



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

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Ryan Barrow
EXECUTIVE DIRECTOR

May 5, 2022

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 (“CPBO”) Committee at the May meeting.

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

<u>Fund B Loans</u>	
South Woodford Water District	\$2,230,000
<u>Fund F Loans</u>	
City of Cynthiana	\$3,370,713

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

Economic Development Fund Grant to the Rowan County Fiscal Court on behalf of the MMRC County Regional Industrial Development Authority, Inc.	\$212,500
Economic Development Fund Grant to the Mason County Fiscal Court on behalf of the Maysville-Mason County Industrial Development Authority, Inc.	\$300,000
Economic Development Fund Grant to the City of Williamsburg on behalf of the Firestone Industrial Products Company, LLC	\$150,000

Senator Girdler
Representative Freeland
May 5, 2022
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The Office of Financial Management will present three (3) new bond issue reports for the Committee's approval:

Kentucky Housing Corporation Multifamily Conduit Revenue Bonds, (The Prestonian), Series 2022	\$50,000,000+
Kentucky Economic Development Finance Authority Revenue Refunding Bonds, Series 2022 (Masonic Homes of Kentucky Obligated Group)	\$75,000,000+
University of Kentucky General Receipts (Forward Delivery) Refunding Bonds, 2024 Series A	\$155,000,000*
Not to Exceed+ Estimated*	

The Office of Financial Management will present three (3) informational items for the Committee's review:

State Property and Buildings Commission Revenue Bonds, Project No. 126 Series A	\$85,365,000
Turnpike Authority of Kentucky Economic Development Road Revenue Refunding Bonds (Revitalization Project), Series 2022 A	\$56,875,000
Kentucky Economic Development Finance Authority Hospital Revenue Refunding Bonds, Series 2022 A-1 and Series 2022 A-2 (Baptist Healthcare System Obligated Group)	\$284,435,000

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

Jackson Independent	\$1,070,000*
Taylor County	\$8,430,000*
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 May 2022
Capital Projects and Bond Oversight Committee**

▪ **Fund B Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Amount Loan Total</u>	<u>County</u>
B22-002	South Woodford Water District	\$ 2,230,000	\$ 2,230,000	Woodford

▪ **Fund F Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Amount Loan Total</u>	<u>County</u>
F22-028	City of Cynthiana	\$ 3,370,713	\$ 3,370,713	Harrison

EXECUTIVE SUMMARY		Reviewer	John Brady	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	April 7, 2022	
FUND B, INFRASTRUCTURE		KIA Loan Number	B22-002	
REVOLVING LOAN FUND		WRIS Number	WX21239038	
BORROWER	SOUTH WOODFORD WATER DISTRICT WOODFORD COUNTY			
BRIEF DESCRIPTION				
The South Woodford Water District (SWWD) is requesting a Fund B loan in the amount of \$2,230,000 for the Comprehensive System Rehabilitation project. This project consists of repairs to several components within the water system necessary to maintain adequate service to customers. These include the rehabilitation of two storage tanks and a pump station and the replacement of all water meters. Radio read meters and leak detection meters will be installed to improve reading accuracy and help control the SWWD's issue with excess water loss.				
PROJECT FINANCING		PROJECT BUDGET		
Fund B Loan	\$2,230,000	RD Fee %	Actual %	
CWP Grant	225,000			Administrative Expenses \$25,000
ARPA	250,000			Legal Expenses 10,000
				Land, Easements 5,000
				Planning 15,000
		Eng - Design / Const 7.5%	6.0%	145,000
		Eng - Insp 4.4%	2.7%	65,000
				Construction 2,375,000
				Contingency 30,000
				Other 35,000
TOTAL	\$2,705,000	TOTAL		\$2,705,000
REPAYMENT	Rate	2.00%	Est. Annual Payment	\$140,292
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Haworth, Meyer & Boleyn, Inc.		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Sep-22		
	Construction Start	Jan-23		
	Construction Stop	Jul-23		
DEBT PER CUSTOMER	Existing	\$438		
	Proposed	\$1,704		
OTHER DEBT	See Attached			
RESIDENTIAL RATES	Current	Users	Avg. Bill	
		1,638	\$30.46	(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	137,485	117,972	19,513	1.2
Audited 2019	97,679	117,000	(19,321)	0.8
Audited 2020	66,537	106,065	(39,528)	0.6
Projected 2021	53,790	82,095	(28,305)	0.7
Projected 2022	133,972	82,745	51,227	1.6
Projected 2023	211,173	152,684	58,489	1.4
Projected 2024	251,661	223,684	27,977	1.1
Projected 2025	244,744	223,851	20,893	1.1

Reviewer: John Brady
Date: April 7, 2022
Loan Number: B22-002

**KENTUCKY INFRASTRUCTURE AUTHORITY
INFRASTRUCTURE REVOLVING LOAN FUND (FUND B)
SOUTH WOODFORD WATER DISTRICT, WOODFORD COUNTY
PROJECT REVIEW
WX21239038**

I. PROJECT DESCRIPTION

The South Woodford Water District (SWWD) is requesting a Fund B loan in the amount of \$2,230,000 for the Comprehensive System Rehabilitation project. This project consists of repairs to several components within the water system necessary to maintain adequate service to customers.

Both the Mortonsville and KY33 water tanks are in dire need of repair. The Mortonsville tank is currently out of service and needs to be sanitized and painted before it can be put back into service. Rehabilitation of the KY33 pump station will include replacing the backup pump and piping. All meters will be replaced to greatly enhance the accuracy of readings. Current meters are not working properly and some are not working at all. Leak detection meters will also be installed throughout the system to help control the SWWD's issue with excess water loss.

The SWWD currently serves over 1,600 residential and commercial customers.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 25,000
Legal Expenses	10,000
Land, Easements	5,000
Planning	15,000
Engineering Fees - Design	115,000
Engineering Fees - Construction	30,000
Engineering Fees - Inspection	65,000
Construction	2,375,000
Contingency	30,000
Other	35,000
Total	<u>\$ 2,705,000</u>

III. PROJECT FUNDING

	Amount	%
Fund B Loan	\$ 2,230,000	82%
CWP Grant	225,000	8%
ARPA	250,000	9%
Total	\$ 2,705,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 2,230,000
Less: Principal Forgiveness	0
Amortized Loan Amount	\$ 2,230,000
Interest Rate	2.00%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 135,832
Administrative Fee (0.20%)	4,460
Total Estimated Annual Debt Service	\$ 140,292

V. PROJECT SCHEDULE

Bid Opening	September 2022
Construction Start	January 2023
Construction Stop	July 2023

VI. RATE STRUCTURE

A. Customers

Customers	Current
Residential	1,617
Commercial	21
Total	1,638

B. Rates

Water	Proposed	Current	Prior
Date of Last Rate Increase	07/01/22	08/01/18	07/01/13
Minimum (2,000 gallons)	\$22.82	\$20.48	\$20.20
Over 2,000 gallons (per 1,000)	5.56	4.99	4.85
Cost for 4,000 gallons	\$33.94	\$30.46	\$29.90
Increase %	11.4%	1.9%	
Affordability Index (Rate/MHI)	0.5%	0.5%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2016-2020, the Utility's service area population was 3,906 with a Median Household Income (MHI) of \$81,030. The median household income for the Commonwealth is \$50,589. The project will qualify for a 2.00% interest rate.

VIII. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended January 1, 2018 through December 31, 2020. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Water revenues increased 2.3% from \$836,853 in 2018 to \$856,470 in 2020. Operating expenses increased 13.4% from \$716,439 to \$812,484 during the same period due to costs associated with excess water loss. The debt coverage ratio was 1.2, 0.8, and 0.6 in 2018, 2019, and 2020.

The balance sheet reflects a current ratio of 0.7, a debt to equity ratio of 0.4, 30.7 days of sales in accounts receivable, and 0.8 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues will increase 5.7% in both 2022 and 2023 due to a proposed rate increase with an anticipated effective date of July 1, 2022.
- 2) Water loss reduction surcharge of \$3.87 per customer per month will generate an additional \$77,000 each year for four years.
- 3) Revenues will increase approximately \$50,000 in 2024 to maintain the 1.1 debt coverage ratio requirement.
- 4) SWWD receives Public Service Commission (PSC) approval documentation.
- 5) Operating expenses will increase 2% annually due to inflation.
- 6) Debt service coverage is 1.4 in 2023 when principal and interest repayments begin.

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

The SWWD is regulated by the PSC and will need to apply to the PSC, pursuant to KRS 278.300, for debt authorization for the \$2,230,000 loan. The SWWD must receive a Certificate of Public Convenience and Necessity, pursuant to KRS 278.020.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$112,000 total) of the final amount borrowed to be funded annually (\$5,600 yearly) each December 1 for 20 years and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
1996A Revenue Bonds	\$ 137,000	2026
1996B Revenue Bonds	35,700	2026
1999A Revenue Bonds	211,000	2039
1999B Revenue Bonds	37,300	2039
KRWFC Note	<u>296,000</u>	2037
Total	\$ 717,000	

X. CONTACTS

Legal Applicant	
Entity Name	South Woodford Water District
Authorized Official	Barry Drury (Chairman)
County	Woodford
Email	barry.drury@me.com
Phone	(859) 618-9722
Address	117 D Crossfield Dr Versailles, KY 40383

Applicant Contact	
Name	Matthew Coyle
Organization	South Woodford Water District
Email	office@southwoodfordwater.com
Phone	(859) 873-1308
Address	117 D Crossfield Dr Versailles, KY 40383

Project Administrator

Name	Karyn Leverenz
Organization	Bluegrass ADD
Email	kleverenz@bgadd.org
Phone	(859) 269-8021
Address	699 Perimeter Dr Lexington, KY 40517

Consulting Engineer

PE Name	Jeff Reynolds
Firm Name	Haworth, Meyer & Boleyn, Inc.
Email	jdreynolds@hmbpe.com
Phone	(502) 695-9800
Address	3 Hmb Circle Frankfort, KY 40601

XI. RECOMMENDATIONS

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

By May 31, 2022, the SWWD will need a resolution from the SWWD Board, demonstrating their intentions to increase revenues as necessary and authorized by the PSC to meet the loan requirements over the life of the loan. KIA Staff review currently indicates that revenues will need to increase by an estimated \$50,000 annually by January 1, 2024, which equates to an approximate rate increase of 5%, to meet expenses and maintain the 1.1 debt coverage ratio in 2024.

**SOUTH WOODFORD WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER 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	197,420	193,402	123,517	117,850	135,395	154,593	164,189	168,367
Other Assets	3,182,353	3,095,802	3,080,888	2,957,898	2,898,534	5,487,954	5,347,964	5,202,307
Total	3,379,773	3,289,204	3,204,405	3,075,748	3,033,929	5,642,547	5,512,153	5,370,674
Liabilities & Equity								
Current Liabilities	193,468	213,639	185,603	189,826	193,326	309,526	313,826	318,126
Long Term Liabilities	767,367	717,000	667,900	615,800	561,400	2,622,000	2,449,600	2,274,200
Total Liabilities	960,835	930,639	853,503	805,626	754,726	2,931,526	2,763,426	2,592,326
Net Assets	2,418,938	2,358,565	2,350,902	2,270,122	2,279,203	2,711,021	2,748,727	2,778,348
Cash Flow								
Revenues	836,853	883,687	856,470	856,470	943,170	1,032,618	1,079,887	1,079,887
Operating Expenses	716,439	794,969	812,484	818,874	825,392	837,640	844,421	851,338
Other Income	17,071	8,961	22,551	16,194	16,194	16,195	16,195	16,195
Cash Flow Before Debt Service	137,485	97,679	66,537	53,790	133,972	211,173	251,661	244,744
Debt Service								
Existing Debt Service	117,972	117,000	106,065	82,095	82,745	82,538	83,392	83,559
Proposed KIA Loan	0	0	0	0	0	70,146	140,292	140,292
Total Debt Service	117,972	117,000	106,065	82,095	82,745	152,684	223,684	223,851
Cash Flow After Debt Service	19,513	(19,321)	(39,528)	(28,305)	51,227	58,489	27,977	20,893
Ratios								
Current Ratio	1.0	0.9	0.7	0.6	0.7	0.5	0.5	0.5
Debt to Equity	0.4	0.4	0.4	0.4	0.3	1.1	1.0	0.9
Days Sales in Accounts Receivable	28.2	30.4	30.7	30.7	30.7	30.7	30.7	30.7
Months Operating Expenses in Unrestricted Cash	1.6	1.2	0.8	0.7	0.8	1.0	1.0	1.1
Debt Coverage Ratio	1.2	0.8	0.6	0.7	1.6	1.4	1.1	1.1

EXECUTIVE SUMMARY		Reviewer	John Brady	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	May 5, 2022	
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number	F22-028	
REVOLVING LOAN FUND		WRIS Number	WX21097028	
BORROWER	CITY OF CYNTHIANA HARRISON COUNTY			
BRIEF DESCRIPTION				
The City of Cynthiana is requesting a Fund F loan in the amount of \$3,370,713 for the Industrial Park Water Tank and Water Treatment Plant Upgrade project. This project consists of a new 750,000 gallon elevated water storage tank and booster pump station located at the EDA Industrial Park. It also includes the replacement of failed valves, the installation of UV disinfection units on the filter effluent, and various electrical upgrades.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$3,370,713	RD Fee %	Actual %	
CWP Grant	269,287			Administrative Expenses \$8,000
ARPA	1,000,000			Legal Expenses 2,000
				Land, Easements 5,000
				Planning 12,500
				Eng - Design / Const 265,000
				Eng - Insp 143,000
				Eng - Other 20,000
				Construction 3,804,000
				Contingency 380,500
TOTAL	\$4,640,000	TOTAL		\$4,640,000
REPAYMENT	Rate	0.25%	Est. Annual Payment \$125,120	
	Term	30 Years	1st Payment 6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Kentucky Engineering Group, PLLC		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Jul-22		
	Construction Start	Sep-22		
	Construction Stop	Sep-23		
DEBT PER CUSTOMER	Existing	\$3,074		
	Proposed	\$3,584		
OTHER DEBT	See Attached			
RESIDENTIAL RATES	Current	Users	Avg. Bill	
		2,757	\$19.65 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2019	753,830	595,984	157,846	1.3
Audited 2020	910,469	620,577	289,892	1.5
Audited 2021	1,134,432	1,830,001	(695,569)	0.6
Projected 2022	1,083,777	687,350	396,427	1.6
Projected 2023	1,032,109	657,298	374,811	1.6
Projected 2024	971,008	703,202	267,806	1.4
Projected 2025	917,253	748,574	168,679	1.2
Projected 2026	862,423	747,756	114,667	1.2

Reviewer: John Brady
 Date: May 5, 2022
 Loan Number: F22-028

**KENTUCKY INFRASTRUCTURE AUTHORITY
 DRINKING WATER STATE REVOLVING FUND (FUND F)
 CITY OF CYNTHIANA, HARRISON COUNTY
 PROJECT REVIEW
 WX21097028**

I. PROJECT DESCRIPTION

The City of Cynthiana is requesting a Fund F loan in the amount of \$3,370,713 for the Industrial Park Water Tank and Water Treatment Plant Upgrade project. This project consists of a new 750,000 gallon elevated water storage tank and booster pump station located at the EDA Industrial Park. It also includes the replacement of failed valves, the installation of UV disinfection units on the filter effluent, and various electrical upgrades.

The City currently serves over 2,400 residential customers and over 300 commercial and industrial customers. They provide wholesale service to the Harrison County Water Association.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 8,000
Legal Expenses	2,000
Land, Easements	5,000
Planning	12,500
Engineering Fees - Design	212,000
Engineering Fees - Construction	53,000
Engineering Fees - Inspection	143,000
Engineering Fees - Other	20,000
Construction	3,804,000
Contingency	380,500
Total	\$ 4,640,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 3,370,713	73%
CWP Grant	269,287	6%
ARPA	1,000,000	22%
Total	\$ 4,640,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 3,370,713
Less: Principal Forgiveness	0
Amortized Loan Amount	<u>\$ 3,370,713</u>
Interest Rate	0.25%
Loan Term (Years)	<u>30</u>
Estimated Annual Debt Service	\$ 116,693
Administrative Fee (0.25%)	<u>8,427</u>
Total Estimated Annual Debt Service	\$ 125,120

V. PROJECT SCHEDULE

Bid Opening	July 2022
Construction Start	September 2022
Construction Stop	September 2023

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	<u>Current</u>
Residential	2,447
Commercial	233
Industrial	<u>77</u>
Total	2,757

B) Rates

Water	Inside City		Outside City	
	Current	Prior	Current	Prior
Date of Last Increase	07/01/19	01/01/16	07/01/19	01/01/16
Minimum (2,000) gallons	\$10.75	\$9.05	\$15.05	\$12.67
Next 8,000 gallons (per 1,000)	4.45	3.50	6.23	4.90
Cost for 4,000 gallons	\$19.65	\$16.05	\$27.51	\$22.47
Increase %	22.4%		22.4%	
Affordability Index (Rate/MHI)	0.6%	0.5%	0.8%	0.7%

Water	Wholesale - HCNA	
	Current	Prior
Date of Last Increase	07/01/19	01/01/16
Per 1,000 gallons	\$3.15	\$2.85
Cost for 4,000 gallons	\$12.60	\$11.40
Increase %	10.5%	
Affordability Index (Rate/MHI)	0.4%	0.4%

Sewer	Current	Prior
	Date of Last Increase	07/01/19
Minimum (2,000) gallons	\$21.63	\$18.56
Next 8,000 gallons (per 1,000)	6.47	5.79
Cost for 4,000 gallons	\$34.57	\$30.14
Increase %	14.7%	
Affordability Index (Rate/MHI)	1.1%	0.9%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2016-2020, the Utility's service area population was 6,518 with a Median Household Income (MHI) of \$38,873. The median household income for the Commonwealth is \$50,589. The project will qualify for a 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 does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2019 through June 30, 2021. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Total water and sewer revenues increased 21% from \$3.03 million in 2019 to \$3.67 million in 2021 due to rate increases for both water and sewer services. Operating expenses increased 11.2% from \$2.28 million to \$2.53 million during the same period due to an increase in costs for repairs and employee retirement. The debt coverage ratio was 1.3, 1.5, and 0.6 in 2019, 2020, and 2021.

The balance sheet reflects a current ratio of 1.3, a debt to equity ratio of 1.0, 52.6 days of sales in accounts receivable, and 1.9 months operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water and sewer revenues will both remain flat.
- 2) Operating expenses will increase 2% annually due to inflation.
- 3) Debt service coverage is 1.4 in 2024 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% (\$168,000 total) of the final amount borrowed to be funded annually (\$8,400 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
2015 Revenue Bonds	\$ 3,373,000	2055
2020C Revenue Bonds	975,000	2044
KIA Loan A05-06	1,971,952	2028
KIA Loan F16-041	486,325	2038
KIA Loan F19-020	926,513	2040
Building Loan	191,200	2028
Vehicle/Equipment Leases	146,246	2026
Total	\$ 8,070,236	

XI. CONTACTS

Legal Applicant

Entity Name	City of Cynthiana
Authorized Official	James Smith (Mayor)
County	Harrison
Email	james.smith@cynthianaky.com
Phone	(859) 234-7153
Address	PO Box 67 Cynthiana, KY 41031

Applicant Contact

Name	Nathan Fields
Organization	City of Cynthiana
Email	nathan.fields@cynthianaky.com
Phone	(859) 234-7159
Address	PO Box 67 Cynthiana, KY 41031

Project Administrator

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

Consulting Engineer

PE Name	Mark Stephens
Firm Name	Kentucky Engineering Group, PLLC
Email	mstephens@kyengr.com
Phone	(859) 223-3755
Address	PO Box 1034 Versailles, KY 40383

XII. RECOMMENDATIONS

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

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

	<u>Audited</u> <u>2019</u>	<u>Audited</u> <u>2020</u>	<u>Audited</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>	<u>Projected</u> <u>2026</u>
Balance Sheet								
Assets								
Current Assets	516,777	595,608	920,489	999,777	1,074,739	1,128,301	1,162,036	1,184,970
Other Assets	22,405,616	22,995,163	22,329,781	21,719,169	20,975,265	24,794,156	23,893,746	22,950,126
Total	22,922,393	23,590,771	23,250,270	22,718,947	22,050,004	25,922,457	25,055,782	24,135,096
Liabilities & Equity								
Current Liabilities	745,925	1,004,677	723,142	705,028	698,203	801,001	808,014	806,007
Long Term Liabilities	9,876,692	10,777,527	10,999,621	10,483,132	9,974,268	12,734,119	12,117,044	11,502,776
Total Liabilities	10,622,617	11,782,204	11,722,763	11,188,160	10,672,471	13,535,120	12,925,058	12,308,783
Net Assets	12,299,776	11,808,567	11,527,507	11,530,787	11,377,533	12,387,337	12,130,724	11,826,313
Cash Flow								
Revenues	3,028,995	3,488,893	3,666,590	3,666,590	3,666,590	3,666,590	3,666,590	3,666,590
Operating Expenses	2,277,283	2,579,465	2,532,733	2,583,388	2,635,056	2,696,157	2,749,912	2,804,742
Other Income	2,118	1,041	575	575	575	575	575	575
Cash Flow Before Debt Service	753,830	910,469	1,134,432	1,083,777	1,032,109	971,008	917,253	862,423
Debt Service								
Existing Debt Service	595,984	620,577	1,830,001	687,350	657,298	640,642	623,454	622,636
Proposed KIA Loan	0	0	0	0	0	62,560	125,120	125,120
Total Debt Service	595,984	620,577	1,830,001	687,350	657,298	703,202	748,574	747,756
Cash Flow After Debt Service	157,846	289,892	(695,569)	396,427	374,811	267,806	168,679	114,667
Ratios								
Current Ratio	0.7	0.6	1.3	1.4	1.5	1.4	1.4	1.5
Debt to Equity	0.9	1.0	1.0	1.0	0.9	1.1	1.1	1.0
Days Sales in Accounts Receivable	51.2	51.1	52.6	52.6	52.6	52.6	52.6	52.6
Months Operating Expenses in Unrestricted Cash	0.5	0.5	1.9	2.2	2.5	2.7	2.8	2.8
Debt Coverage Ratio	1.3	1.5	0.6	1.6	1.6	1.4	1.2	1.2



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Larry Hayes
Interim Secretary

April 14, 2022

Holly M. Johnson, Secretary
Finance and Administration Cabinet
200 Mero Street, 5th Floor
Frankfort, KY 40622

RE: Economic Development Fund Grant - \$212,500 to Rowan County Fiscal Court on behalf of the MMRC Regional Industrial Development Authority, Inc.

Dear Secretary Johnson:

In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$212,500 in Economic Development Fund (EDF) funds for the purpose of making a grant to the Rowan County Fiscal Court on behalf of MMRC Regional Industrial Development Authority, Inc.

The Rowan County Fiscal Court in partnership with MMRC Regional Industrial Development Authority, Inc. is seeking the construction of a 150,000 square foot pad ready site on 22.4 acres located on Lot 10 of the MMRC Park. This project is a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

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

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

Sincerely,

Larry Hayes
Interim Secretary

AGREED TO AND APPROVED BY:

DocuSigned by:

Holly M. Johnson

4/20/2022

Secretary, Finance and Administration Cabinet Date

cc: Jeff Taylor
Kristina Slattery
Katie Smith



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

Date: April 28, 2022
Grantee: Rowan County Fiscal Court
Beneficiary: MMRC Regional Industrial Development Authority, Inc.
City: Morehead **County:** Rowan
Activity: Manufacturing
Bus. Dev. Contact: F. Shrout **OFS Staff:** D. Phillips

Project Description: The MMRC Regional Industrial Development Authority, Inc. (MMRC) owns and operates the MMRC Regional Industrial Park consisting of 500 acres of property within Menefee, Morgan and Rowan Counties. The project will include a pad ready site measuring at 150,000 sf on 22.4 acres located on Lot 10 of the MMRC Park.

This is a Product Development Initiative project recommended for approval under the EDF program. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Anticipated Project Investment - Owned

	Total Investment
Land	\$0
Building/Improvements	\$425,000
Equipment	\$0
Other Start-up Costs	\$0
TOTAL	\$425,000

Anticipated Project Funding

	Amount	% of Total
Economic Development Fund Grant (State)	\$212,500	50.0%
Bank Loan		0.0%
Local Grant		0.0%
Other - MMRC Equity	\$212,500	50.0%
Other		0.0%
TOTAL	\$425,000	100.0%

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

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT: **\$212,500**

Recommendation:

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



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Larry Hayes
Interim Secretary

April 14, 2022

Holly M. Johnson, Secretary
Finance and Administration Cabinet
200 Mero Street, 5th Floor
Frankfort, KY 40622

RE: Economic Development Fund Grant - \$300,000 to Mason County Fiscal Court on behalf of the Maysville-Mason County Industrial Development Authority, Inc.

Dear Secretary Johnson:

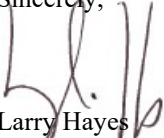
In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$300,000 in Economic Development Fund (EDF) funds for the purpose of making a grant to the Mason County Fiscal Court on behalf of **Maysville-Mason County Industrial Development Authority, Inc.**

The Mason County Fiscal Court in partnership with Maysville-Mason County Industrial Development Authority, Inc. is considering building upgrades and renovations at 1151 Morton Lane in Maysville, Kentucky. Maysville-Mason County Industrial Development Authority, Inc. has committed general funds to match the EDF grant. This project is a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

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

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

Sincerely,


Larry Hayes
Interim Secretary

AGREED TO AND APPROVED BY:

DocuSigned by:

81C993F6FA23433...
Secretary, Finance and Administration Cabinet 4/20/2022 Date

cc: Jeff Taylor
Kristina Slattery
Katie Smith



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

Date: April 28, 2022
Grantee: Mason County Fiscal Court
Beneficiary: Maysville-Mason County Industrial Development Authority, Inc.
City: Maysville **County:** Mason
Activity: Manufacturing
Bus. Dev. Contact: A. Luttner **OFS Staff:** M. Elder

Project Description:

The Mason County Fiscal Court in Partnership with the Maysville-Mason County Industrial Development Authority, Inc.(MMCIDA) is considering building upgrades and renovations at 1151 Morton Lane in Maysville, Kentucky. MMCIDA has committed funds to match the Economic Development Fund.

This is a Product Development Initiative project recommended for approval under the EDF program. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Anticipated Project Investment - Owned

	Total Investment
Land	\$0
Building/Improvements	\$600,000
Equipment	\$0
Other Start-up Costs	\$0
TOTAL	\$600,000

Anticipated Project Funding

	Amount	% of Total
Economic Development Fund Grant (State)	\$300,000	50.0%
Other	\$300,000	50.0%
TOTAL	\$600,000	100.0%

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

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT: **\$300,000**

Recommendation:

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



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Larry Hayes
Interim Secretary

January 14, 2022

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

RE: Economic Development Fund Grant - \$150,000 to the City of Williamsburg on behalf of Firestone Industrial Products Company, LLC

Dear Secretary Johnson:

In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$150,000 in Economic Development Fund (EDF) funds for the purpose of making a grant to the City of Williamsburg on behalf of Firestone Industrial Products Company, LLC.

Firestone Industrial Products Company, LLC and its affiliates are manufacturers of air spring and related products for commercial trucks and trailers, cars, sport utility vehicles, light trucks, mini vans, motor homes, buses, agricultural equipment, rail and industrial applications. The company is considering expanding in the automotive vehicle market to help meet customer demand.

In consideration of this EDF grant, Firestone Industrial Products Company, LLC will be required to make investment and create new, full-time jobs for employees subject to Kentucky individual income taxes (excluding contract or temporary employees) paying the following wages in Williamsburg in accordance with the following schedule:

Compliance Date	Full-time Jobs Required	Job Type	Average Wage Required	Average Wage Type
December 31, 2025	250	Create	\$29.00	Total Hourly Compensation (includes benefits)
December 31, 2026	250	Create	\$29.00	Total Hourly Compensation (includes benefits)
December 31, 2027	250	Create	\$29.00	Total Hourly Compensation (includes benefits)
December 31, 2028	250	Create	\$29.00	Total Hourly Compensation (includes benefits)

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

Secretary Holly M. Johnson
January 14, 2022
Page Two

Under the terms of the EDF grant agreement, disbursement of grant funds will occur after the annual compliance reporting has occurred. The amount of the disbursements will be based on the performance requirements achieved. If Firestone Industrial Products Company, LLC fails to create or maintain the job target as of each compliance date, then the amount of the grant payable after each compliance measurement date will be reduced by the sum of \$150 for each new, full-time job not created or maintained by the company at each of the five annual measurement dates. Furthermore, if Firestone Industrial Products Company, LLC fails to pay these new jobs the average hourly wage of \$29.00, including benefits, the amount of the grant payable after each compliance measurement date will be reduced by a pro rata portion of the EDF grant based on a formula to be outlined in the EDF grant agreement.

Any funds repaid to the City of Williamsburg by Firestone Industrial Products Company, LLC must be used for economic development purposes as approved by the Cabinet for Economic Development. In no event will the repayment of EDF grant proceeds exceed the EDF grant amount of \$150,000.

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

Sincerely,


Larry Hayes
Interim Secretary

AGREED TO AND APPROVED BY:


Secretary, Finance and Administration Cabinet Date

cc: Jeff Taylor
 Kristina Slattery
 Katie Smith

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

Date: April 28, 2022
Grantee: City of Williamsburg
Beneficiary: Firestone Industrial Products Company, LLC
Approved Affiliate(s): Nesco Service Company
City: Williamsburg **County:** Whitley
Activity: Manufacturing
Bus. Dev. Contact: A. Franklin **OFS Staff:** M. Elder

Project Description: Firestone Industrial Products Company, LLC (FSIP) specializes in air spring manufacturing and technology. FSIP manufactures air spring and related products for commercial trucks and trailers, cars, sport utility vehicles, light trucks, mini vans, motor homes, buses, agricultural equipment, rail and industrial applications. The company is considering expanding in the automotive vehicle market to help meet customer demand.

Anticipated Project Investment - Owned	Total Investment
Land	\$10,000
Building/Improvements	\$14,000,000
Equipment	\$36,879,000
Other Start-up Costs	\$0
TOTAL	\$50,889,000

Anticipated Project Funding	Amount	% of Total
Economic Development Fund Grant (State)	\$150,000	0.3%
Company Equity	\$50,739,000	99.7%
TOTAL	\$50,889,000	100.0%

Job and Wage Requirement Table

Compliance Date	Full-time Jobs Required	Job Type	Average Wage Required	Average Wage Type
12/31/2025	250	Create	\$29.00	Total Hourly Compensation (includes benefits)
12/31/2026	250	Create	\$29.00	Total Hourly Compensation (includes benefits)
12/31/2027	250	Create	\$29.00	Total Hourly Compensation (includes benefits)
12/31/2028	250	Create	\$29.00	Total Hourly Compensation (includes benefits)

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

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

Job Penalty Provision: \$150 per job not created or maintained

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

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

12/31/2025	\$37,500
12/31/2026	\$37,500
12/31/2027	\$37,500
12/31/2028	\$37,500

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT: **\$150,000**

Ownership (20% or more):

Publicly Traded

Active State Participation at the Project Site:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
May 27, 2021	KBI	Approve-Prelim	\$6,500,000
May 27, 2021	KEIA	Approve- Final	\$350,000

Unemployment Rate:

County: 4.1%

Kentucky: 4.0%

Recommendation:

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

Only investment costs incurred by the approved company will be considered eligible for reimbursement. The jobs creation/maintenance and wage requirements will be satisfied collectively by the approved company and the affiliate recognized above.

NEW BOND ISSUE REPORT

BOND ISSUE

Name of Bond Issue: Kentucky Housing Corporation Multifamily Conduit Revenue Bonds (The Prestonian), Series 2022

Purpose of Issue: The bonds will be used to finance the acquisition, construction, and equipping of The Prestonian, a multifamily residential rental facility consisting of three hundred and forty-three (343) units, located in Jefferson County, Kentucky, at **715 E Gray Street**. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on June 2, 2021, following the delivery of notice to the public at least seven days prior to such hearing.

Name of Project: The Prestonian

Anticipated Date of Sale: July 29, 2022

Anticipated Date of Issuance: July 29, 2022

Anticipated Ratings: Private Placement

Anticipated Net Proceeds: \$50,000,000

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

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but an estimated \$1,991,997 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$117,484,243 (estimated)

Terms of Issue: Net interest rate: **4.30%**
Term: July 29, 2062 (480 months)
Average debt service: **\$2,620,729**
Gross debt service: **\$104,829,148**

First Call Date: **TBD**

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: TBD

Exhibit A

Project Funding Sources:

KHC Tax-Exempt Bonds	\$50,000,000
Tax Credit Equity	\$36,977,226
Soft Funds	\$2,000,00
Seller Note	\$27,749,400
Deferred Developer Fee	\$2,757,617
<hr/>	
	\$117,484,243

Fees Paid:

Origination Fee	\$250,000
KHC Counsel	\$50,000
KHC Financing Fee	\$391,581
KHC Application Fees & Expenses	\$6,500
KHC Admin Fee	\$5,000
Bond Counsel	\$150,000
Trustee Counsel	\$5,000
Borrowers Counsel	\$40,000
TEFRA/Publication/Print	\$5,000
<hr/>	
	\$903,081

Everyone Deserves a Quality Place to Live.

Kentucky Fact Sheet

WE ARE DRIVEN

LDG Development was founded based on our belief that everyone deserves a quality place to live. That is why, for more than 25 years, we have worked to develop close to 20,000 units of high-quality affordable housing for thousands of hardworking families and active seniors across the country, including almost 2,500 units right here in KY. From the first responders who are the front lines of keeping our communities safe; to the service workers who have sacrificed income for service, we make sure that those who help our community run have a place they are proud to call home. By building desirable, welcoming housing, we are doing more than just giving families a great place to live. We are helping communities thrive.



WE BEGIN WITH THE END IN MIND

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

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

WE ARE BUSTING THE MYTHS THAT SURROUND AFFORDABLE HOUSING

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



LDG
DEVELOPMENT

WE ARE BUSTING THE MYTHS THAT SURROUND AFFORDABLE HOUSING

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

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

WE IMPROVE LIVES

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

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



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

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

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

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

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

- **#2** Best Places to Work in Louisville (2021)
- **#1** Developer of Affordable Housing (2020, 2019)
- **#2** Developer of Affordable Housing (2018)
- **#1** Developer of Affordable Housing (2017)
- **#20** Top 25 Builder (2019)
- **#18** Top 50 Developer (2019)

www.ldgdevelopment.com



LDG
DEVELOPMENT

KENTUCKY OFFICE

1469 South Fourth Street
Louisville, KY 40208
(502) 638-0534

GEORGIA OFFICE

510 Plaza Drive
College Park, GA 30349

TENNESSEE OFFICE

414 Union Street, Suite 1900
Nashville, TN, 37219

TEXAS OFFICE

6300 LaCalma Drive, Suite 520
Austin, TX 78752



NEW BOND ISSUE REPORT

NEW BOND ISSUE

Name of bond issue: Kentucky Economic Development Finance Authority Revenue Refunding Bonds, Series 2022 (Masonic Homes of Kentucky Obligated Group). The Bonds are anticipated to be issued in one or more series in an aggregate amount not to exceed [\$75,000,000].

Purpose of issue: The purpose is to (1) refund the Authority's Healthcare Facilities Revenue and Revenue Refunding Bonds, Series 2012 (Masonic Homes of Kentucky, Inc.) (the "Prior Bonds"), which were issued for the purposes of (a) refunding the Kentucky Economic Development Finance Authority Healthcare Facilities Revenue Bonds, Series 2009 (Masonic Homes of Kentucky Inc. Project) and Kentucky Economic Development Finance Authority Healthcare Facilities Revenue Bonds, Series 2010 (Masonic Homes of Kentucky Inc. Project), the collective proceeds of which were used to finance the costs of the acquisition, construction, equipping, and installation of the Sam Swope Care Center on Masonic's campus in St. Matthews, Kentucky (b) refunding a commercial loan facility that was used by Masonic to finance the costs of construction of assisted living facilities on Masonic's campus in Shelbyville, Kentucky, (c) financing the costs of the acquisition, construction, installation, and equipping of a new entrance to the Health Care Center on Masonic's campus in Shelbyville, Kentucky, (d) financing the costs of renovation, construction, and equipping of an adult day care center on Masonic's campus in St. Matthews, Kentucky, (e) funding a debt service reserve, (f) and paying costs of issuance of the Prior Bonds; (2) refund certain commercial credit facilities with First Midwest Bank, which were used for the purpose of financing and refinancing the costs of certain capital improvements to facilities located at the Borrower's campus in St. Matthews, Kenton County, and Shelbyville, Kentucky; (3) fund debt service reserve funds for the Series 2022 Bonds, if needed, and (4) to pay certain expenses incurred in connection with the issuance of the Series 2022 Bonds

Name of project(s) covered by issue: Masonic Home Independent Living II, Inc.

Proposed date of sale: [6/02/2022] Proposed date of issue: [06/30/2022]

Ratings:

Moody's: none Standard & Poor's: none Fitch: [TBD]

Date authorization(s):

If multiple, list on attachment.

A resolution adopted by the City Council of the City of St. Matthews, Kentucky on April 12, 2022; a resolution adopted by the City Council of the City of Shelbyville, Kentucky on April 21, 2022; a resolution adopted by the Fiscal Court of the County of Kenton, Kentucky on April 25, 2022; a Bond Resolution by the Board of Directors of the Kentucky Economic Development Finance Authority on April 28, 2022; other approvals will be obtained in May from the Kentucky State Property & Buildings Commission and the Capital Project and Bond Oversight Joint Committee of

the General Assembly and the Governor with respect to the applicable elected representative approval under Section 147(f) of the Internal Revenue Code of 1986, as amended.

NET PROCEEDS FOR PROJECT: Not to Exceed [\$75,000,000]

Plus:

Issuance costs: Issuance costs, including underwriter's discount, will be approximately [\$1,388,480].

Bond premium: [\$53,139] (net)

Debt service reserve fund: approximately [\$6,442,212] (will also secure other outstanding parity debt)

Insurance premium: N/A

Other (specify): None

GROSS PROCEEDS: Not to exceed [\$75,000,000]

Terms of issue: Net interest rate: [6%]; Length of term: [35] years (level debt service payments, subject to refunding bonds being amortized over the maturity of the refunded bonds)

Gross debt service amount: Approximately [\$156,031,689] (assuming an average rate of approximately 5.5%)

Average annual debt service: Approximately [\$4,875,990] (less DSRF earnings)

First Call Date: To be determined – May differ if different series are issued. Taxable bonds may utilize a make-whole feature.

Premium at first call: [To be determined]

Method of sale (competitive bid or negotiation): Negotiation

Bond counsel: Dinsmore & Shohl LLP

Underwriter counsel: Katten Muchin Rosenman LLP

Financial Advisor: None

Underwriter: B.C. Ziegler and Company

Trustee: Computershare Trust Company, N.A.

Professional Services

Pursuant to the provisions of KRS Chapter 47, the

Agency: Kentucky Economic Development Finance Authority
 Issue: Refunding Revenue Bonds, Series 2022 (Masonic Homes of Kentucky Obligated Group)

is providing information on all costs associated, either directly or indirectly, with the issuance of revenue bonds or notes.

<u>Payee Name/Address*</u>	<u>Participation</u>	<u>Fees, commissions, or any other economic benefits received or anticipated to be received</u>
Kentucky Economic Development Finance Authority Old Capitol Annex 300 West Broadway Frankfort, Kentucky 40601	Issuance Fee	\$10,000
Stites & Harbison PLLC 400 West Market Street, Suite 1800 Louisville, Kentucky 40202	Issuer's Counsel Fee and Expenses	[\$30,000]
Dinsmore & Shohl LLP 101 South Fifth Street, Suite 2500 Louisville, Kentucky 40202	Bond Counsel Fee and Expenses	[\$120,000]
Frost Brown Todd LLC 400 West Market Street Louisville, Kentucky 40202	Borrower Counsel Fee and Expenses	[\$60,000]
Computershare Trust Company, N.A. 10 South Wacker Drive, 13 th Floor Chicago, Illinois 60606	Bond Trustee's Fee	[\$14,000]
Wells Fargo Bank, N.A. 10 South Wacker Drive, 13 th Floor Chicago, Illinois 60606	Master Trustee's Fee	[\$2,000]
Katten Muchin Rosenman LLP 525 West Monroe Street Chicago, Illinois 60661	Underwriter's Counsel	[\$90,000]
MCM CPAs & Advisors 600 Washington Avenue, Suite 1800 St. Louis, Missouri 63101	Providing Comfort Letter regarding Stub Financial Statements	[\$30,000]
Misc./Contingency	Misc.	[\$99,000]**

* Payees listed shall include issuers, underwriters, placement agents and advisors, financial advisors, remarketing agents, credit enhancers, trustees, accountants, and the counsel of all such persons, bond counsel, special tax counsel, and any other persons receiving financing benefit from the issuance of revenue bonds or notes.

** Miscellaneous costs include title insurance, environmental site testing, surveys, Blue Sky fees, printing costs, and other contingencies.

Note: Changes or additions in amounts or names of payees or recipients shall be furnished to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue, and shall be made available to the public, within three (3) days following such change or addition.

SOURCES AND USES

Sources:	Bond Proceeds	[\$68,820,000]
	Premium	\$ [53,139]
	Equity Contribution (Excess CoI)	\$ [40,241]
	Existing Debt Service Reserve Funds	\$ [4,543,450]
	Total Sources	[\$73,456,830]

Debt Service: (attach)

Uses:	Refund Prior Bonds	[\$44,476,988]
	Refund Prior Loans	[\$21,108,000]
	Debt Service Reserve Deposit	\$ [6,442,212]
	Pay Costs of Issuance	\$ [455,000]
	Underwriter's Discount	\$ [963,480]
	Rounding	\$ [11,150]
	Total Uses	[\$73,456,830]

FOR REFUNDING ONLY

Bond issue being refinanced: Kentucky Economic Development Finance Authority Healthcare Facilities Revenue and Revenue Refunding Bonds, Series 2012 (Masonic Homes of Kentucky, Inc.) (the “Prior Bonds”)

Five commercial loans between Masonic Homes of Kentucky, Inc. and/or certain of its affiliates and First Midwest Bank (the “Prior Loans”)

Amount of outstanding principal: \$43,320,000 Prior Bonds

\$21,836,069 Prior Loans

Amount to be refunded: \$43,320,000 Prior Bonds

\$21,836,069 Prior Loans

If less than the outstanding principal is to be refunded, explain: N/A

Terms of existing bond issue: [2045 maturity Prior Bonds] [2045 maturity Prior Loans To Be Confirmed]

Prior Bonds

Net interest rate: [5.35]%

Length of term: [23] years remaining

First call date: November 15, 2022

Premium at first call: None

Average annual debt service: \$[3,260,000]

Prior Loans

Net interest rate: variable ([5%] illustrative rate)

Length of term: [25] year term (average)

First call date: currently callable

Premium at first call: [0]% for \$[N/A] of the Prior Loans

Average annual debt service: \$[1,050,000] (at assumed rate of [5%])

CURRENT REFUNDING ACTIVITY

Prior Bonds

	<u>Funds to apply to refunding</u>
PROCEEDS FROM NEW BONDS:	\$(39,975,000)
RELEASED DEBT SERVICE RESERVE:	\$(4,500,000)
TOTAL AVAILABLE TO PAY OLD BOND ISSUE:	\$(44,475,000)
SAVINGS RESULTING FROM REFINANCING	[\$840,000]
AVERAGE ANNUAL DEBT SERVICE SAVINGS	[\$38,000]
NUMBER OF YRS SAVINGS WILL ACCRUE:	[22] years
TOTAL PRESENT VALUE SAVINGS:	[\$475,000]

Prior Loans

CURRENT REFUNDING ACTIVITY

	<u>Funds to apply to refunding</u>
PROCEEDS FROM NEW BONDS:	\$(21,836,809)
RELEASED DEBT SERVICE RESERVE:	\$(0)
TOTAL AVAILABLE TO PAY OLD BOND ISSUE:	\$(21,836,809)
SAVINGS RESULTING FROM REFINANCING [N/A]	
AVERAGE ANNUAL DEBT SERVICE SAVINGS	\$(N/A)
NUMBER OF YRS SAVINGS WILL ACCRUE:	[N/A] years
TOTAL PRESENT VALUE SAVINGS:	\$(N/A)

BOND DEBT SERVICE

Kentucky Economic Development Finance Authority
 Revenue and Revenue Refunding Bonds, Series 2022AB
 (Masonic Homes Kentucky)

Updated Preliminary Bond Model
 As of April 27, 2022

Period Ending	Principal	Coupon	Interest	Debt Service
11/15/2022	-	-	1,417,945.32	1,417,945.32
11/15/2023	775,000	6.500%	3,781,187.50	4,556,187.50
11/15/2024	825,000	6.500%	3,730,812.50	4,555,812.50
11/15/2025	880,000	6.500%	3,677,187.50	4,557,187.50
11/15/2026	940,000	6.500%	3,619,987.50	4,559,987.50
11/15/2027	1,000,000	6.500%	3,558,887.50	4,558,887.50
11/15/2028	770,000	5.000%	3,493,887.50	4,263,887.50
11/15/2029	810,000	5.000%	3,455,387.50	4,265,387.50
11/15/2030	855,000	5.000%	3,414,887.50	4,269,887.50
11/15/2031	895,000	5.000%	3,372,137.50	4,267,137.50
11/15/2032	940,000	5.000%	3,327,387.50	4,267,387.50
11/15/2033	985,000	5.250%	3,280,387.50	4,265,387.50
11/15/2034	1,035,000	5.250%	3,228,675.00	4,263,675.00
11/15/2035	1,090,000	5.250%	3,174,337.50	4,264,337.50
11/15/2036	1,150,000	5.250%	3,117,112.50	4,267,112.50
11/15/2037	1,210,000	5.250%	3,056,737.50	4,266,737.50
11/15/2038	1,275,000	5.375%	2,993,212.50	4,268,212.50
11/15/2039	1,340,000	5.375%	2,924,681.26	4,264,681.26
11/15/2040	1,415,000	5.375%	2,852,656.26	4,267,656.26
11/15/2041	1,485,000	5.375%	2,776,600.00	4,261,600.00
11/15/2042	1,565,000	5.375%	2,696,781.26	4,261,781.26
11/15/2043	1,650,000	5.375%	2,612,662.50	4,262,662.50
11/15/2044	1,740,000	5.375%	2,523,975.00	4,263,975.00
11/15/2045	1,835,000	5.500%	2,430,450.00	4,265,450.00
11/15/2046	1,935,000	5.500%	2,329,525.00	4,264,525.00
11/15/2047	3,935,000	5.500%	2,223,100.00	6,158,100.00
11/15/2048	4,150,000	5.500%	2,006,675.00	6,156,675.00
11/15/2049	4,385,000	5.500%	1,778,425.00	6,163,425.00
11/15/2050	4,620,000	5.500%	1,537,250.00	6,157,250.00
11/15/2051	4,880,000	5.500%	1,283,150.00	6,163,150.00
11/15/2052	8,980,000	5.500%	1,014,750.00	9,994,750.00
11/15/2053	9,470,000	5.500%	520,850.00	9,990,850.00
	68,820,000		87,211,689.10	156,031,689.10

PRELIMINARY NEW BOND ISSUE REPORT *

Issue: University of Kentucky
 General Receipts (Forward Delivery) Refunding Bonds Series 2024 A

Purpose of Issue: To (i) refund certain outstanding University of Kentucky General Receipts Bonds Series 2014 A for present value savings; and (ii) pay costs of issuance.

Date of Sale: June 1, 2022
 Date of Delivery: January 9, 2024

Ratings:
 Moody's TBD

Series 2024 A (\$)

Sources:

Par amount of bonds:	20,680,000.00
Premium:	1,689,127.50
<u>Total Sources:</u>	<u>22,369,127.50</u>

Uses:

Refunding Escrow Deposit:	22,263,000.00
Issuance Cost:	106,127.50
<u>Total Uses:</u>	<u>22,369,127.50</u>

All-in True Interest Cost:	4.2383%
Final Maturity Date:	4/1/2038
Average Annual Debt Service:	2,417,174.54
Total Debt Service:	34,391,022.22
Average Life (years):	13.26

Refunding Summary:

Bond Issues Being Refinanced:	Series 2014 A
Par Amount of Refunded Bonds:	21,720,000.00
Net PV Savings:	1,352,660.50
Percentage Savings of Refunded Bonds:	6.2277%

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

Based off cashflows and rates as of 4/29/2022
 Preliminary Subject to Change

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

PROFESSIONAL SERVICES:

<u>Firm</u>	<u>Service</u>	<u>Series A Fee (\$)</u>
Dinsmore & Shohl	Bond Counsel	22,500.00
Baird	Financial Advisor	40,000.00
OFM	Financial Advisor	5,170.00
TBD	Underwriter's Counsel	35,000.00
US Bank	Trustee	1,000.00
Misc./Contingency		2,457.50
TOTAL		106,127.50

BOND DEBT SERVICE

University of Kentucky
 General Receipts Refunding Bonds, Series 2024 (Forward Delivery)
 CR of General Receipts Bonds, 2014 Series A
 Illustration: Direct Purchase Forward Delivery - Ref Only Callable 5.00% Maturities (2036-2038)
 4/29/2022
 CPBO NUMBERS

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2024			235,522.22	235,522.22	
06/30/2024					235,522.22
10/01/2024			517,000.00	517,000.00	
04/01/2025			517,000.00	517,000.00	
06/30/2025					1,034,000.00
10/01/2025			517,000.00	517,000.00	
04/01/2026			517,000.00	517,000.00	
06/30/2026					1,034,000.00
10/01/2026			517,000.00	517,000.00	
04/01/2027			517,000.00	517,000.00	
06/30/2027					1,034,000.00
10/01/2027			517,000.00	517,000.00	
04/01/2028			517,000.00	517,000.00	
06/30/2028					1,034,000.00
10/01/2028			517,000.00	517,000.00	
04/01/2029			517,000.00	517,000.00	
06/30/2029					1,034,000.00
10/01/2029			517,000.00	517,000.00	
04/01/2030			517,000.00	517,000.00	
06/30/2030					1,034,000.00
10/01/2030			517,000.00	517,000.00	
04/01/2031			517,000.00	517,000.00	
06/30/2031					1,034,000.00
10/01/2031			517,000.00	517,000.00	
04/01/2032			517,000.00	517,000.00	
06/30/2032					1,034,000.00
10/01/2032			517,000.00	517,000.00	
04/01/2033			517,000.00	517,000.00	
06/30/2033					1,034,000.00
10/01/2033			517,000.00	517,000.00	
04/01/2034			517,000.00	517,000.00	
06/30/2034					1,034,000.00
10/01/2034			517,000.00	517,000.00	
04/01/2035			517,000.00	517,000.00	
06/30/2035					1,034,000.00
10/01/2035			517,000.00	517,000.00	
04/01/2036	6,560,000	5.000%	517,000.00	7,077,000.00	
06/30/2036					7,594,000.00
10/01/2036			353,000.00	353,000.00	
04/01/2037	6,890,000	5.000%	353,000.00	7,243,000.00	
06/30/2037					7,596,000.00
10/01/2037			180,750.00	180,750.00	
04/01/2038	7,230,000	5.000%	180,750.00	7,410,750.00	
06/30/2038					7,591,500.00
	20,680,000		13,711,022.22	34,391,022.22	34,391,022.22



SAVINGS

University of Kentucky
 General Receipts Refunding Bonds, Series 2024 (Forward Delivery)
 CR of General Receipts Bonds, 2014 Series A
 Illustration: Direct Purchase Forward Delivery - Ref Only Callable 5.00% Maturities (2036-2038)
 4/29/2022
 CPBO NUMBERS

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 06/16/2022 @ 4.0189024%
06/30/2024	543,000.00	235,522.22	307,477.78	286,320.38
06/30/2025	1,086,000.00	1,034,000.00	52,000.00	47,000.53
06/30/2026	1,086,000.00	1,034,000.00	52,000.00	45,167.07
06/30/2027	1,086,000.00	1,034,000.00	52,000.00	43,405.13
06/30/2028	1,086,000.00	1,034,000.00	52,000.00	41,711.93
06/30/2029	1,086,000.00	1,034,000.00	52,000.00	40,084.78
06/30/2030	1,086,000.00	1,034,000.00	52,000.00	38,521.10
06/30/2031	1,086,000.00	1,034,000.00	52,000.00	37,018.41
06/30/2032	1,086,000.00	1,034,000.00	52,000.00	35,574.35
06/30/2033	1,086,000.00	1,034,000.00	52,000.00	34,186.62
06/30/2034	1,086,000.00	1,034,000.00	52,000.00	32,853.02
06/30/2035	1,086,000.00	1,034,000.00	52,000.00	31,571.45
06/30/2036	7,976,000.00	7,594,000.00	382,000.00	220,966.07
06/30/2037	7,976,500.00	7,596,000.00	380,500.00	211,421.63
06/30/2038	7,974,750.00	7,591,500.00	383,250.00	204,548.79
	36,416,250.00	34,391,022.22	2,025,227.78	1,350,351.26

Savings Summary

Deliv Date	Refunding Funds on Hand	Total	Present Value to 06/16/2022 @ 4.0189024%
01/09/2024	2,457.50	2,457.50	2,309.24
			2,309.24

PV of savings from cash flow	1,350,351.26
Adjustments	2,309.24
Net PV Savings	1,352,660.50



SUMMARY OF BONDS REFUNDED

University of Kentucky
 General Receipts Refunding Bonds, Series 2024 (Forward Delivery)
 CR of General Receipts Bonds, 2014 Series A
 Illustration: Direct Purchase Forward Delivery - Ref Only Callable 5.00% Maturities (2036-2038)
 4/29/2022
 CPBO NUMBERS

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Receipts Bonds, Series 2014A, 2014A:					
BOND	04/01/2036	5.000%	6,890,000	04/01/2024	100.000
	04/01/2037	5.000%	7,235,000	04/01/2024	100.000
	04/01/2038	5.000%	7,595,000	04/01/2024	100.000
			21,720,000		



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

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

Andy Beshear
GOVERNOR

Holly M. Johnson
SECRETARY

Edgar C. Ross
CONTROLLER

Ryan Barrow
EXECUTIVE DIRECTOR

April 5, 2022

Holly M. Johnson
Secretary
Finance and Administration Cabinet
State Property and Buildings Commission
200 Mero Street, 5th Floor
Frankfort, KY 40622

Dear Secretary Johnson:

Pursuant to KRS 42.420, the Office of Financial Management is required to review and approve the issuance of debt by all state agencies. The attached constitutes the review and approval of the \$85,365,000 State Property and Buildings Commission Revenue Bonds, Project No. 126 Series A dated April 5, 2022.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ryan Barrow".

Ryan Barrow
Executive Director
Office of Financial Management

Attachments

OFM APPROVAL PURSUANT TO KRS 42.420
\$85,365,000
COMMONWEALTH OF KENTUCKY
STATE PROPERTY AND BUILDINGS COMMISSION
REVENUE BONDS, PROJECT NO. 126 SERIES A

DESCRIPTION:

The Bonds are being issued to (i) provide permanent financing for approximately \$100 million General Fund supported capital project authorized by the General Assembly of the Commonwealth of Kentucky in H.B. 1 (2010 Special Session), H.B. 265 (2012 Session), H.B. 235 (2014 Session), H.B. 303 (2016 Session), H.B. 200 (2018 Session), H.B. 268 (2019 Session), H.B. 352 (2020 Session), H.B. 192 (2021 Session), and any additional public projects for which an appropriation is made in the 2022 Session; and, (ii) pay costs of issuance.

BOND SUMMARY STATISTICS:

Par Amount:	\$85,365,000
Pricing Date:	March 8, 2022
Closing Date:	April 5, 2022
Dated Date:	April 5, 2022
Final Maturity:	May 1, 2042
Arbitrage Yield:	2.4492%
TIC:	3.0124%
NIC:	3.3582%
All-In TIC:	3.0253%
Benchmark (BBWK20GO):	2.33% (March 8, 2022)
Method of Sale:	Negotiated
Underwriter:	Citigroup

RATINGS:

Moody's:	A1
Fitch Ratings:	A+

SOURCES AND USES OF FUNDS:

SOURCES OF FUNDS:

Par Amount of Bonds	\$ 85,365,000.00
Net Original Issue Premium	<u>15,111,184.00</u>
TOTAL SOURCES	\$ 100,476,184.00

USES OF FUNDS:

Deposit to Project Fund	\$ 100,000,000.00
Costs of Issuance*	<u>476,184.00</u>
TOTAL USES	\$ 100,476,184.00

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

PROFESSIONAL SERVICES:

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

Firm	Service	Fee
Bond Link	Printer / Roadshow	\$ 11,511.90
U.S. Bank	Trustee	1,500.00
Kutak Rock LLP	Bond Counsel	15,000.00
Moody's	Rating Service	26,500.00
Fitch Ratings	Rating Service	34,000.00
OFM	Financial Advisor	21,341.25
	Contingency / Misc.	<u>14,638.01</u>
TOTAL		\$ 124,491.16

GROSS SPREAD/UNDERWRITER'S DISCOUNT:

	Per Bond	Total
Underwriter's Average Takedown	3.86764	\$ 330,161.25
Underwriter's Other Fee	0.15223	12,995.09
Underwriter's Counsel	<u>0.10000</u>	<u>8,536.50</u>
TOTAL	4.11987	\$ 351,692.84

COST OF ISSUANCE GRAND TOTAL: **\$476,184.00**

ATTACHMENTS:

OS Cover
Bond Debt Service Schedule

In the opinion of Bond Counsel for the Bonds, based upon an analysis of laws, regulations, rulings and court decisions, and assuming continuing compliance with certain covenants made by the Commission, and subject to the conditions and limitations set forth herein under the caption "TAX TREATMENT," interest on the Bonds is excludible from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds is exempt from Kentucky income tax and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See "TAX TREATMENT" herein for a more complete discussion, and EXHIBIT E – "FORM OF BOND COUNSEL OPINION FOR THE BONDS."



COMMONWEALTH OF KENTUCKY
State Property and Buildings Commission
\$85,365,000 Revenue Bonds, Project No. 126 Series A

Dated: Date of Delivery

Maturity: May 1, as shown on inside cover

The Commonwealth of Kentucky State Property and Buildings Commission (the "Commission") is issuing its Revenue Bonds, Project No. 126 Series A (the "Bonds"). The Bonds will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Purchasers will not receive certificates representing their ownership interest in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of, premium, if any, and interest due on the Bonds will be made directly to DTC. The Bonds will be issued in denominations of \$5,000 or any integral multiple thereof. The Bonds will bear interest payable on each May 1 and November 1, commencing on November 1, 2022. Principal of, premium, if any, and interest on the Bonds will be paid directly to DTC by U.S. Bank Trust Company, National Association, Louisville, Kentucky, as Trustee and Paying Agent.

The Bonds mature on the dates and in the principal amounts, bearing semiannual interest and have the prices and/or yields shown on the inside cover.

The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Redemption".

The Bonds are being issued by the Commission, an independent agency of the Commonwealth of Kentucky (the "Commonwealth"), at the request of the Finance and Administration Cabinet of the Commonwealth (the "Cabinet") pursuant to a Bond Resolution adopted on February 8, 2022 (the "Resolution"). The Bonds are being issued to (i) pay the costs of the Project (as defined herein) and (ii) pay costs of issuing the Bonds.

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

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

The Bonds are offered when, as and if issued and accepted by the Underwriters, subject to the approving legal opinion of Kutak Rock LLP, Omaha, Nebraska, Bond Counsel. Certain legal matters will be passed on for the Underwriters by their counsel, Stites & Harbison, PLLC, Louisville, Kentucky. It is expected that the Bonds will be available for delivery in New York New York, through the book entry procedures of DTC, on or about April 5, 2022.

Citigroup

Morgan Stanley

Baird

FHN Financial Capital Markets

Raymond James

PNC Capital Markets LLC

First Kentucky Securities Corp.

BOND DEBT SERVICE

Kentucky State Property and Buildings Commission
Revenue Bonds, Project No. 126 Series A
Rates as of March 7, 2022
Final Cashflows

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2023	2,405,000	** %	4,341,454.58	6,746,454.58
06/30/2024	2,800,000	** %	3,948,775.00	6,748,775.00
06/30/2025	2,915,000	** %	3,828,775.00	6,743,775.00
06/30/2026	3,045,000	** %	3,703,025.00	6,748,025.00
06/30/2027	3,175,000	** %	3,570,775.00	6,745,775.00
06/30/2028	3,320,000	5.000%	3,427,025.00	6,747,025.00
06/30/2029	3,485,000	5.000%	3,261,025.00	6,746,025.00
06/30/2030	3,660,000	5.000%	3,086,775.00	6,746,775.00
06/30/2031	3,840,000	** %	2,903,775.00	6,743,775.00
06/30/2032	4,025,000	5.000%	2,721,150.00	6,746,150.00
06/30/2033	4,225,000	5.000%	2,519,900.00	6,744,900.00
06/30/2034	4,440,000	5.000%	2,308,650.00	6,748,650.00
06/30/2035	4,660,000	5.000%	2,086,650.00	6,746,650.00
06/30/2036	4,895,000	5.000%	1,853,650.00	6,748,650.00
06/30/2037	5,135,000	** %	1,608,900.00	6,743,900.00
06/30/2038	5,350,000	4.000%	1,393,500.00	6,743,500.00
06/30/2039	5,565,000	5.000%	1,179,500.00	6,744,500.00
06/30/2040	5,845,000	5.000%	901,250.00	6,746,250.00
06/30/2041	6,135,000	5.000%	609,000.00	6,744,000.00
06/30/2042	6,445,000	** %	302,250.00	6,747,250.00
	85,365,000		49,555,804.58	134,920,804.58



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

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

Andy Beshear
GOVERNOR

Holly M. Johnson
SECRETARY

Edgar C. Ross
CONTROLLER

Ryan Barrow
EXECUTIVE DIRECTOR

April 5, 2022

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

Dear Chairman Beshear:

Pursuant to KRS 42.420, the Office of Financial Management is required to review and approve the issuance of debt by all state agencies. The attached constitutes the review and approval of the Turnpike Authority debt issuance which consisted of tax-exempt \$56,875,000 Turnpike Authority of Kentucky Economic Development Road Revenue Refunding Bonds (Revitalization Projects), Series 2022 A dated April 5, 2022.

Sincerely,

Ryan Barrow

Ryan Barrow
Executive Director, Office of Financial Management

Attachments

FINAL BOND ISSUE REPORT

OFM APPROVAL PURSUANT TO KRS 42.420

\$56,875,000

Kentucky Turnpike Authority

Economic Development Road Revenue Refunding Bonds, 2022 Series A
(Revitalization Project)

DESCRIPTION:

The transaction design authorized multiple series of bonds to allow for financing flexibility and positioned the Authority to capture economic savings utilizing current and advance refunding of existing debt service. The 2022 Series A Bonds were issued to current refund on a forward basis certain outstanding Economic Development Road Revenue Refunding Bonds (Revitalization Projects), 2012 Series A. Any Series issued financed the costs associated with the issuance.

BOND SUMMARY STATISTICS:

	Series A
Par Amount:	\$56,875,000.00
Pricing Date:	9/21/21
Closing Date:	4/5/22
Dated Date:	4/5/22
Final Maturity:	7/1/32
Average Annual Debt Service:	\$7,998,874.80
Total Debt Service:	\$81,899,590.28
Average Life (years):	8.800
Arbitrage Yield:	1.362%
TIC:	1.561%
NIC:	1.801%
All-In TIC:	1.576%
Benchmark (BBWK20GO September 21, 2021):	2.15%

FINAL BOND ISSUE REPORT

RATINGS:

Moody's	Aa3
Kroll	AA-

SOURCES AND USES OF FUNDS:

	<u>Series A</u>
SOURCES OF FUNDS:	
Par amount of bonds:	\$56,875,000.00
Plus Premium	16,249,556.25
TOTAL SOURCES	<u>\$73,124,556.25</u>
USES OF FUNDS:	
Cash Deposit	\$72,800,950.05
Cost of Issuance*	323,606.20
TOTAL USES	<u>\$73,124,556.25</u>

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

REFUNDING:

Par Amount of Refunded Bonds:	\$71,100,000.00
Net PV Savings:	\$17,787,267.40
% Savings of Refunded Bonds:	25.017%
Additional Forward Investment Earnings:	\$84,109.29
Method of Sale:	Negotiated
Bond Counsel:	Dinsmore & Shohl, LLP
Underwriter:	J.P. Morgan
Underwriters' Counsel:	Stites & Harbison
Trustee:	BNY Mellon Trust Co.
Financial Advisor:	OFM

Final Cashflows as of October 11, 2021

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

PROFESSIONAL SERVICES:

Service	Series A
Bond Counsel	\$22,750.00
Moody's	13,004.67
Kroll	12,731.86
Trustee	9,094.18
Verification Agent	563.84
OFM Fee	14,218.75
Misc./Contingency	6,091.60
Delivery of Bond Transcripts	491.08
BondLink	<u>4,910.86</u>
TOTAL	\$83,856.84

GROSS SPREAD/UNDERWRITER'S DISCOUNT:

	Series A
Average Takedown	\$220,737.50
Day Loan	1,822.12
CUSIP	380.00
DTC Charge	400.00
DALCOMP/IPREO	3,715.36
Underwriter's Counsel	12,512.50
Out-of-Pocket	<u>181.88</u>
TOTAL	\$239,749.36

COST OF ISSUANCE GRAND TOTAL: \$323,606.20

NEW ISSUE—BOOK-ENTRY-ONLY

RATINGS: Moody's: Aa3
Kroll: AA-

In the opinion of Dinsmore & Shohl, LLP, Bond Counsel, under existing law, (i) interest on the 2021 Series A Bonds and the 2022 Series A Bonds will be excludible from gross income of the holders thereof for purposes of federal income taxation and interest on the 2021 Series A Bonds and the 2022 Series A Bonds will not be a specific item of tax preference for purposes of the federal alternative minimum tax, (ii) interest on the 2021 Series B Bonds, is not excludible from the gross income of the holders thereof for purposes of federal income taxation, and (iii) interest on the Bonds is exempt from income taxation by the Commonwealth of Kentucky and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions, all subject to the qualifications described herein under the heading "TAX MATTERS."

\$156,350,000
THE TURNPIKE AUTHORITY OF KENTUCKY
Economic Development Road Revenue Refunding Bonds
(Revitalization Projects)

Economic Development Road Revenue Refunding Bonds (Revitalization Projects)	Economic Development Road Revenue Refunding Bonds (Revitalization Projects)	Economic Development Road Revenue Refunding Bonds (Revitalization Projects)
\$13,580,000	\$85,895,000	\$56,875,000
2021 Series A	2021 Series B (Federally Taxable)	2022 Series A (Forward Delivery)

Dated: Date of delivery

Due: July 1, as shown on inside cover.

The Turnpike Authority of Kentucky (the "Authority") is issuing its Economic Development Road Revenue Refunding Bonds (Revitalization Projects), 2021 Series A (the "2021 Series A Bonds"), Economic Development Road Revenue Refunding Bonds (Revitalization Projects), 2021 Series B (Federally Taxable) (the "2021 Series B Bonds", which together with the 2021 Series A Bonds, the "2021 Series Bonds") and Economic Development Road Revenue Refunding Bonds (Revitalization Projects), 2022 Series A (Forward Delivery) (the "2022 Series A Bonds", and together with the 2021 Series Bonds, the "Bonds") pursuant to a Trust Indenture dated as of October 1, 1990, as supplemented by a First Supplemental Trust Indenture dated as of November 15, 2000 (collectively, the "Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A. as successor to J.P. Morgan Trust Company, National Association, Louisville, Kentucky, as Trustee and Paying Agent (the "Trustee"). The 2021 Series A Bonds are being issued pursuant to a resolution adopted by the Authority on January 14, 2021 (the "Bond Resolution") to (i) currently refund serial maturities of the Outstanding Economic Development Road Revenue and Revenue Refunding Bonds (Revitalization Projects), 2011 Series A, and (ii) pay certain costs of issuance of the 2021 Series A Bonds. The 2021 Series B Bonds are being issued pursuant to the Bond Resolution to (i) advance refund certain serial maturities of the Outstanding Economic Development Road Revenue and Revenue Refunding Bonds (Revitalization Projects), 2013 Series A, and (ii) pay certain costs of issuance of the 2021 Series B Bonds. The 2022 Series A Bonds are being issued pursuant to the Bond Resolution to (i) currently refund on a forward basis a portion of certain serial maturities of the Outstanding Economic Development Road Revenue Bonds (Revitalization Projects), 2012 Series A, and (ii) pay certain costs of issuance of the 2022 Series A Bonds.

The Bonds will be issued only as fully registered bonds without coupons in denominations of \$5,000 or any integral multiples thereof, and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Interest on the 2021 Series Bonds will be payable on each January 1 and July 1, beginning January 1, 2022. Interest on the 2022 Series A Bonds will be payable on each January 1 and July 1 beginning July 1, 2022. Purchases will be made in book-entry-only form, except as permitted by the Indenture. Purchasers of the Bonds will not receive physical delivery of bond certificates. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, interest together with the principal of the Bonds will be paid directly to DTC by the Trustee. See "DESCRIPTION OF BONDS — Book-Entry-Only System."

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

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

The Bonds are offered, subject to prior sale, when, as and if issued by the Authority and accepted by the Underwriters, subject to the approval of legality by Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel, and subject to certain other conditions. Certain legal matters will be passed upon for the Underwriters by their counsel, Stites & Harbison, PLLC, Louisville, Kentucky. It is expected that the 2021 Series Bonds will be available for delivery through DTC in New York, New York on or about October 12, 2021. It is expected that the 2022 Series A Bonds will be available for delivery through DTC in New York, New York on or about April 5, 2022. See "INVESTMENT CONSIDERATIONS – Certain Forward Delivery Considerations For The 2022 Series A Bonds" for certain conditions regarding the obligations of the Underwriters to purchase the 2022 Series A Bonds and certain risks to the purchasers of the 2022 Series A Bonds resulting from the forward delivery thereof.

J.P. MORGAN

Baird
FHN Financial Capital Markets

Raymond James

PNC Capital Markets
First Kentucky Securities Corp.

Dated: September 21, 2021

SUMMARY OF BONDS REFUNDED

Kentucky Turnpike Authority
Economic Development Road Revenue Refunding Bonds (Revitalization Projects)
Final Verified Cash Flows

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2011A: Econ Dev Road Rev & Rev Refunding, SERIAL:					
	07/01/2029	4.750%	520,000.00	10/22/2021	100.000
	07/01/2029	5.000%	5,165,000.00	10/22/2021	100.000
	07/01/2030	4.875%	600,000.00	10/22/2021	100.000
	07/01/2030	5.000%	5,345,000.00	10/22/2021	100.000
	07/01/2031	4.875%	6,285,000.00	10/22/2021	100.000
			17,915,000.00		
Series 2012: Econ Dev Road Rev, SERIAL:					
	07/01/2023	2.500%	100,000.00	07/01/2022	100.000
	07/01/2027	3.125%	2,890,000.00	07/01/2022	100.000
	07/01/2029	4.000%	3,000,000.00	07/01/2022	100.000
	07/01/2029	5.000%	12,825,000.00	07/01/2022	100.000
	07/01/2030	5.000%	16,585,000.00	07/01/2022	100.000
	07/01/2031	5.000%	17,415,000.00	07/01/2022	100.000
	07/01/2032	3.625%	4,830,000.00	07/01/2022	100.000
	07/01/2032	5.000%	13,455,000.00	07/01/2022	100.000
			71,100,000.00		
Economic Development Road Revenue Bonds, 2013 Series A, SER:					
	07/01/2028	4.250%	3,365,000.00	07/01/2023	100.000
	07/01/2028	5.000%	8,115,000.00	07/01/2023	100.000
	07/01/2029	5.000%	12,025,000.00	07/01/2023	100.000
	07/01/2030	5.000%	12,625,000.00	07/01/2023	100.000
	07/01/2031	5.000%	13,260,000.00	07/01/2023	100.000
	07/01/2032	5.000%	13,920,000.00	07/01/2023	100.000
	07/01/2033	4.625%	1,685,000.00	07/01/2023	100.000
	07/01/2033	5.000%	12,935,000.00	07/01/2023	100.000
			77,930,000.00		
			166,945,000.00		

BOND DEBT SERVICE

Kentucky Turnpike Authority
Economic Development Road Revenue Refunding Bonds, 2022 Series A

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/01/2022			679,340.28	679,340.28	679,340.28
01/01/2023			1,421,875.00	1,421,875.00	
07/01/2023			1,421,875.00	1,421,875.00	2,843,750.00
01/01/2024			1,421,875.00	1,421,875.00	
07/01/2024			1,421,875.00	1,421,875.00	2,843,750.00
01/01/2025			1,421,875.00	1,421,875.00	
07/01/2025			1,421,875.00	1,421,875.00	2,843,750.00
01/01/2026			1,421,875.00	1,421,875.00	
07/01/2026			1,421,875.00	1,421,875.00	2,843,750.00
01/01/2027			1,421,875.00	1,421,875.00	
07/01/2027			1,421,875.00	1,421,875.00	2,843,750.00
01/01/2028			1,421,875.00	1,421,875.00	
07/01/2028			1,421,875.00	1,421,875.00	2,843,750.00
01/01/2029			1,421,875.00	1,421,875.00	
07/01/2029	13,195,000	5.000%	1,421,875.00	14,616,875.00	16,038,750.00
01/01/2030			1,092,000.00	1,092,000.00	
07/01/2030	13,855,000	5.000%	1,092,000.00	14,947,000.00	16,039,000.00
01/01/2031			745,625.00	745,625.00	
07/01/2031	14,550,000	5.000%	745,625.00	15,295,625.00	16,041,250.00
01/01/2032			381,875.00	381,875.00	
07/01/2032	15,275,000	5.000%	381,875.00	15,656,875.00	16,038,750.00
	56,875,000		25,024,590.28	81,899,590.28	81,899,590.28

SAVINGS

Kentucky Turnpike Authority
Economic Development Road Revenue Refunding Bonds, 2022 Series A

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 10/12/2021 @ 1.3623583%
07/01/2022	1,700,950.00	679,340.28	1,021,609.72	1,021,609.72	1,011,679.03
01/01/2023	1,700,950.00	1,421,875.00	279,075.00		274,492.43
07/01/2023	1,800,950.00	1,421,875.00	379,075.00	658,150.00	370,327.78
01/01/2024	1,699,700.00	1,421,875.00	277,825.00		269,577.83
07/01/2024	1,699,700.00	1,421,875.00	277,825.00	555,650.00	267,753.95
01/01/2025	1,699,700.00	1,421,875.00	277,825.00		265,942.40
07/01/2025	1,699,700.00	1,421,875.00	277,825.00	555,650.00	264,143.12
01/01/2026	1,699,700.00	1,421,875.00	277,825.00		262,356.00
07/01/2026	1,699,700.00	1,421,875.00	277,825.00	555,650.00	260,580.98
01/01/2027	1,699,700.00	1,421,875.00	277,825.00		258,817.96
07/01/2027	4,589,700.00	1,421,875.00	3,167,825.00	3,445,650.00	2,931,136.09
01/01/2028	1,654,543.75	1,421,875.00	232,668.75		213,827.99
07/01/2028	1,654,543.75	1,421,875.00	232,668.75	465,337.50	212,381.30
01/01/2029	1,654,543.75	1,421,875.00	232,668.75		210,944.39
07/01/2029	17,479,543.75	14,616,875.00	2,862,668.75	3,095,337.50	2,577,820.80
01/01/2030	1,273,918.75	1,092,000.00	181,918.75		162,708.71
07/01/2030	17,858,918.75	14,947,000.00	2,911,918.75	3,093,837.50	2,586,808.58
01/01/2031	859,293.75	745,625.00	113,668.75		100,294.66
07/01/2031	18,274,293.75	15,295,625.00	2,978,668.75	3,092,337.50	2,610,421.65
01/01/2032	423,918.75	381,875.00	42,043.75		36,596.67
07/01/2032	18,708,918.75	15,656,875.00	3,052,043.75	3,094,087.50	2,638,655.07
	101,532,887.50	81,899,590.28	19,633,297.22	19,633,297.22	17,787,267.40

Savings Summary

PV of savings from cash flow	17,787,267.40
Net PV Savings	17,787,267.40

AGGREGATE DEBT SERVICE

Kentucky Turnpike Authority
 Economic Development Road Revenue Refunding Bonds (Revitalization Projects)
 Final Verified Cash Flows

Date	Economic Development Road Revenue Refunding Bonds, 2021 Series A	Economic Development Road Revenue Refunding Bonds, 2021 Series B	Economic Development Road Revenue Refunding Bonds, 2022 Series A	Unrefunded Bonds	Aggregate Debt Service
01/01/2022	149,002.78	347,810.23		20,093,909.03	20,590,722.04
07/01/2022	339,500.00	2,617,479.00	679,340.28	108,877,959.03	112,514,278.31
01/01/2023	339,500.00	790,964.25	1,421,875.00	16,240,436.13	18,792,775.38
07/01/2023	339,500.00	1,825,964.25	1,421,875.00	110,520,436.13	114,107,775.38
01/01/2024	339,500.00	789,587.70	1,421,875.00	13,975,042.35	16,526,005.05
07/01/2024	339,500.00	1,829,587.70	1,421,875.00	112,885,042.35	116,476,005.05
01/01/2025	339,500.00	786,717.30	1,421,875.00	11,606,031.15	14,154,123.45
07/01/2025	339,500.00	1,831,717.30	1,421,875.00	115,256,031.15	118,849,123.45
01/01/2026	339,500.00	782,140.20	1,421,875.00	9,038,081.25	11,581,596.45
07/01/2026	339,500.00	1,837,140.20	1,421,875.00	99,298,081.25	102,896,596.45
01/01/2027	339,500.00	775,936.80	1,421,875.00	6,778,768.50	9,316,080.30
07/01/2027	339,500.00	1,840,936.80	1,421,875.00	85,153,768.50	88,756,080.30
01/01/2028	339,500.00	768,385.95	1,421,875.00	4,820,324.93	7,350,085.88
07/01/2028	339,500.00	13,328,385.95	1,421,875.00	78,170,324.93	93,260,085.88
01/01/2029	339,500.00	663,635.55	1,421,875.00	2,953,948.80	5,378,959.35
07/01/2029	4,649,500.00	13,428,635.55	14,616,875.00	38,558,948.80	71,253,959.35
01/01/2030	231,750.00	550,792.95	1,092,000.00	2,009,397.45	3,883,940.40
07/01/2030	4,731,750.00	13,540,792.95	14,947,000.00	28,674,397.45	61,893,940.40
01/01/2031	119,250.00	429,466.35	745,625.00	1,285,002.50	2,579,343.85
07/01/2031	4,889,250.00	13,664,466.35	15,295,625.00	10,135,002.50	43,984,343.85
01/01/2032		299,233.95	381,875.00	1,081,602.50	1,762,711.45
07/01/2032		13,794,233.95	15,656,875.00	8,981,602.50	38,432,711.45
01/01/2033		156,321.90		884,102.50	1,040,424.40
07/01/2033		13,941,321.90		10,534,102.50	24,475,424.40
01/01/2034				642,852.50	642,852.50
07/01/2034				10,772,852.50	10,772,852.50
01/01/2035				429,965.00	429,965.00
07/01/2035				10,984,965.00	10,984,965.00
01/01/2036				225,715.00	225,715.00
07/01/2036				8,265,715.00	8,265,715.00
01/01/2037				57,000.00	57,000.00
07/01/2037				2,337,000.00	2,337,000.00
	19,523,502.78	100,621,655.03	81,899,590.28	931,528,409.18	1,133,573,157.27



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Larry Hayes
Interim Secretary

April 1, 2022

The Honorable Christian McDaniel, Co-Chair
The Honorable Jason Petrie, Co-Chair
Joint Committee on Appropriations and Revenue
Room 160, Capitol Annex
702 Capital Avenue
Frankfort, Kentucky 40601

Dear Senator McDaniel and Representative Petrie:

Pursuant to KRS 45.816, I have enclosed information relative to the costs associated with the issuance of revenue bonds issued by the Kentucky Economic Development Finance Authority (KEDFA) for the Baptist Healthcare System Obligated Group Series 2022.

The listing of costs associated with the bond issue is submitted to KEDFA and the Office of Financial Management (OFM) from bond counsel and is commonly referred to as "Exhibit B" (see attached form). The Commonwealth is not responsible for the payment of costs for the revenue bond issue; however, KRS 45.816 requires the cost information to be furnished to the Capital Projects and Bond Oversight Committee (CPBOC) and the Interim Joint Committee on Appropriations and Revenue.

If you have any questions or if I can be of assistance to you, please contact me at (502) 782-1987.

Sincerely,

A handwritten signature in blue ink, appearing to read "Katie Smith".

Katie Smith
Commissioner

Enclosure

cc: Jennifer Hays

KEDFA BOND INFORMATION FORM

Name of Issue: Kentucky Economic Development Finance Authority Hospital Revenue Refunding Bonds, Series 2022A-1 and Series 2022A-2 (Baptist Healthcare System Obligated Group)

Name of project(s) covered by Issue: Refunding of costs of various existing Baptist Healthcare System Projects – See Exhibit A

Purpose of Issue: The 2022A-1 and 2022A-2 Bonds are being issued to refund all of the outstanding Kentucky Economic Development Finance Authority Variable Rate Demand Hospital Revenue Bonds, Series 2009B-1 through 2009B-4 (Baptist Healthcare System Obligated Group), currently outstanding in a total principal amount of \$284,435,000

Size: \$284,435,000

Date of Sale: March 31, 2022

Date of Issue: April 1, 2022

Maturity: August 15, 2038

Ratings: A1 (Moody's) / A+ (Fitch)

Security: Master Trust Indenture Obligation of Baptist Healthcare System Obligated Group, secured by a pledge of revenues of the Baptist Healthcare System Obligated Group

Date authorization(s): February 24, 2022 (KEDFA approval)
 March 10, 2022 (State Property and Buildings Commission)
 March 16, 2022 (Capital Projects and Bond Oversight Committee via Cabinet Notification)
 March 17, 2022 (Office of Financial Management of the Finance and Administration Cabinet)

Net Proceeds for Refunding: \$284,435,000

GROSS PROCEEDS: \$284,435,000

Terms of issue: The 2022A-1 Bonds will be privately placed with Bank of America National Association. The 2022A-2 Bonds will be privately placed with DNT Asset Trust, a wholly-owned subsidiary of JPMorgan Chase Bank, N.A.

Net interest rate: 2022A-1 Bonds: 1.85%
2022A-2 Bonds: 1.80%

Length of term: 16.5 years

Gross debt service amount: \$343,388,582

Average annual debt service: \$20,199,328

First call date: Non-Callable at par
Premium at first call: Make-Whole Premium

Security: See above

Method of sale: Negotiated

Purchasers: 2022A-1: Bank of America National Association
2022A-2: DNT Asset Trust, a wholly-owned subsidiary of JPMorgan Chase Bank, N.A.

Professional Services

Pursuant to the provisions of KRS Chapter 47, the

Agency: Kentucky Economic Development Finance Authority
Issue: Hospital Revenue Refunding Bonds, Series 2022A (Baptist Healthcare System Obligated Group)

is providing information on all costs associated, either directly or indirectly, with the issuance of revenue bonds or notes.

<u>Payee Name/Address*</u>	<u>Participation</u>	<u>Fees, commissions, or any other economic benefits received or anticipated to be received</u>
Kentucky Economic Development Finance Authority Old Capitol Annex 300 West Broadway Frankfort, KY 40601	Issuance Fee	\$10,000

Hall, Render, Killian, Heath & Lyman 500 North Meridian St., Suite 400 Indianapolis, IN 46204	Bond Counsel Fee and Expenses	\$105,000
Dinsmore 101 South Fifth Street, Suite 2500 Louisville, KY 40202	Borrower Counsel Fee and Expenses	\$93,319
U.S. Bank Trust Company National Association 435 N. Whittington Parkway Louisville, KY 40202	Trustee's Fee	\$20,300
Stites & Harbison PLLC 400 West Market Street, Suite 1800 Louisville, KY 40202	Issuer's Counsel Fee and Expenses	\$20,000
H2C Securities Inc. 623 Fifth Avenue, 29 th Floor New York, NY 10022	Financial Advisory Fee	\$856,035
Chapman and Cutler LLP 111 West Monroe Street Chicago, IL 60603	Counsel to to 2022A-2 Purchaser	\$40,000
Mark Raymond 8416 Man O War Road Palm Beach Gardens, FL 33418	Counsel to 2022A-1 Purchaser	\$30,030
Misc./Contingency	Misc.	\$0

* Payees listed shall include issuers, underwriters, placement agents and advisors, financial advisors, remarketing agents, credit enhancers, trustees, accountants, and the counsel of all such persons, bond counsel, special tax counsel, and any other persons receiving financing benefit from the issuance of revenue bonds or notes.

Note: Changes or additions in amounts or names of payees or recipients shall be furnished to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue, and shall be made available to the public, within three (3) days following such change or addition.

SOURCES AND USES (attach)

Sources:	Bond Proceeds	\$284,435,000
	Total Sources	\$284,435,000

Debt Service: (attach)

Uses:	Refunding of 2009B-1 Bonds	\$66,065,000
	Refunding of 2009B-2 Bonds	\$65,660,000
	Refunding of 2009B-3 Bonds	\$76,555,000
	Refunding of 2009B-4 Bonds	\$76,155,000
	Rounding	\$0
	Total Uses	\$284,435,000

FOR REFUNDING ONLY

Bond issue being refinanced: All of the outstanding Kentucky Economic Development Finance Authority Variable Rate Demand Hospital Revenue Bonds, Series 2009B-1 through 2009B-4 (Baptist Healthcare System Obligated Group)

Amount of principal: Same as to be refunded **Amount to be refunded:** 2009B-1 through 2009B-4 = \$284,435,000 (See sources and uses for sub-series amounts)

Terms of existing bond issue:

Net interest rate (spot rates):	2009B-1 = 0.68%	Length of term remaining until mandatory tender:	2009B-1 = 3 years
	2009B-2 = 0.78%		2009B-2 = 3 years
	2009B-3 = 0.64%		2009B-3 = 3 years
	2009B-4 = 0.64%		2009B-4 = 3 years

First call date: Any date **Call at par:** Any date

Average annual debt service 2009B-1 through 2009B-4 = \$21,185,491

REFUNDING ACTIVITY

Funds to apply to refunding:	\$0.00
Proceeds from New Bonds:	\$284,435,000
Released Debt Service Reserve:	\$0.00
Total Available to Pay Old Bond Issue:	\$284,435,000

SAVINGS RESULTING FROM REFINANCING

Average annual debt service savings:	\$986,163
Number of years savings will accrue:	16.5
Total present value savings:	\$13,354,931

Assumes: 30-year average of 1-ML, no change to Baptist's credit rating, Baptist's existing variable direct placements could be renewed at existing rates and terms until maturity, PV rate of 4.0%

EXHIBIT A

PRIOR BONDS TO BE REFUNDED

The Prior Bonds will be refunded with the proceeds of the Bonds.

PRIOR PROJECTS

Proceeds of the Prior Bonds were used to finance and refinance all or any portion of the purchase, acquisition, construction, enlargement, remodeling, renovation, improvement, furnishing or equipping of the hospitals, health care and health related facilities, including land, owned or operated by Baptist Health or its affiliates and generally located at the addresses, all as described below:

1. Baptist Health Corbin, generally located at 1 Trillium Way, Corbin, Whitley County, Kentucky (\$20,000,000 maximum principal amount).
 - a. Acquisition, construction or renovation of inpatient and outpatient hospital facilities, including, but not limited to, facilities for surgical, cardiovascular, pharmacy and behavioral health services, and associated medical and office equipment and furnishings.
2. Baptist Health LaGrange, generally located at 1025 New Moody Land, LaGrange, Oldham County, Kentucky (\$6,000,000 maximum principal amount).
 - a. Acquisition, construction or renovation of inpatient and outpatient hospital facilities, including, but not limited to, facilities for women's health, emergency and endoscopy services, and associated medical and office equipment and furnishings.
3. Baptist Health Lexington, generally located at 1740 Nicholasville Road, Lexington, Fayette County, Kentucky (\$60,000,000 maximum principal amount).
 - a. Acquisition, construction or renovation of inpatient and outpatient hospital facilities, including, but not limited to, facilities for surgical, obstetrical, intensive care, emergency, and radiation therapy services, purchase of associated land, and associated site improvements, and associated medical and office equipment and furnishings.
4. Baptist Health Paducah, generally located at 2501 Kentucky Avenue, Paducah, McCracken County, Kentucky (\$71,000,000 maximum principal amount).
 - a. Acquisition, construction or renovation of inpatient and outpatient medical facilities, including, but not limited to, facilities for cardiovascular services and associated medical and office equipment and furnishings.

5. Baptist Health Louisville, generally located at 4000 Kresge Way, St. Matthews, Jefferson County, Kentucky (\$140,000,000 maximum principal amount).
 - a. Acquisition, construction or renovation of inpatient and outpatient medical facilities, medical office buildings and educational buildings, including, but not limited to, facilities for emergency, cardiovascular, surgical, radiology, intensive care, rehabilitation, pediatric, women's health, dialysis, pharmacy, dietary and lab services, and associated medical and office equipment and furnishings.

6. Baptist Health Support Services, generally located at 4007 Kresge Way, St. Matthews, Jefferson County, Kentucky (\$75,000,000 maximum principal amount).
 - a. Acquisition, construction or renovation of facilities and purchase of and upgrades to medical and office equipment and furnishings and information technology infrastructure and equipment.

SOURCES AND USES

**Series 2022A-1
Refunding of Baptist's Series 2009B1 and 2009B2 Bonds**

Sources:

Bond Proceeds:	
Par Amount	131,725,000.00
	<hr/>
	131,725,000.00

Uses:

Refunding Escrow Deposits:	
Cash Deposit	131,725,000.00
	<hr/>
	131,725,000.00

SOURCES AND USES OF FUNDS

Series 2022A-2

Refunding of Baptist's Series 2009B3 and 2009B4 Bonds

Sources:

Bond Proceeds:	
Par Amount	152,710,000.00

	152,710,000.00
--	----------------

Uses:

Refunding Escrow Deposits:	
Cash Deposit	152,710,000.00

	152,710,000.00
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BOND DEBT SERVICE

**Series 2022A-1
Refunding of Baptist's Series 2009B1 and 2009B2 Bonds**

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>
08/15/2022			832,611.76	832,611.76
08/15/2023			2,470,758.48	2,470,758.48
08/15/2024			2,477,527.68	2,477,527.68
08/15/2025			2,470,758.48	2,470,758.48
08/15/2026			2,470,758.48	2,470,758.48
08/15/2027	8,825,000	1.850%	2,476,654.07	11,301,654.07
08/15/2028	9,370,000	1.850%	2,317,803.85	11,687,803.85
08/15/2029	9,720,000	1.850%	2,135,969.44	11,855,969.44
08/15/2030	10,045,000	1.850%	1,953,869.06	11,998,869.06
08/15/2031	10,395,000	1.850%	1,765,689.33	12,160,689.33
08/15/2032	10,750,000	1.850%	1,575,232.34	12,325,232.34
08/15/2033	11,145,000	1.850%	1,369,574.74	12,514,574.74
08/15/2034	11,525,000	1.850%	1,160,782.50	12,685,782.50
08/15/2035	11,930,000	1.850%	944,879.31	12,874,879.31
08/15/2036	12,340,000	1.850%	723,336.64	13,063,336.64
08/15/2037	12,450,000	1.850%	489,995.65	12,939,995.65
08/15/2038	13,230,000	1.850%	256,992.79	13,486,992.79
	131,725,000		27,893,194.60	159,618,194.60

Series 2022A-2
Refunding of Baptist's Series 2009B3 and 2009B4 Bonds

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>
08/15/2022			1,023,157	1,023,157
08/15/2023			2,748,780	2,748,780
08/15/2024			2,748,780	2,748,780
08/15/2025			2,748,780	2,748,780
08/15/2026			2,748,780	2,748,780
08/15/2027	10,185,000	1.800%	2,748,780	12,933,780
08/15/2028	10,820,000	1.800%	2,565,450	13,385,450
08/15/2029	11,200,000	1.800%	2,370,690	13,570,690
08/15/2030	11,595,000	1.800%	2,169,090	13,764,090
08/15/2031	12,000,000	1.800%	1,960,380	13,960,380
08/15/2032	12,420,000	1.800%	1,744,380	14,164,380
08/15/2033	12,850,000	1.800%	1,520,820	14,370,820
08/15/2034	13,300,000	1.800%	1,289,520	14,589,520
08/15/2035	13,765,000	1.800%	1,050,120	14,815,120
08/15/2036	14,245,000	1.800%	802,350	15,047,350
08/15/2037	15,075,000	1.800%	545,940	15,620,940
08/15/2038	15,255,000	1.800%	274,590	15,529,590
	152,710,000		31,060,387	183,770,387



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

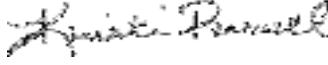
Chairman

CHELSEY COUCH

Executive Director

MEMORANDUM

TO: Ryan Barrow
Office of Financial Management

FROM: Kristi Russell, SFCC 

DATE: May 2, 2022

SUBJECT: Capital Projects and Bond Oversight Committee (CPBO)

The following information is submitted for consideration by CPBO at their next meeting tentatively scheduled for May 17, 2022:

Jackson Independent- \$1,070,000 estimated – District wide renovations. State estimated annual debt service is \$12,711 and local is \$63,251. No tax increase is necessary to finance this project

Taylor County- \$8,430,000 estimated – Improvements to the high school. State estimated annual debt service is \$13,552 and local is \$689,096. No tax increase is necessary to finance this project

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





April 11, 2022

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

RE: \$1,070,000 Jackson Independent School District Finance Corporation
School Building Revenue Bonds, Series of 2022

Dear Ms. Couch:

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing related to the above-referenced series of Bonds. The Bonds will be used to finance district wide renovations and additions.

We would like to go ahead and submit the plan to Bond Oversight so that we will be ready to proceed with the bond sale in the coming months. The Bonds will be funded with 17.24% SFCC funds.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Byz Shi", enclosed in a light blue rectangular box.

Bryan Skinner

Enclosures

147 East Third Street
Lexington, KY
40508

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

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$1,070,000	
Issue Name:	Jackson Indendent School District Finance Corporation School Building Revenue Bonds, Series of 2022	
Purpose:	District wide renovations & additions	
Projected Sale Date of Bonds:	Q3 2022	
First Call Date:	8 Years at par	
Method of Sale:	Competitive Bids	
Place/time of sale:	Parity /SFCC, Frankfort, Ky. / TBD	
Bond Rating:	Moodys: "A1"	
Bond Counsel:	Steptoe and Johnson, Louisville, KY	
Fiscal Agent:	RSA Advisors LLC, Lexington, Kentucky	
Date received by SFCC:	/ /	<i>To be filled in by SFCC</i>
Date scheduled for Committee review:	/ /	<i>To be filled in by SFCC</i>

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
\$184,468	\$885,532	\$1,070,000
17.24%	82.76%	100.00%
\$12,711	\$63,251	\$75,962
\$0	\$0	\$0

Estimated Cost of Issuance:

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

\$2,017	\$9,683	\$11,700
\$0	\$0	\$0
\$0	\$0	\$0
\$1,871	\$8,979	\$10,850
\$3,689	\$17,711	\$21,400
\$0	\$0	\$0
\$7,577	\$36,373	\$43,950

Anticipated Interest Rates:

5 Years: 2.450% 10 Years: 3.000% 15 Years: 3.400%
 20 Years: 3.650%

Notes: No tax Increase required

JACKSON INDEPENDENT SCHOOL DISTRICT

Projected Series 2022

Date of Report: 4/11/22

Local Bond Payments Outstanding	1
Summary of Funds for Bond Payments	2
Projected Series 2022.....	3
Disclosure.....	4



JACKSON INDEPENDENT SCHOOL DISTRICT
OUTSTANDING NET LOCAL DEBT SERVICE

	<u>A</u>	<u>B</u>	<u>Total</u>
FYE	Series 2020	Series 2021-REF	Debt Service
2023	\$52,647	\$64,871	\$117,518
2024	\$46,647	\$67,566	\$114,213
2025	\$45,748	\$69,223	\$114,970
2026	\$44,847	\$71,855	\$116,702
2027	\$118,947		\$118,947
2028	\$121,547		\$121,547
2029	\$119,047		\$119,047
2030	\$121,547		\$121,547
2031	\$118,947		\$118,947
2032	\$121,185		\$121,185
2033	\$123,316		\$123,316
2034	\$120,167		\$120,167
2035	\$122,016		\$122,016
2036	\$123,572		\$123,572
2037	\$120,009		\$120,009
2038	\$121,260		\$121,260
2039	\$122,385		\$122,385
2040	\$123,185		\$123,185
2041			
2042			
Totals:	\$1,887,020	\$273,514	\$2,160,534

JACKSON INDEPENDENT SCHOOL DISTRICT

SUMMARY OF FUNDS AVAILABLE

A	B	C	E	F	H	I	J	K	M	N
FYE	Local Nickel	Growth Nickel	Capital Outlay @ 80%	FSPK	Total Local Funds	Less Current Payments	Local Funds Available	2018 SFCC Offer	2020 SFCC Offer	Total Funds Available
2023	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$117,518)	\$68,382	\$6,050	\$6,661	\$81,093
2024	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$114,213)	\$71,688	\$6,050	\$6,661	\$84,399
2025	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$114,970)	\$70,930	\$6,050	\$6,661	\$83,641
2026	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$116,702)	\$69,199	\$6,050	\$6,661	\$81,910
2027	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$118,947)	\$66,954	\$6,050	\$6,661	\$79,665
2028	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$121,547)	\$64,353	\$6,050	\$6,661	\$77,064
2029	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$119,047)	\$66,854	\$6,050	\$6,661	\$79,565
2030	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$121,547)	\$64,353	\$6,050	\$6,661	\$77,064
2031	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$118,947)	\$66,953	\$6,050	\$6,661	\$79,664
2032	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$121,185)	\$64,715	\$6,050	\$6,661	\$77,426
2033	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$123,316)	\$62,584	\$6,050	\$6,661	\$75,295
2034	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$120,167)	\$65,734	\$6,050	\$6,661	\$78,445
2035	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$122,016)	\$63,884	\$6,050	\$6,661	\$76,595
2036	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$123,572)	\$62,328	\$6,050	\$6,661	\$75,039
2037	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$120,009)	\$65,891	\$6,050	\$6,661	\$78,602
2038	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$121,260)	\$64,640	\$6,050	\$6,661	\$77,351
2039	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$122,385)	\$63,516	\$6,050	\$6,661	\$76,227
2040	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900	(\$123,185)	\$62,716	\$6,050	\$6,661	\$75,427
2041	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900		\$185,900	\$6,050	\$6,661	\$198,611
2042	\$20,254	\$20,254	\$24,631	\$120,761	\$185,900		\$185,900	\$6,050	\$6,661	\$198,611
2043	\$20,254	\$20,254	\$24,631	\$120,762	\$185,901		\$185,901	\$6,050	\$6,661	\$198,612
Totals:	\$425,334	\$425,334	\$517,260	\$2,535,982	\$3,903,910	(\$2,160,534)	\$1,743,376	\$127,050	\$139,881	\$2,010,307

NOTES: Data based on KDE Seek Final Calculations (FY 21-22)

JACKSON INDEPENDENT SCHOOL DISTRICT

PROJECTED SERIES 2022

A	B	C	D	E	F	G	H	I	J	K
Current Payments	----- Estimated New Bond Issue -----						Projected All Local Payments Outstanding	Local Funds Available	Funds Available For Future Projects	
	FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	SFCC Portion	Local Portion			
\$117,518	2023			\$17,474	\$17,474	\$3,178	\$14,296	\$131,814	\$185,900	\$54,086
\$114,213	2024	\$30,000	2.000%	\$34,648	\$64,648	\$12,711	\$51,937	\$166,149	\$185,900	\$19,751
\$114,970	2025	\$30,000	2.100%	\$34,033	\$64,033	\$12,711	\$51,322	\$166,292	\$185,900	\$19,608
\$116,702	2026	\$30,000	2.250%	\$33,380	\$63,380	\$12,711	\$50,669	\$167,371	\$185,900	\$18,530
\$118,947	2027	\$30,000	2.350%	\$32,690	\$62,690	\$12,711	\$49,979	\$168,926	\$185,900	\$16,975
\$121,547	2028	\$25,000	2.450%	\$32,031	\$57,031	\$12,711	\$44,320	\$165,867	\$185,900	\$20,033
\$119,047	2029	\$30,000	2.600%	\$31,335	\$61,335	\$12,711	\$48,624	\$167,671	\$185,900	\$18,230
\$121,547	2030	\$30,000	2.700%	\$30,540	\$60,540	\$12,711	\$47,829	\$169,376	\$185,900	\$16,524
\$118,947	2031	\$30,000	2.800%	\$29,715	\$59,715	\$12,711	\$47,004	\$165,951	\$185,900	\$19,949
\$121,185	2032	\$30,000	2.900%	\$28,860	\$58,860	\$12,711	\$46,149	\$167,334	\$185,900	\$18,566
\$123,316	2033	\$30,000	3.000%	\$27,975	\$57,975	\$12,711	\$45,264	\$168,580	\$185,900	\$17,320
\$120,167	2034	\$35,000	3.100%	\$26,983	\$61,983	\$12,711	\$49,272	\$169,438	\$185,900	\$16,462
\$122,016	2035	\$35,000	3.300%	\$25,863	\$60,863	\$12,711	\$48,152	\$170,168	\$185,900	\$15,733
\$123,572	2036	\$35,000	3.300%	\$24,708	\$59,708	\$12,711	\$46,997	\$170,569	\$185,900	\$15,332
\$120,009	2037	\$35,000	3.350%	\$23,544	\$58,544	\$12,711	\$45,833	\$165,842	\$185,900	\$20,058
\$121,260	2038	\$40,000	3.400%	\$22,278	\$62,278	\$12,711	\$49,567	\$170,827	\$185,900	\$15,074
\$122,385	2039	\$40,000	3.500%	\$20,898	\$60,898	\$12,711	\$48,187	\$170,571	\$185,900	\$15,329
\$123,185	2040	\$40,000	3.500%	\$19,498	\$59,498	\$12,711	\$46,787	\$169,971	\$185,900	\$15,929
	2041	\$165,000	3.650%	\$15,786	\$180,786	\$12,711	\$168,075	\$168,075	\$185,900	\$17,825
	2042	\$170,000	3.650%	\$9,673	\$179,673	\$12,711	\$166,962	\$166,962	\$185,900	\$18,939
	2043	\$180,000	3.650%	\$3,285	\$183,285	\$9,533	\$173,752	\$173,752	\$185,901	\$12,150
\$1,914,965	Totals:	\$1,070,000		\$525,193	\$1,595,193	\$254,220	\$1,340,973	\$3,501,507	\$3,903,910	\$402,403

Municipal Advisor Disclosure of Conflicts of Interest and Other Information

RSA Advisors, LLC (“RSA Advisors”)

Introduction

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

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

General Conflict of Interest Disclosures

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

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

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

Other Municipal Advisory Relationship: RSA Advisors serves a wide variety of clients that may potentially have interests that could have a direct or indirect impact on the interests of the client. RSA Advisors could potentially face a conflict of interest arising from these competing client interests. None of these other relationships or engagements would impair RSA Advisors’ ability to fulfill its regulatory duties to the client. To our knowledge, following reasonable inquiry, we are not aware of any actual or potential conflicts of interest that could reasonably be anticipated to impair our ability to provide advice to or on behalf of the client in accordance with the applicable standards of conduct of MSRB Rule G-42. If RSA becomes aware of any potential or actual conflict of interest after this disclosure, we will disclose the detailed information in writing to the client in a timely manner including a plan for mitigation.



April 28, 2022

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

RE: \$8,430,000 Taylor County School District Finance Corporation
School Building Revenue Bonds, Series of 2022

Dear Ms. Couch:

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing related to the above-referenced series of Bonds. The Bonds will be used to finance improvements to Taylor County High School. This oversight was previously submitted but the scope of the project has changed.

We would like to go ahead and submit the plan to Bond Oversight so that we will be ready to proceed with the bond sale in the coming months. The Bonds will be funded with 2% SFCC Funds.

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

Sincerely,

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

Lincoln Theinert

147 East Third St.
Lexington, KY
40508

859/977-6600

fax: 859/381-1357

www.rsamuni.com

Enclosures

BOND PAYEE DISCLOSURE FORM

Par Amount:

\$8,430,000

Issue Name:

Taylor County School District Finance Corporation School Building Revenue Bonds, Series of 2022

Purpose:

Improvements at Taylor County High School

Projected Sale Date of Bonds:

June 2022

First Call Date:

8 Years at par

Method of Sale:

Competitive Bids

Place/time of sale:

Parity/SFCC, Frankfort, Ky. / TBD

Bond Rating:

Moody's: "A1"

Bond Counsel:

Steptoe and Johnson, Louisville, KY

Fiscal Agent:

RSA Advisors LLC, Lexington, Kentucky

Date received by SFCC:

/ / *To be filled in by SFCC*

Date scheduled for Committee review:

/ / *To be filled in by SFCC*

Month Day Year

Estimated par amount of Bonds:

% Share of total Bonds:

Estimated average annual debt service:

Estimated debt service reserve:

SFCC Portion	Local Portion	Total
\$187,285	\$8,242,715	\$8,430,000
2.22%	97.78%	100.00%
\$13,552	\$689,096	\$702,648
\$0	\$0	\$0

Estimated Cost of Issuance:

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

Special Tax Counsel

Number verifications

Bond Rating & Bank Fee

Underwriter's Discount

Credit Enhancement

Total Cost of Issuance:

\$1,038	\$45,682	\$46,720
\$0	\$0	\$0
\$0	\$0	\$0
\$397	\$17,453	\$17,850
\$3,746	\$164,854	\$168,600
\$0	\$0	\$0
\$5,180	\$227,990	\$233,170

Anticipated Interest Rates:

5 Years: 3.500% 10 Years: 3.600% 15 Years: 3.800%
20 Years: 4.250%

Notes: No tax Increase required

TAYLOR COUNTY SCHOOL DISTRICT

Plan of Financing -- Series 2022

Date of Report: 4.28.22

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TAYLOR COUNTY SCHOOL DISTRICT

OUTSTANDING NET LOCAL DEBT SERVICE

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>Total</u>
	Series	Series	Series	Series	Series	Debt
FYE	2012-REF*	2015	2016	2019 Energy	2020 (GF)	Service
2023	\$186,660	\$1,809,104	\$88,734	\$54,579		\$2,139,076
2024	\$183,330	\$1,800,655	\$102,683	\$54,495		\$2,141,163
2025		\$1,800,552	\$284,633	\$54,240		\$2,139,426
2026		\$1,983,503	\$101,532	\$53,816		\$2,138,852
2027		\$1,968,954	\$115,083	\$53,220		\$2,137,257
2028		\$1,972,605	\$113,482	\$52,448		\$2,138,535
2029		\$1,973,854	\$111,882	\$51,502		\$2,137,238
2030		\$1,962,705	\$125,132	\$50,376		\$2,138,214
2031		\$1,964,455	\$122,995	\$54,073		\$2,141,523
2032		\$1,963,656	\$125,557	\$52,306		\$2,141,519
2033		\$1,961,623	\$123,058	\$55,162		\$2,139,843
2034		\$1,961,779	\$125,365	\$52,509		\$2,139,652
2035		\$1,960,056	\$127,407	\$49,444		\$2,136,907
2036			\$370,946	\$396,165		\$767,111
2037			\$366,693	\$398,920		\$765,613
2038				\$386,082		\$386,082
2039				\$382,337		\$382,337
2040						
2041						
2042						
Totals:	\$369,990	\$25,083,500	\$2,405,183	\$2,251,675		\$30,110,348

TAYLOR COUNTY SCHOOL DISTRICT

SUMMARY OF FUNDS AVAILABLE

A	B	C	E	F	G	H	I	J	K	L	M
FYE	Local Nickel	Growth Nickel	Capital Outlay @ 80%	FSPK	Additional FSPK	Total Local Funds	Less Current Payments	Local Funds Available	2016 SFCC Offer	2018 SFCC Offer	Total Funds Available
2023	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,139,076)	\$579,215	\$985	\$12,567	\$591,782
2024	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,141,163)	\$577,129	\$985	\$12,567	\$589,696
2025	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,139,426)	\$578,865	\$985	\$12,567	\$591,432
2026	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,138,852)	\$579,439	\$985	\$12,567	\$592,006
2027	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,137,257)	\$581,035	\$985	\$12,567	\$593,602
2028	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,138,535)	\$579,756	\$985	\$12,567	\$592,323
2029	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,137,238)	\$581,053	\$985	\$12,567	\$593,620
2030	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,138,214)	\$580,077	\$985	\$12,567	\$592,644
2031	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,141,523)	\$576,769	\$985	\$12,567	\$589,336
2032	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,141,519)	\$576,772	\$985	\$12,567	\$589,339
2033	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,139,843)	\$578,449	\$985	\$12,567	\$591,016
2034	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,139,652)	\$578,639	\$985	\$12,567	\$591,206
2035	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$2,136,907)	\$581,384	\$985	\$12,567	\$593,951
2036	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$767,111)	\$1,951,181	\$985	\$12,567	\$1,963,748
2037	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$765,613)	\$1,952,678	\$985	\$12,567	\$1,965,245
2038	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$386,082)	\$2,332,210	\$985	\$12,567	\$2,344,777
2039	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291	(\$382,337)	\$2,335,955	\$985	\$12,567	\$2,348,522
2040	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291		\$2,718,291	\$985	\$12,567	\$2,730,858
2041	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291		\$2,718,291	\$985	\$12,567	\$2,730,858
2042	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291		\$2,718,291	\$985	\$12,567	\$2,730,858
2043	\$610,585	\$610,585	\$198,415	\$649,353	\$649,353	\$2,718,291		\$2,718,291	\$985	\$12,567	\$2,730,858
Totals:	\$12,822,285	\$12,822,285	\$4,166,724	\$13,636,413	\$13,636,413	\$57,084,120	(\$30,110,348)	\$26,973,773	\$20,685	\$263,907	\$27,237,680

NOTES: Data based on KDE Seek Forecast Calculations (FY 22-23)

TAYLOR COUNTY SCHOOL DISTRICT

PROJECTED SERIES 2022

A	B	C	D	E	F	G	H	I	J	K
Current Payments	----- Estimated New Bond Issue -----						Projected All Local Payments Outstanding	Local Funds Available	Funds Available For Future Projects	
	FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	SFCC Portion	Local Portion			
\$2,139,076	2023	\$25,000	3.000%	\$325,951	\$350,951	\$13,552	\$337,399	\$2,476,476	\$2,718,291	\$241,816
\$2,141,163	2024	\$15,000	3.000%	\$331,665	\$346,665	\$13,552	\$333,113	\$2,474,276	\$2,718,291	\$244,016
\$2,139,426	2025	\$20,000	3.000%	\$331,215	\$351,215	\$13,552	\$337,663	\$2,477,089	\$2,718,291	\$241,202
\$2,138,852	2026	\$20,000	3.000%	\$330,615	\$350,615	\$13,552	\$337,063	\$2,475,915	\$2,718,291	\$242,376
\$2,137,257	2027	\$20,000	3.500%	\$330,015	\$350,015	\$13,552	\$336,463	\$2,473,720	\$2,718,291	\$244,572
\$2,138,535	2028	\$20,000	3.500%	\$329,315	\$349,315	\$13,552	\$335,763	\$2,474,298	\$2,718,291	\$243,993
\$2,137,238	2029	\$25,000	3.500%	\$328,615	\$353,615	\$13,552	\$340,063	\$2,477,301	\$2,718,291	\$240,990
\$2,138,214	2030	\$25,000	3.600%	\$327,740	\$352,740	\$13,552	\$339,188	\$2,477,402	\$2,718,291	\$240,889
\$2,141,523	2031	\$20,000	3.600%	\$326,840	\$346,840	\$13,552	\$333,288	\$2,474,811	\$2,718,291	\$243,481
\$2,141,519	2032	\$20,000	3.600%	\$326,120	\$346,120	\$13,552	\$332,568	\$2,474,087	\$2,718,291	\$244,204
\$2,139,843	2033	\$25,000	3.750%	\$325,400	\$350,400	\$13,552	\$336,848	\$2,476,691	\$2,718,291	\$241,601
\$2,139,652	2034	\$25,000	3.750%	\$324,463	\$349,463	\$13,552	\$335,911	\$2,475,563	\$2,718,291	\$242,728
\$2,136,907	2035	\$30,000	3.750%	\$323,525	\$353,525	\$13,552	\$339,973	\$2,476,880	\$2,718,291	\$241,411
\$767,111	2036	\$1,035,000	3.800%	\$322,400	\$1,357,400	\$13,552	\$1,343,848	\$2,110,959	\$2,718,291	\$607,333
\$765,613	2037	\$1,075,000	3.800%	\$283,070	\$1,358,070	\$13,552	\$1,344,518	\$2,110,131	\$2,718,291	\$608,160
\$386,082	2038	\$1,115,000	3.800%	\$242,220	\$1,357,220	\$13,552	\$1,343,668	\$1,729,750	\$2,718,291	\$988,542
\$382,337	2039	\$1,160,000	4.000%	\$199,850	\$1,359,850	\$13,552	\$1,346,298	\$1,728,635	\$2,718,291	\$989,657
	2040	\$1,205,000	4.000%	\$153,450	\$1,358,450	\$13,552	\$1,344,898	\$1,344,898	\$2,718,291	\$1,373,393
	2041	\$1,250,000	4.000%	\$105,250	\$1,355,250	\$13,552	\$1,341,698	\$1,341,698	\$2,718,291	\$1,376,593
	2042	\$1,300,000	4.250%	\$55,250	\$1,355,250	\$13,552	\$1,341,698	\$1,341,698	\$2,718,291	\$1,376,593
\$29,728,011	Totals:	\$8,430,000		\$5,622,969	\$14,052,969	\$271,040	\$13,781,929	\$43,892,276	\$54,365,829	\$10,473,552

Municipal Advisor Disclosure of Conflicts of Interest and Other Information

RSA Advisors, LLC (“RSA Advisors”)

Introduction

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

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

General Conflict of Interest Disclosures

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

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

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

Other Municipal Advisory Relationship: RSA Advisors serves a wide variety of clients that may potentially have interests that could have a direct or indirect impact on the interests of the client. RSA Advisors could potentially face a conflict of interest arising from these competing client interests. None of these other relationships or engagements would impair RSA Advisors' ability to fulfill its regulatory duties to the client.

To our knowledge, following reasonable inquiry, we are not aware of any actual or potential conflicts of interest that could reasonably be anticipated to impair our ability to provide advice to or on behalf of the client in accordance with the applicable standards of conduct of MSRB Rule G-42. If RSA becomes aware of any potential or actual conflict of interest after this disclosure, we will disclose the detailed information in writing to the client in a timely manner including a plan for mitigation.