 | 308,064.47 |
| 06/30/2030 | 373 | 1.220% | 307,056.75 | 307,429.75 |
| 06/30/2031 | 4,650 | 1.410% | 307,021.69 | 311,671.69 |
| 06/30/2032 | 1,119,385 | 1.712% | 297,406.97 | 1,416,791.97 |
| 06/30/2033 | 1,142,431 | 1.953% | 276,669.20 | 1,419,100.20 |
| 06/30/2034 | 1,165,423 | 2.040% | 253,626.05 | 1,419,049.05 |
| 06/30/2035 | 1,188,092 | 2.122% | 229,133.08 | 1,417,225.08 |
| 06/30/2036 | 1,217,608 | 2.167% | 203,334.64 | 1,420,942.64 |
| 06/30/2037 | 1,241,606 | 2.230% | 176,297.95 | 1,417,903.95 |
| 06/30/2038 | 1,270,079 | 2.300% | 147,848.13 | 1,417,927.13 |
| 06/30/2039 | 1,303,002 | 2.370% | 117,801.65 | 1,420,803.65 |
| 06/30/2040 | 1,329,953 | 2.430% | 86,202.15 | 1,416,155.15 |
| 06/30/2041 | 1,365,882 | 2.500% | 52,969.69 | 1,418,851.69 |
| 06/30/2042 | 1,402,194 | 2.560% | 17,948.08 | 1,420,142.08 |
| | 13,763,672 | | 4,764,721.58 | 18,528,393.58 |

BOND SOLUTION

Glasgow Independent School District
SFCC Portion

| Period Ending | Proposed Principal | Proposed Debt Service | Total Adj Debt Service | Revenue Constraints | Unused Revenues | Debt Serv Coverage |
|---------------|--------------------|-----------------------|------------------------|---------------------|-----------------|--------------------|
| 06/30/2022 | | 11,705 | 11,705 | 11,714 | 9 | 100.07800% |
| 06/30/2023 | 73,692 | 98,843 | 98,843 | 98,843 | 0 | 100.00023% |
| 06/30/2024 | 78,103 | 102,768 | 102,768 | 102,768 | 0 | 100.00026% |
| 06/30/2025 | 52,205 | 76,436 | 76,436 | 76,436 | 0 | 100.00003% |
| 06/30/2026 | 52,576 | 76,435 | 76,435 | 76,436 | 0 | 100.00064% |
| 06/30/2027 | 52,981 | 76,436 | 76,436 | 76,436 | 0 | 100.00009% |
| 06/30/2028 | 53,449 | 76,436 | 76,436 | 76,436 | 0 | 100.00061% |
| 06/30/2029 | 54,000 | 76,436 | 76,436 | 76,436 | 0 | 100.00013% |
| 06/30/2030 | 54,627 | 76,436 | 76,436 | 76,437 | 1 | 100.00127% |
| 06/30/2031 | 55,350 | 76,435 | 76,435 | 76,436 | 1 | 100.00080% |
| 06/30/2032 | 80,615 | 100,620 | 100,620 | 100,621 | 1 | 100.00078% |
| 06/30/2033 | 82,569 | 101,077 | 101,077 | 101,078 | 0 | 100.00010% |
| 06/30/2034 | 79,577 | 96,468 | 96,468 | 96,468 | 0 | 100.00016% |
| 06/30/2035 | 81,908 | 97,118 | 97,118 | 97,118 | 0 | 100.00043% |
| 06/30/2036 | 77,392 | 90,894 | 90,894 | 90,894 | 0 | 100.00019% |
| 06/30/2037 | 83,394 | 95,128 | 95,128 | 95,129 | 1 | 100.00097% |
| 06/30/2038 | 84,921 | 94,748 | 94,748 | 94,749 | 0 | 100.00026% |
| 06/30/2039 | 86,998 | 94,818 | 94,818 | 94,819 | 1 | 100.00073% |
| 06/30/2040 | 90,047 | 95,742 | 95,742 | 95,743 | 1 | 100.00101% |
| 06/30/2041 | 94,118 | 97,542 | 97,542 | 97,543 | 1 | 100.00087% |
| 06/30/2042 | 87,806 | 88,930 | 88,930 | 88,930 | 0 | 100.00009% |
| | 1,456,328 | 1,801,451 | 1,801,451 | 1,801,469 | 18 | |

BOND SOLUTION

Glasgow Independent School District
District Portion

| Period Ending | Proposed Principal | Proposed Debt Service | Existing Debt Service | Total Adj Debt Service | Revenue Constraints | Unused Revenues | Debt Serv Coverage |
|---------------|--------------------|-----------------------|-----------------------|------------------------|---------------------|-----------------|--------------------|
| 06/30/2022 | | 141,634 | 1,286,376 | 1,428,010 | 1,973,177 | 545,167 | 138.17669% |
| 06/30/2023 | 1,308 | 308,462 | 1,276,523 | 1,584,986 | 1,973,177 | 388,191 | 124.49175% |
| 06/30/2024 | 1,897 | 309,041 | 1,279,426 | 1,588,467 | 1,973,177 | 384,709 | 124.21891% |
| 06/30/2025 | 2,795 | 309,923 | 1,311,875 | 1,621,799 | 1,973,177 | 351,378 | 121.66594% |
| 06/30/2026 | 2,424 | 309,534 | 1,307,875 | 1,617,409 | 1,973,177 | 355,768 | 121.99615% |
| 06/30/2027 | 2,019 | 309,112 | 1,311,275 | 1,620,387 | 1,973,177 | 352,789 | 121.77192% |
| 06/30/2028 | 1,551 | 308,628 | 1,308,475 | 1,617,104 | 1,973,177 | 356,073 | 122.01919% |
| 06/30/2029 | 1,000 | 308,064 | 1,309,625 | 1,617,690 | 1,973,177 | 355,487 | 121.97499% |
| 06/30/2030 | 373 | 307,430 | 1,314,575 | 1,622,005 | 1,973,177 | 351,171 | 121.65045% |
| 06/30/2031 | 4,650 | 311,672 | 1,313,175 | 1,624,847 | 1,973,177 | 348,330 | 121.43772% |
| 06/30/2032 | 1,119,385 | 1,416,792 | | 1,416,792 | 1,973,177 | 556,385 | 139.27074% |
| 06/30/2033 | 1,142,431 | 1,419,100 | | 1,419,100 | 1,973,177 | 554,076 | 139.04421% |
| 06/30/2034 | 1,165,423 | 1,419,049 | | 1,419,049 | 1,973,177 | 554,128 | 139.04922% |
| 06/30/2035 | 1,188,092 | 1,417,225 | | 1,417,225 | 1,973,177 | 555,952 | 139.22817% |
| 06/30/2036 | 1,217,608 | 1,420,943 | | 1,420,943 | 1,973,177 | 552,234 | 138.86392% |
| 06/30/2037 | 1,241,606 | 1,417,904 | | 1,417,904 | 1,973,177 | 555,273 | 139.16151% |
| 06/30/2038 | 1,270,079 | 1,417,927 | | 1,417,927 | 1,973,177 | 555,249 | 139.15924% |
| 06/30/2039 | 1,303,002 | 1,420,804 | | 1,420,804 | 1,973,177 | 552,373 | 138.87750% |
| 06/30/2040 | 1,329,953 | 1,416,155 | | 1,416,155 | 1,973,177 | 557,021 | 139.33336% |
| 06/30/2041 | 1,365,882 | 1,418,852 | | 1,418,852 | 1,973,177 | 554,325 | 139.06856% |
| 06/30/2042 | 1,402,194 | 1,420,142 | | 1,420,142 | 1,973,177 | 553,035 | 138.94220% |
| | 13,763,672 | 18,528,394 | 13,019,201 | 31,547,595 | 41,436,709 | 9,889,114 | |



February 23, 2021

Ms. Chelsey Couch
Schools Facilities Construction Commission
700 Louisville Road
Frankfort, Kentucky 40601

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

Dear Ms. Couch:

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

\$8,220,000 (est.)
Jefferson County
School District Finance Corporation
School Building Refunding Revenue Taxable Bonds,
Second Series of 2021

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

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

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

Sincerely,

/s/ Maria Long

Maria Long
Public Finance

BOND PAYEE DISCLOSURE FORM

| | |
|-------------------------------|--|
| Par Amount: | \$8,220,000 |
| Issue Name: | Jefferson County School District Finance Corporation School Building Refunding Revenue Taxable Bonds, Series of 2021 |
| Purpose: | Advance refund the 2012A Bonds with taxable bonds |
| Projected Sale Date of Bonds: | Spring 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: | Wyatt, Tarrant & Combs |
| Fiscal Agent: | Baird/RSA |

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: | \$8,220,000 | 0 | \$8,220,000 |
| % Share of total Bonds: | 100% | 0% | 100% |
| Estimated average annual debt service: | 872,674 | 0 | 872,674 |
| Estimated debt service reserve: | 0 | 0 | 0 |
| Estimated Costs of Issuance (1): | | | |
| Fiscal Agent, Bond Counsel, Advertisements, Printing, etc. | 45,880 | 0 | 45,880 |
| Special Tax Counsel | 0 | 0 | 0 |
| Number Verifications | 2,250 | 0 | 2,250 |
| Bond Rating | 31,000 | 0 | 31,000 |
| Underwriter's Discount | 102,750 | 0 | 102,750 |
| Paying Agent/Escrow Agent Bank | 4,250 | 0 | 4,250 |
| Total Cost of Issuance: | \$186,130 | 0 | \$186,130 |

Anticipated Interest Rates:

| | |
|----------------|-----------------|
| 1 Years: 0.26% | 5 Years: 0.73% |
| 7 Years: 1.19% | 11 Years: 1.79% |

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

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Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21**

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IMPORTANT DISCLOSURES

**Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21**

Robert W. Baird & Co. Incorporated is providing this information to you for discussion purposes only in seeking to serve as a financial advisor or municipal advisor to you on a possible issuance of municipal securities. Baird is a municipal advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board (“MSRB”). A financial advisor or municipal advisor is subject to a fiduciary duty, including a duty of care and a duty of loyalty, and is required to act solely in the best interests of the client. See “Important Disclosures” contained herein.

SOURCES AND USES OF FUNDS

**Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21**

| | |
|-----------------------|------------|
| Assumed Dated Date | 04/01/2021 |
| Assumed Delivery Date | 04/01/2021 |

Sources:

| | |
|----------------|--------------|
| Bond Proceeds: | |
| Par Amount | 8,220,000.00 |
| | <hr/> |
| | 8,220,000.00 |

Uses:

| | |
|----------------------------|--------------|
| Refunding Escrow Deposits: | |
| Cash Deposit | 0.90 |
| SLGS Purchases | <hr/> |
| | 8,031,469.00 |
| | <hr/> |
| | 8,031,469.90 |

| | |
|--------------------|-----------|
| Cost of Issuance: | |
| Financial Advisor | 45,880.00 |
| Moody's Rating | 18,000.00 |
| S&P Rating | 13,000.00 |
| Trustee Fee | 2,500.00 |
| Escrow Agent | 1,750.00 |
| Verification Agent | <hr/> |
| | 2,250.00 |
| | <hr/> |
| | 83,380.00 |

| | |
|-------------------------|------------|
| Underwriter's Discount: | |
| Underwriter's Discount | 102,750.00 |

| | |
|-----------------------------|--------------|
| Other Uses of Funds: | |
| Additional Amount Available | 2,400.10 |
| | <hr/> |
| | 8,220,000.00 |

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 January 6, 2021. 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.

SUMMARY OF BONDS REFUNDED

**Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21**

| Bond | Maturity Date | Interest Rate | Par Amount | Call Date | Call Price |
|---|----------------------|----------------------|-------------------|------------------|-------------------|
| School Building Revenue Bonds Series 2012A (100% SFCC): | | | | | |
| SERIAL | 03/01/2023 | 2.625% | 680,000.00 | 03/01/2022 | 100.000 |
| TERM25 | 03/01/2024 | 3.000% | 700,000.00 | 03/01/2022 | 100.000 |
| | 03/01/2025 | 3.000% | 720,000.00 | 03/01/2022 | 100.000 |
| TERM27 | 03/01/2026 | 3.000% | 740,000.00 | 03/01/2022 | 100.000 |
| | 03/01/2027 | 3.000% | 765,000.00 | 03/01/2022 | 100.000 |
| TERM29 | 03/01/2028 | 3.125% | 785,000.00 | 03/01/2022 | 100.000 |
| | 03/01/2029 | 3.125% | 810,000.00 | 03/01/2022 | 100.000 |
| TERM32 | 03/01/2030 | 3.375% | 835,000.00 | 03/01/2022 | 100.000 |
| | 03/01/2031 | 3.375% | 865,000.00 | 03/01/2022 | 100.000 |
| | 03/01/2032 | 3.375% | 895,000.00 | 03/01/2022 | 100.000 |
| | | | 7,795,000.00 | | |

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.

SAVINGS BY MATURITY

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| Bond | Maturity Date | Interest Rate | Par Amount | Adjusted Savings | Adjusted Savings Percent |
|--|---------------|---------------|--------------|------------------|--------------------------|
| School Building Revenue Bonds Series 2012A (100% SFCC), 2012A: | | | | | |
| SERIAL | 03/01/2023 | 2.625% | 680,000.00 | (1,152.32) | (0.169%) |
| TERM25 | 03/01/2024 | 3.000% | 700,000.00 | 18,934.54 | 2.705% |
| | 03/01/2025 | 3.000% | 720,000.00 | 31,494.63 | 4.374% |
| TERM27 | 03/01/2026 | 3.000% | 740,000.00 | 44,156.01 | 5.967% |
| | 03/01/2027 | 3.000% | 765,000.00 | 48,230.29 | 6.305% |
| TERM29 | 03/01/2028 | 3.125% | 785,000.00 | 61,110.25 | 7.785% |
| | 03/01/2029 | 3.125% | 810,000.00 | 58,558.85 | 7.229% |
| TERM32 | 03/01/2030 | 3.375% | 835,000.00 | 80,908.25 | 9.690% |
| | 03/01/2031 | 3.375% | 865,000.00 | 88,954.67 | 10.284% |
| | 03/01/2032 | 3.375% | 895,000.00 | 95,439.20 | 10.664% |
| | | | 7,795,000.00 | 526,634.36 | |

Note: Calculated Using Individual Maturities

CPBO SAVINGS REPORT FOR K-12

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| Date | Prior Debt Service | Refunding Debt Service | Refunding Net Cash Flow | Savings | Present Value to 04/01/2021 @ 1.314606% |
|-------------|---------------------------|-------------------------------|--------------------------------|----------------|--|
| 06/30/2022 | 243,025.00 | 191,134.63 | 191,134.63 | 51,890.37 | 51,463.09 |
| 06/30/2023 | 923,025.00 | 873,305.00 | 873,305.00 | 49,720.00 | 48,982.75 |
| 06/30/2024 | 925,175.00 | 876,028.50 | 876,028.50 | 49,146.50 | 47,743.86 |
| 06/30/2025 | 924,175.00 | 873,263.50 | 873,263.50 | 50,911.50 | 48,742.12 |
| 06/30/2026 | 922,575.00 | 868,681.50 | 868,681.50 | 53,893.50 | 50,851.12 |
| 06/30/2027 | 925,375.00 | 872,914.50 | 872,914.50 | 52,460.50 | 48,813.08 |
| 06/30/2028 | 922,425.00 | 869,594.50 | 869,594.50 | 52,830.50 | 48,471.68 |
| 06/30/2029 | 922,893.76 | 870,015.00 | 870,015.00 | 52,878.76 | 47,839.90 |
| 06/30/2030 | 922,581.26 | 872,871.50 | 872,871.50 | 49,709.76 | 44,359.08 |
| 06/30/2031 | 924,400.00 | 874,674.50 | 874,674.50 | 49,725.50 | 43,752.21 |
| 06/30/2032 | 925,206.26 | 875,394.00 | 875,394.00 | 49,812.26 | 43,215.38 |
| | 9,480,856.28 | 8,917,877.13 | 8,917,877.13 | 562,979.15 | 524,234.26 |

Savings Summary

| | |
|---------------------------------------|------------|
| Gross Savings Amount | 562,979.15 |
| Present Value Savings Amount | 526,634.36 |
| Net Present Value % of Refunded Bonds | 6.76% |
| Negative Arbitrage | 88,623.96 |
| Efficiency Ratio | 84.26% |

SUMMARY OF REFUNDING RESULTS

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| | |
|---|--------------|
| Assumed Dated Date | 04/01/2021 |
| Assumed Delivery Date | 04/01/2021 |
| Arbitrage yield | 1.314606% |
| Escrow yield | 0.089761% |
| Value of Negative Arbitrage | 88,623.96 |
| | |
| Bond Par Amount | 8,220,000.00 |
| Potential True Interest Cost | 1.520517% |
| Potential Net Interest Cost | 1.516842% |
| Potential All-In TIC | 1.690145% |
| Potential Average Coupon | 1.322175% |
| Average Life | 6.421 |
| Weighted Average Maturity | 6.421 |
| Duration | 6.143 |
| | |
| Par amount of refunded bonds | 7,795,000.00 |
| Average coupon of refunded bonds | 3.205217% |
| Average life of refunded bonds | 6.667 |
| Remaining weighted average maturity of refunded bonds | 6.644 |
| | |
| PV of prior debt to 04/01/2021 @ 1.314606% | 8,744,234.26 |
| Potential Net PV Savings | 526,634.36 |
| Percentage savings of refunded bonds | 6.756053% |

BOND DEBT SERVICE

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|----------------------|------------------|---------------|-----------------|---------------------|----------------------------|
| 04/01/2021 | | | | | |
| 09/01/2021 | 55,000 | 0.250% | 36,910.63 | 91,910.63 | |
| 03/01/2022 | 55,000 | 0.260% | 44,224.00 | 99,224.00 | |
| 06/30/2022 | | | | | 191,134.63 |
| 09/01/2022 | | | 44,152.50 | 44,152.50 | |
| 03/01/2023 | 785,000 | 0.290% | 44,152.50 | 829,152.50 | |
| 06/30/2023 | | | | | 873,305.00 |
| 09/01/2023 | | | 43,014.25 | 43,014.25 | |
| 03/01/2024 | 790,000 | 0.350% | 43,014.25 | 833,014.25 | |
| 06/30/2024 | | | | | 876,028.50 |
| 09/01/2024 | | | 41,631.75 | 41,631.75 | |
| 03/01/2025 | 790,000 | 0.580% | 41,631.75 | 831,631.75 | |
| 06/30/2025 | | | | | 873,263.50 |
| 09/01/2025 | | | 39,340.75 | 39,340.75 | |
| 03/01/2026 | 790,000 | 0.730% | 39,340.75 | 829,340.75 | |
| 06/30/2026 | | | | | 868,681.50 |
| 09/01/2026 | | | 36,457.25 | 36,457.25 | |
| 03/01/2027 | 800,000 | 1.040% | 36,457.25 | 836,457.25 | |
| 06/30/2027 | | | | | 872,914.50 |
| 09/01/2027 | | | 32,297.25 | 32,297.25 | |
| 03/01/2028 | 805,000 | 1.190% | 32,297.25 | 837,297.25 | |
| 06/30/2028 | | | | | 869,594.50 |
| 09/01/2028 | | | 27,507.50 | 27,507.50 | |
| 03/01/2029 | 815,000 | 1.490% | 27,507.50 | 842,507.50 | |
| 06/30/2029 | | | | | 870,015.00 |
| 09/01/2029 | | | 21,435.75 | 21,435.75 | |
| 03/01/2030 | 830,000 | 1.590% | 21,435.75 | 851,435.75 | |
| 06/30/2030 | | | | | 872,871.50 |
| 09/01/2030 | | | 14,837.25 | 14,837.25 | |
| 03/01/2031 | 845,000 | 1.690% | 14,837.25 | 859,837.25 | |
| 06/30/2031 | | | | | 874,674.50 |
| 09/01/2031 | | | 7,697.00 | 7,697.00 | |
| 03/01/2032 | 860,000 | 1.790% | 7,697.00 | 867,697.00 | |
| 06/30/2032 | | | | | 875,394.00 |
| | 8,220,000 | | 697,877.13 | 8,917,877.13 | 8,917,877.13 |

BOND PRICING

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| Bond Component | Maturity Date | Amount | Rate | Yield | Price | Principal Cost |
|----------------|---------------|-----------|--------|--------|---------|----------------|
| Serial Bonds: | | | | | | |
| | 09/01/2021 | 55,000 | 0.250% | 0.250% | 100.000 | 55,000.00 |
| | 03/01/2022 | 55,000 | 0.260% | 0.260% | 100.000 | 55,000.00 |
| | 03/01/2023 | 785,000 | 0.290% | 0.290% | 100.000 | 785,000.00 |
| | 03/01/2024 | 790,000 | 0.350% | 0.350% | 100.000 | 790,000.00 |
| | 03/01/2025 | 790,000 | 0.580% | 0.580% | 100.000 | 790,000.00 |
| | 03/01/2026 | 790,000 | 0.730% | 0.730% | 100.000 | 790,000.00 |
| | 03/01/2027 | 800,000 | 1.040% | 1.040% | 100.000 | 800,000.00 |
| | 03/01/2028 | 805,000 | 1.190% | 1.190% | 100.000 | 805,000.00 |
| | 03/01/2029 | 815,000 | 1.490% | 1.490% | 100.000 | 815,000.00 |
| | 03/01/2030 | 830,000 | 1.590% | 1.590% | 100.000 | 830,000.00 |
| | 03/01/2031 | 845,000 | 1.690% | 1.690% | 100.000 | 845,000.00 |
| | 03/01/2032 | 860,000 | 1.790% | 1.790% | 100.000 | 860,000.00 |
| | | 8,220,000 | | | | 8,220,000.00 |

| | | |
|-------------------------|--------------|-------------|
| Assumed Dated Date | 04/01/2021 | |
| Assumed Delivery Date | 04/01/2021 | |
| First Coupon | 09/01/2021 | |
| Par Amount | 8,220,000.00 | |
| Original Issue Discount | | |
| Production | 8,220,000.00 | 100.000000% |
| Underwriter's Discount | (102,750.00) | (1.250000%) |
| Purchase Price | 8,117,250.00 | 98.750000% |
| Accrued Interest | | |
| Net Proceeds | 8,117,250.00 | |

Notes:

Hypothetical Underwriter's Discount. Preliminary, estimated, subject to change.

This illustration represents a mathematical calculation of potential interest cost savings, assuming hypothetical interest rates based on current rates for municipal bonds as of January 6, 2021. Actual rates may vary. If actual rates are higher than those assumed, the interest cost savings would be lower. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a refinancing or otherwise considered as advice.

A sensitivity analysis is included in the 'Refund Batch Summary' on the last page of this information.

BOND SUMMARY STATISTICS

**Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21**

| | |
|---------------------------------------|---------------|
| Assumed Dated Date | 04/01/2021 |
| Assumed Delivery Date | 04/01/2021 |
| First Coupon | 09/01/2021 |
| Last Maturity | 03/01/2032 |
| Potential Arbitrage Yield | 1.314606% |
| Potential True Interest Cost (TIC) | 1.520517% |
| Potential Net Interest Cost (NIC) | 1.516842% |
| Potential All-In TIC | 1.690145% |
| Potential Average Coupon | 1.322175% |
| Average Life (years) | 6.421 |
| Weighted Average Maturity (years) | 6.421 |
| Par Amount | 8,220,000.00 |
| Bond Proceeds | 8,220,000.00 |
| Total Interest | 697,877.13 |
| Net Interest | 800,627.13 |
| Bond Years from Assumed Dated Date | 52,782,500.00 |
| Bond Years from Assumed Delivery Date | 52,782,500.00 |
| Total Debt Service | 8,917,877.13 |
| Maximum Annual Debt Service | 876,028.50 |
| Average Annual Debt Service | 816,904.78 |

| Bond Component | Par Value | Price | Average Coupon | Average Life | Average Maturity Date | PV of 1 bp change |
|----------------|--------------|---------|----------------|--------------|-----------------------|-------------------|
| Serial Bonds | 8,220,000.00 | 100.000 | 1.322% | 6.421 | 09/02/2027 | 4,964.45 |
| | 8,220,000.00 | | | 6.421 | | 4,964.45 |

| | TIC | All-In TIC | Arbitrage Yield |
|----------------------------|--------------|--------------|-----------------|
| Par Value | 8,220,000.00 | 8,220,000.00 | 8,220,000.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | | | |
| - Underwriter's Discount | (102,750.00) | (102,750.00) | |
| - Cost of Issuance Expense | | (83,380.00) | |
| - Other Amounts | | | |
| Target Value | 8,117,250.00 | 8,033,870.00 | 8,220,000.00 |
| Target Date | 04/01/2021 | 04/01/2021 | 04/01/2021 |
| Yield | 1.520517% | 1.690145% | 1.314606% |

PRIOR BOND DEBT SERVICE

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|----------------------|------------------|---------------|-----------------|---------------------|----------------------------|
| 04/01/2021 | | | | | |
| 09/01/2021 | | | 121,512.50 | 121,512.50 | |
| 03/01/2022 | | | 121,512.50 | 121,512.50 | |
| 06/30/2022 | | | | | 243,025.00 |
| 09/01/2022 | | | 121,512.50 | 121,512.50 | |
| 03/01/2023 | 680,000 | 2.625% | 121,512.50 | 801,512.50 | |
| 06/30/2023 | | | | | 923,025.00 |
| 09/01/2023 | | | 112,587.50 | 112,587.50 | |
| 03/01/2024 | 700,000 | 3.000% | 112,587.50 | 812,587.50 | |
| 06/30/2024 | | | | | 925,175.00 |
| 09/01/2024 | | | 102,087.50 | 102,087.50 | |
| 03/01/2025 | 720,000 | 3.000% | 102,087.50 | 822,087.50 | |
| 06/30/2025 | | | | | 924,175.00 |
| 09/01/2025 | | | 91,287.50 | 91,287.50 | |
| 03/01/2026 | 740,000 | 3.000% | 91,287.50 | 831,287.50 | |
| 06/30/2026 | | | | | 922,575.00 |
| 09/01/2026 | | | 80,187.50 | 80,187.50 | |
| 03/01/2027 | 765,000 | 3.000% | 80,187.50 | 845,187.50 | |
| 06/30/2027 | | | | | 925,375.00 |
| 09/01/2027 | | | 68,712.50 | 68,712.50 | |
| 03/01/2028 | 785,000 | 3.125% | 68,712.50 | 853,712.50 | |
| 06/30/2028 | | | | | 922,425.00 |
| 09/01/2028 | | | 56,446.88 | 56,446.88 | |
| 03/01/2029 | 810,000 | 3.125% | 56,446.88 | 866,446.88 | |
| 06/30/2029 | | | | | 922,893.76 |
| 09/01/2029 | | | 43,790.63 | 43,790.63 | |
| 03/01/2030 | 835,000 | 3.375% | 43,790.63 | 878,790.63 | |
| 06/30/2030 | | | | | 922,581.26 |
| 09/01/2030 | | | 29,700.00 | 29,700.00 | |
| 03/01/2031 | 865,000 | 3.375% | 29,700.00 | 894,700.00 | |
| 06/30/2031 | | | | | 924,400.00 |
| 09/01/2031 | | | 15,103.13 | 15,103.13 | |
| 03/01/2032 | 895,000 | 3.375% | 15,103.13 | 910,103.13 | |
| 06/30/2032 | | | | | 925,206.26 |
| | 7,795,000 | | 1,685,856.28 | 9,480,856.28 | 9,480,856.28 |

ESCROW REQUIREMENTS

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

Assumed Dated Date 04/01/2021
Assumed Delivery Date 04/01/2021

| Period Ending | Interest | Principal Redeemed | Total |
|--------------------------|-----------------|-------------------------------|--------------|
| 09/01/2021 | 121,512.50 | | 121,512.50 |
| 03/01/2022 | 121,512.50 | 7,795,000.00 | 7,916,512.50 |
| | 243,025.00 | 7,795,000.00 | 8,038,025.00 |

ESCROW STATISTICS

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| | Total Escrow Cost | Modified Duration (years) | PV of 1 bp change | Yield to Receipt Date | Yield to Disbursement Date | Perfect Escrow Cost | Value of Negative Arbitrage | Cost of Dead Time |
|-------------------------|--------------------------|----------------------------------|--------------------------|------------------------------|-----------------------------------|----------------------------|------------------------------------|--------------------------|
| Global Proceeds Escrow: | 8,031,469.90 | 0.909 | 729.77 | 0.089761% | 0.089761% | 7,942,845.94 | 88,623.96 | |
| | 8,031,469.90 | | 729.77 | | | 7,942,845.94 | 88,623.96 | 0.00 |

Delivery date 04/01/2021
 Arbitrage yield 1.314606%

ESCROW DESCRIPTIONS

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| Type of Security | Type of SLGS | Maturity Date | First Int Pmt Date | Par Amount | Rate | Max Rate | Total Cost |
|------------------|--------------|---------------|-----------------------|---------------|--------|-------------|---------------|
| Apr 1, 2021: | | | | | | | |
| SLGS | Certificate | 09/01/2021 | 09/01/2021 | 121,471 | 0.080% | 0.080% | 121,471.00 |
| SLGS | Certificate | 03/01/2022 | 03/01/2022 | 7,909,998 | 0.090% | 0.090% | 7,909,998.00 |
| | | | | 8,031,469 | | | 8,031,469.00 |

SLGS Summary

| | |
|------------------------------------|--------------|
| SLGS Rates File | 06JAN21 |
| Total Certificates of Indebtedness | 8,031,469.00 |

ESCROW COST

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| Type of Security | Maturity Date | Par Amount | Rate | Total Cost |
|-------------------------|----------------------|-------------------|-------------|-------------------|
| SLGS | 09/01/2021 | 121,471 | 0.080% | 121,471.00 |
| SLGS | 03/01/2022 | 7,909,998 | 0.090% | 7,909,998.00 |
| | | 8,031,469 | | 8,031,469.00 |

| Purchase Date | Cost of Securities | Cash Deposit | Total Escrow Cost | Yield |
|----------------------|---------------------------|---------------------|--------------------------|--------------|
| 04/01/2021 | 8,031,469 | 0.90 | 8,031,469.90 | 0.089761% |
| | 8,031,469 | 0.90 | 8,031,469.90 | |

ESCROW SUFFICIENCY

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| Date | Escrow Requirement | Net Escrow Receipts | Excess Receipts | Excess Balance |
|-------------|---------------------------|----------------------------|------------------------|-----------------------|
| 04/01/2021 | | 0.90 | 0.90 | 0.90 |
| 09/01/2021 | 121,512.50 | 121,511.73 | (0.77) | 0.13 |
| 03/01/2022 | 7,916,512.50 | 7,916,512.37 | (0.13) | |
| | 8,038,025.00 | 8,038,025.00 | 0.00 | |

UNREFUNDED BOND DEBT SERVICE

Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|--------------------------|------------------|---------------|-----------------|---------------------|------------------------------------|
| 04/01/2021 | | | | | |
| 09/01/2021 | | | 8,312.50 | 8,312.50 | |
| 03/01/2022 | 665,000 | 2.500% | 8,312.50 | 673,312.50 | |
| 06/30/2022 | | | | | 681,625 |
| | 665,000 | | 16,625.00 | 681,625.00 | 681,625 |

CALCAGENT SUMMARY

Sensitivity Analysis

| Coupon Offset | Par | Bond Yield | Escrow Yield | Net Present Value Savings | Refunded PV Savings Pct |
|--------------------------|--------------|-----------------------|-------------------------|--------------------------------------|------------------------------------|
| (0.300%) | 8,220,000.00 | 1.012% | 0.090% | 689,133.80 | 8.841% |
| (0.200%) | 8,220,000.00 | 1.113% | 0.090% | 634,726.33 | 8.143% |
| (0.100%) | 8,220,000.00 | 1.214% | 0.090% | 580,498.19 | 7.447% |
| 0.000% | 8,220,000.00 | 1.315% | 0.090% | 526,634.36 | 6.756% |
| 0.100% | 8,220,000.00 | 1.415% | 0.090% | 473,464.61 | 6.074% |
| 0.200% | 8,220,000.00 | 1.516% | 0.090% | 420,756.29 | 5.398% |
| 0.300% | 8,220,000.00 | 1.616% | 0.090% | 368,374.62 | 4.726% |

Assumptions:

Component refund:011221-REF12A
Delivery Date 04/01/2021

IMPORTANT DISCLOSURES

**Jefferson County School District Finance Corporation
Hypothetical Taxable School Building Refunding Revenue Bonds, Series 2021 (100% SFCC)
AR of School Building Revenue Bonds, Series 2012A
Illustration: Advance Refund All Callable Maturities
Assumptions: Taxable, Moody's Aa3 S&P AA- Underlying, Uniform Savings
Assumes: Desk Multi Scale Taxable/Aa2 Underlying/School Rev + 5 bps as of 1/6/21**

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