



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

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**Ryan Barrow**  
EXECUTIVE DIRECTOR

October 11, 2023

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

Dear Senator Girdler and Representative Frazier Gordon:

Listed below is information regarding various projects and reports that will be presented to the Capital Projects and Bond Oversight (“CPBO”) Committee at the October meeting. Included pursuant to KRS 56.863(11) is the Asset/Liability Commission (“ALCo”) Semi-Annual Report as of June 30, 2023 and pursuant to KRS 45.810 (6) is the Annual Report of Outstanding Bonds as of the Fiscal Year ending June 30, 2023.

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

<u>Fund B Loan</u>	
City of Flatwoods	\$450,000

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

The Cabinet for Economic Development will present two (2) Economic Development Fund (“EDF”) grants for the Committee’s approval:

EDF grant to the City of Owensboro on behalf of the Greater Owensboro Economic Development Corporation	\$211,750
EDF grant to the Martin County Fiscal Court on behalf of the Martin County Economic Development Authority, Inc.	\$110,000

Senator Girdler  
Representative Frazier Gordon  
October 11, 2023  
Page 2

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

Augusta Independent	\$300,000*
Elizabethtown Independent	\$350,000*
Lee County	\$525,000*
Spencer County	\$18,000,000*

Estimated\*

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

Sincerely,



Ryan Barrow,  
Executive Director

Attachments

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

*For the period ending June 30, 2023*

**53rd Edition**



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

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

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

Ryan Barrow, Executive Director, Office of Financial Management

Prior copies of this report:

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

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

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

The Municipal Securities Rulemaking Board (MSRB)

Electronic Municipal Market Access (EMMA):

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

Commonwealth of Kentucky Investor Relations:

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

Office of Financial Management (OFM):

<https://ofm.ky.gov>



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## INTRODUCTION

The Kentucky Asset/Liability Commission (“ALCo” or the “Commission”) presents its 53rd semi-annual report to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue pursuant to KRS 56.863 (11) for the period beginning January 1, 2023 through June 30, 2023.

Provided in the report is the current structure of the Commonwealth’s investment and debt portfolios and the strategy used to reduce both the impact of variable revenue receipts on the budget of the Commonwealth and fluctuating interest rates on the interest-sensitive assets and interest-sensitive liabilities of the Commonwealth. Additionally, an analysis of the Commonwealth’s outstanding debt is provided as well as all financial agreements entered into during the reporting period.

Factors on both the state and national level had an impact on activity during the reporting period. The most significant factors were:

### On the national level

- Federal Reserve Board of Governors raised the federal funds rate to a target range of 5.00 percent to 5.25 percent during the first half of 2023.
- The unemployment rate rose to 3.6 percent in June 2023, up from 3.5 percent in December 2022.
- The annual rate of economic growth as measured by the gross domestic product (“GDP”) slowed in the first half of 2023. The seasonally adjusted rate for the first quarter was 2.0 percent and for the second quarter was 2.4 percent.
- Inflation remained below highs seen last year but still ended the second quarter with the core consumer price index (“CPI”) rate (ex-energy and food) at an elevated 4.8 percent.
- Kentucky non-farm employment growth rates for the four quarters of FY 2023 were 3.3 percent, 2.4 percent, 2.4 percent, and 2.5 percent.
- Kentucky personal income growth rates for the four quarters of FY 2023 were 3.8 percent, 4.7 percent, 4.7 percent, and 4.3 percent.
- Primarily from the FY 2023 General Fund budget surplus, \$1.45 billion was deposited into the Budget Reserve Trust Fund, bringing the total balance up to \$3.7 billion which equates to 24.6 percent of the FY 2023-2024 official revenue estimate.
- The current Budget Reserve Trust Fund balance, and third consecutive year the surplus has exceeded \$1 billion, is a material credit improvement for the Commonwealth. However, large unfunded pension liabilities continue to put stress on the Commonwealth’s credit rating.

### On the state level

- General Fund receipts totaled \$15.1 billion for Fiscal Year (“FY”) 2023, an increase of \$445.2 million over FY 2022 collections. General Fund revenues exceeded the budgeted estimate by \$1.4 billion.
- Road Fund receipts for FY 2023 totaled \$1.75 billion, an increase of 4.7 percent from the previous fiscal year. Road Fund collections exceeded the official revenue forecast by \$32.3

## INVESTMENT MANAGEMENT

### *State Investment Commission*

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

### **Market Overview**

The first half of 2023 saw the Federal Open Market Committee (“FOMC” or the “Committee”) achieve further success in its goal to drive inflation closer to the long-run objective of 2 percent after two years of stubbornly high price gains. While supply chain restraints have resolved in most industries, the labor market remains extremely tight and has so far defied predictions of a rising unemployment rate as higher interest rate take effect. With unemployment remaining near historic lows, the FOMC has been reluctant to signal the end of the current tightening cycle. While most economists still predict a looming recession, odds of the FOMC achieving a “soft landing” have increased in recent months as GDP growth remained about 2 percent for both the first and second quarters of 2023.

With headline inflation peaking at over 9 percent in the middle of 2022, the FOMC committed to raising interest rates until inflation was back under control. While the majority of rate hikes occurred in the second half of 2022, the first half

of 2023 saw four more quarter-point hikes to bring the federal funds rate range to 5.00 to 5.25 percent at the end of June. While traders are carefully watching for any sign that interest rates have peaked, FOMC members have committed to additional hikes as needed if market data shows inflation isn’t making sufficient progress towards the 2 percent goal. The Committee has continued to shrink its balance sheet and reduce security holdings as part of the current tightening cycle.

### **Employment**

The labor market remains surprisingly robust despite the highest interest rates in the past two decades. Although slowing from the robust pace at the end of 2022, the economy still added an average of 278,000 jobs per month while the unemployment rate ended June near a historic low of 3.6 percent. There are signs of the labor market finally beginning to soften, however. Total job openings have continued to decline from highs set in early 2022 while income gains have been unable to outpace inflation for most of the year.

At the end of June, job openings totaled 9.5 million, down from a peak of over 12 million in early 2022. The Labor Force Participation Rate (“LFPR”) has continued to tick upwards to 62.6 percent at the end of June but remains three-quarters of a point below where it was at the beginning of 2020. The longer-term implications of a stubbornly low LFPR are still being discovered as the measure plummeted after the 2008 financial crisis and never recovered, currently sitting at 4 points below the average from the early 2000s. With a population the size of the U.S., this represents millions of workers that have permanently left the work force with

## INVESTMENT MANAGEMENT

no intention to return. This lack of available workers will have major consequences to not only companies desperate to meet labor needs, but also pension funds struggling to keep up with an aging population.

### Inflation

The FOMC continued to see results from its aggressive hiking cycle as price increases continued to slow in the first half of 2023. After beginning the year still above 6 percent, consumer price inflation as measured by CPI ended the first half at 3 percent. The Fed's preferred inflation gauge, core Personal Consumption Expenditures ("PCE"), strips out more volatile categories like food and energy to present a more stable picture of price increases. The PCE gauge began the year around 4.6 percent and fell half a point to end June at 4.1 percent, still double where it was pre-2020 and twice the Fed's state long-run goal of 2 percent. Expectations for longer-run inflation continue to fall as peak inflation seems to be firmly in the rear-view.

### Economic Growth

Following a strong end to 2022, real gross domestic product ("GDP") began 2023 with a 2.0 percent gain in the first quarter, a number that increased to 2.4 percent for the second quarter. While not outstanding, this slow but steady growth contrasts with the negative numbers posted in the first half of 2022. Consumption was the main driver of growth in the first quarter as companies emptied built-up inventories and sold to willing consumers. For the second quarter, business fixed investment contributed the most to growth as inventories remained steady and consumption weakened.

### Interest Rates

The federal funds rate began the year at 4.25 – 4.50 percent after an aggressive series of hikes in the latter half of 2022. The pace slowed in 2023 as inflation continued to fall from earlier peaks. The FOMC raised the rate a quarter point at the February, March, and May meetings. Only the June meeting saw a brief pause as the Committee waited for additional data to come in to determine the path forward. Traders are now trying to determine where exactly the rate will end up before the Committee has decided it's sufficiently high to tame inflation for good this cycle. While the end of hiking is expected to come before the end of the year, the first rate cut isn't expected until 2024. The current Fed dot plot shows rates remaining above 3 percent through the end of 2025 and settling around 2.5 percent in the long-term.

Yields on treasury securities and corporate bonds, as well as all types of consumer credit, all continued to rise in the first half of 2023 in response to a rising federal funds rate. This yield increase continued to be seen primarily on the shorter end, as the yield curve between 2-year and 10-year treasuries remained sharply inverted. Mid-term treasury yields, such as the 2-year, were particularly volatile in the first half as traders struggled to grasp how high rates would go and how long they would stay there. The Federal Reserve has continued to reduce its balance sheet by allowing treasuries and mortgages to mature and roll off without being replaced.

### Equities

After stumbling in the second half of 2022, equity price indices posted strong gains in the first half of the year. The S&P 500 gained over



## INVESTMENT MANAGEMENT

16 percent while the tech-focused NASDAQ gained a robust 31 percent. Despite these gains, both indices still remain well below all-time highs reached at the end of 2021 but have made up a lot of ground lost during a tough 2022. One-month option-implied volatility on the S&P 500 index (the VIX) fell significantly during the first half and approached pre-pandemic lows as the full picture of FOMC policy began to come into view and uncertainty dissipated.

### Outlook

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

In conjunction with the FOMC meeting held on June 14, 2023, meeting participants submitted their projections of the most likely outcomes for GDP, the unemployment rate, and inflation for each year from 2023 to 2025 and over the long-run.

For 2023, the median forecast for GDP, unemployment rate and inflation is 1.0 percent, 4.1 percent and 3.2 percent, respectively. The expected federal funds rate at the end of 2023 is 5.6 percent.

For 2024, the median forecast for GDP, unemployment rate and inflation is 1.1 percent, 4.5 percent and 2.5 percent, respectively. The

expected federal funds rate at the end of 2024 is 4.6 percent.

For 2025, the median forecast for GDP, unemployment rate and inflation is 1.8 percent, 4.5 percent and 2.0 percent, respectively. The expected federal funds rate at the end of 2025 is 3.4 percent.

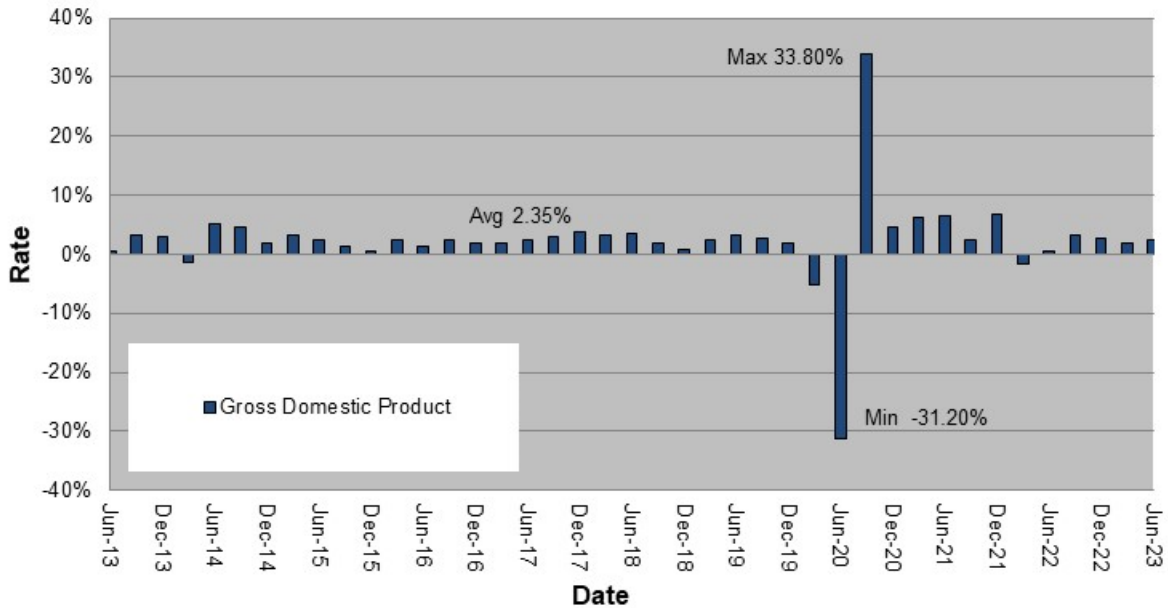
Additionally, longer run projections are 1.8 percent for GDP, 4.0 percent for unemployment and 2.0 percent inflation with an expected Federal funds rate of 2.5 percent.

# INVESTMENT MANAGEMENT

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

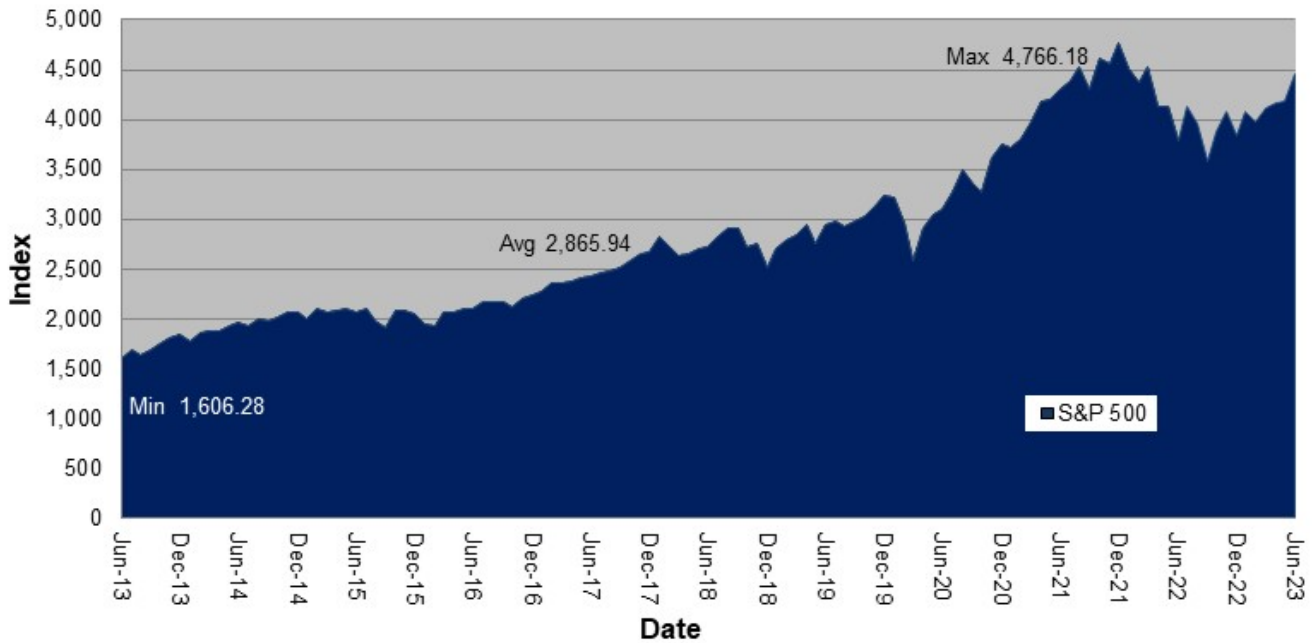
### Real Gross Domestic Product

Quarter Over Quarter  
Range 07/01/2013-06/30/2023  
GDP CQOQ Index



### Standard & Poor's 500

Range 07/01/2013-06/30/2023  
SPX Index

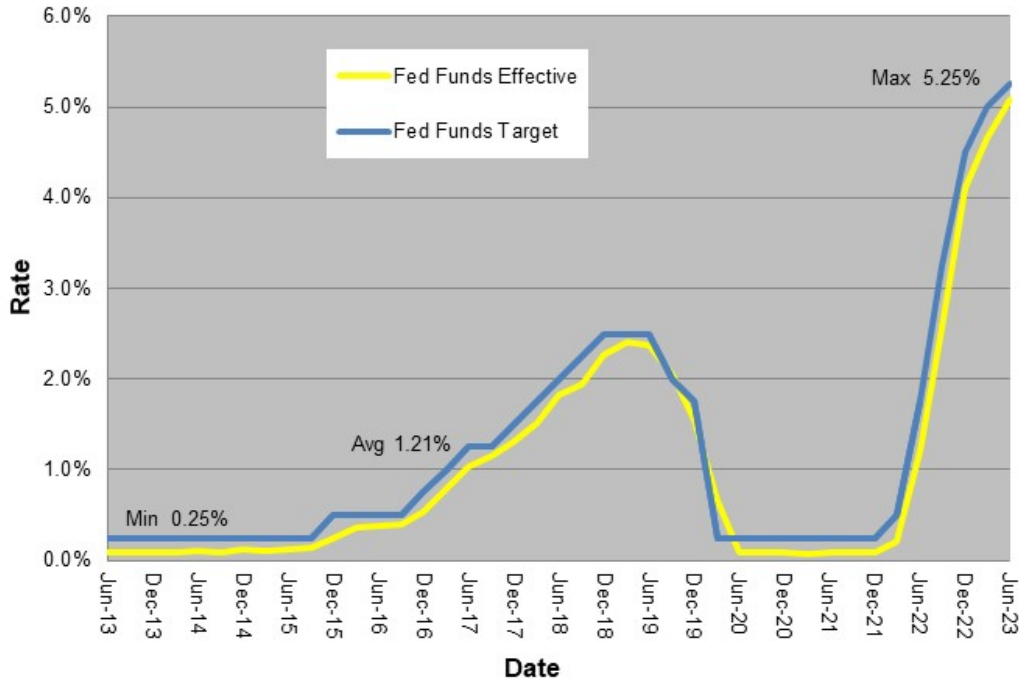


# INVESTMENT MANAGEMENT

## Federal funds Target Rate & NonFarm Payrolls

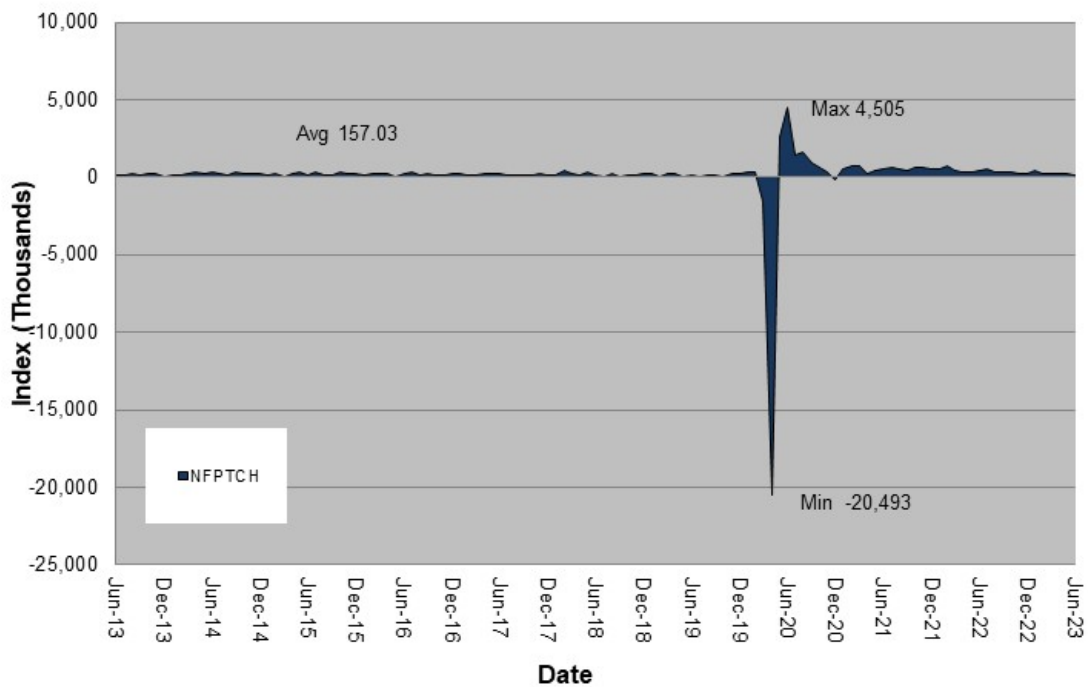
**Federal Funds Target Rate**

Range 07/01/2013-06/30/2023  
FEDL01 Index/FDTR Index



**Nonfarm Payrolls**

Range 07/01/2013-06/30/2023  
NFPTCH Index



## INVESTMENT MANAGEMENT

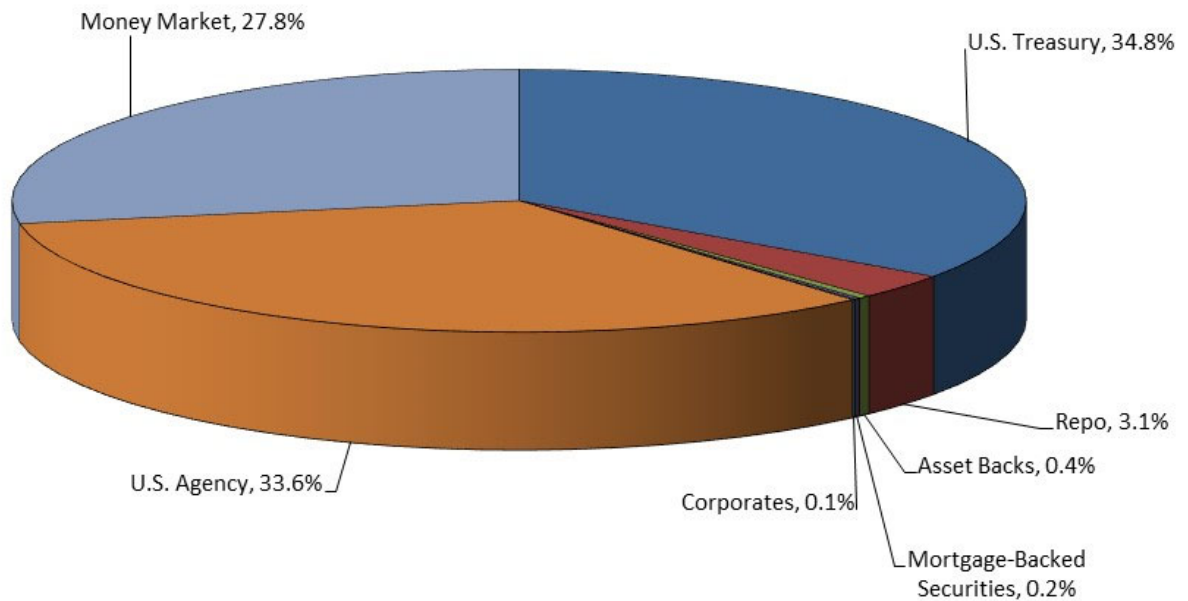
### *Portfolio Management*

For the six months ended June 30, 2023, the Commonwealth’s combined investment portfolio was approximately \$13 billion. The portfolio was invested in U. S. Treasury Securities (34.8%), U. S. Agency Securities (33.6%), Mortgage-Backed Securities (0.2%), Repurchase Agreements (3.1%), Corporate Securities (0.1%), Asset-Backed Securities

(0.4%), and Money Market Securities (27.8%). The portfolio had a market yield of 4.8 percent and an effective duration of 0.36 of a year.

The total portfolio is broken down into three investment pools. The pool balances as of June 30, 2023 were \$6.3 billion (Short Term Pool), \$2.9 billion (Limited Term Pool), and \$3.7 billion (Intermediate Term Pool).

**Distribution of Investments as of June 30, 2023**

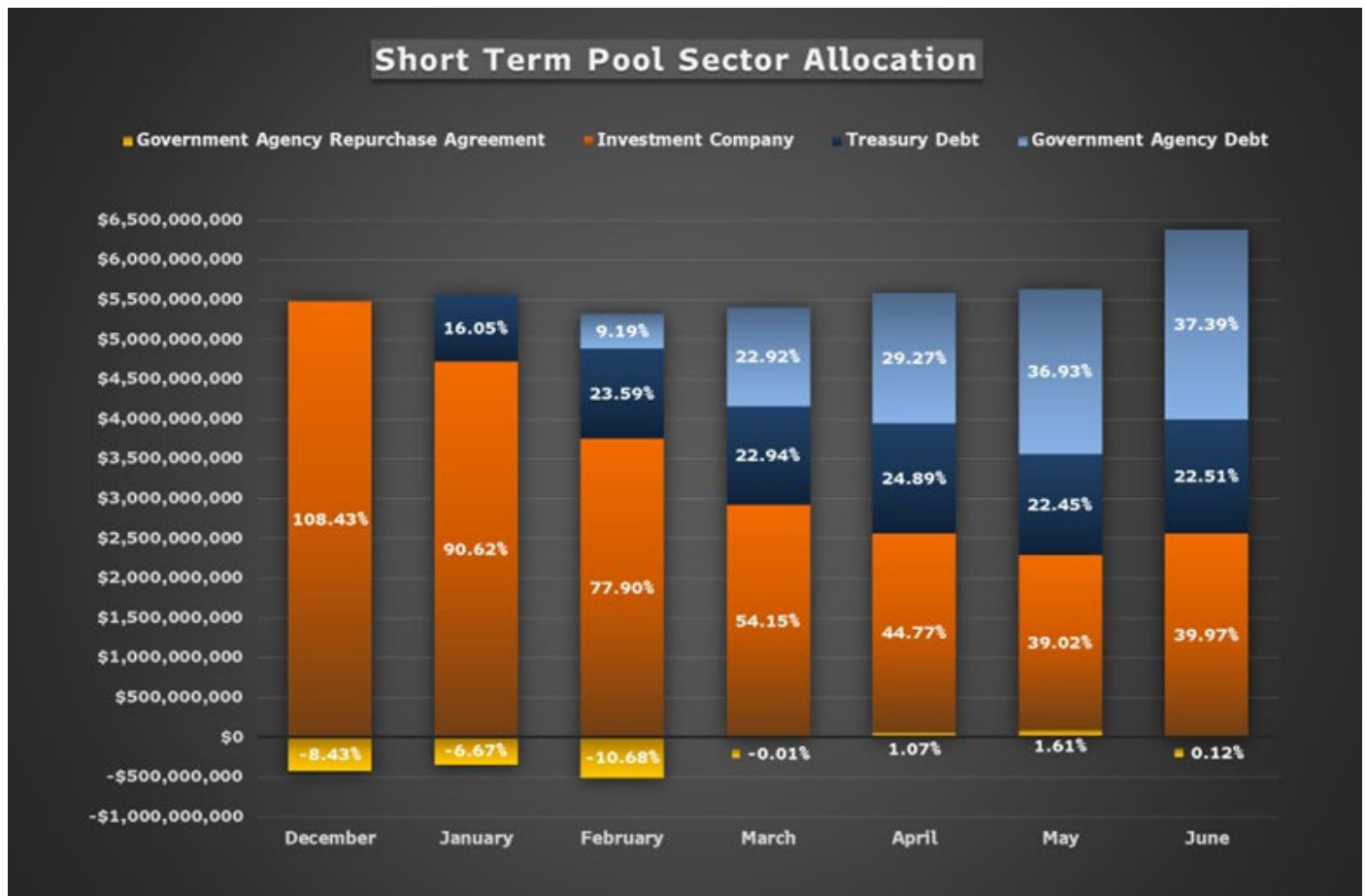


## INVESTMENT MANAGEMENT

### *Portfolio Management*

As the total portfolio continued to grow due to record high revenues and budget surpluses, OFM adjusted the investment strategy of the Short Term Pool portfolio. This portfolio has historically had a low or negative balance prior to the pandemic and was only invested in

Government Money Market Funds and Repurchase Agreements. In January of 2023, with a balance of approximately \$5 billion, and post the historic rate increase, the portfolio was further diversified to include investments in U.S. Treasury Securities and U.S. Agency Securities maturing up to 13 months to increase yields while maintaining liquidity.



## INVESTMENT MANAGEMENT

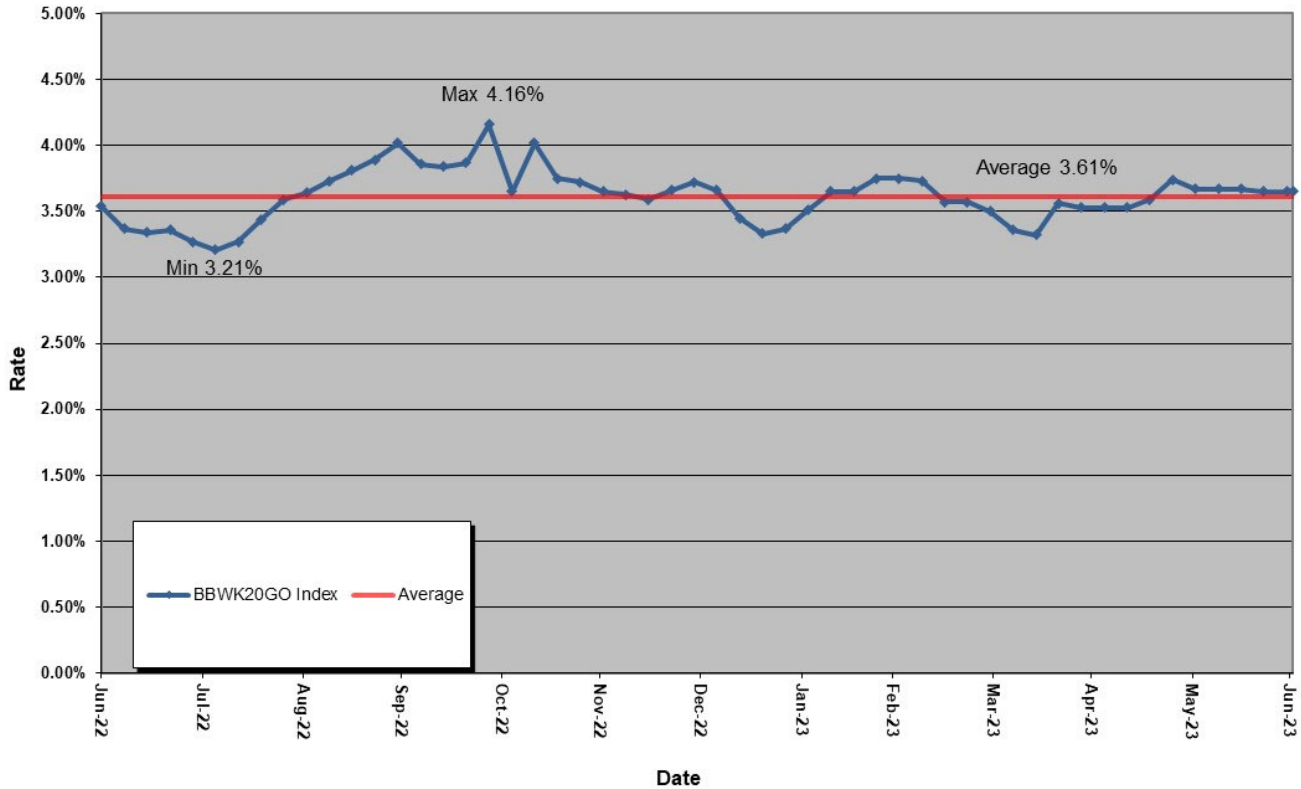
### *Tax-Exempt Interest Rates and Relationships*

The Bond Buyer 20 General Obligation Index averaged 3.61 percent for FY 2023. The high was 4.16 percent in October 2022 and the low was 3.21 percent in August 2022.

The Securities Industry and Financial Markets Association (“SIFMA”) Municipal Swap Index averaged 2.56 percent for FY 2023. The high

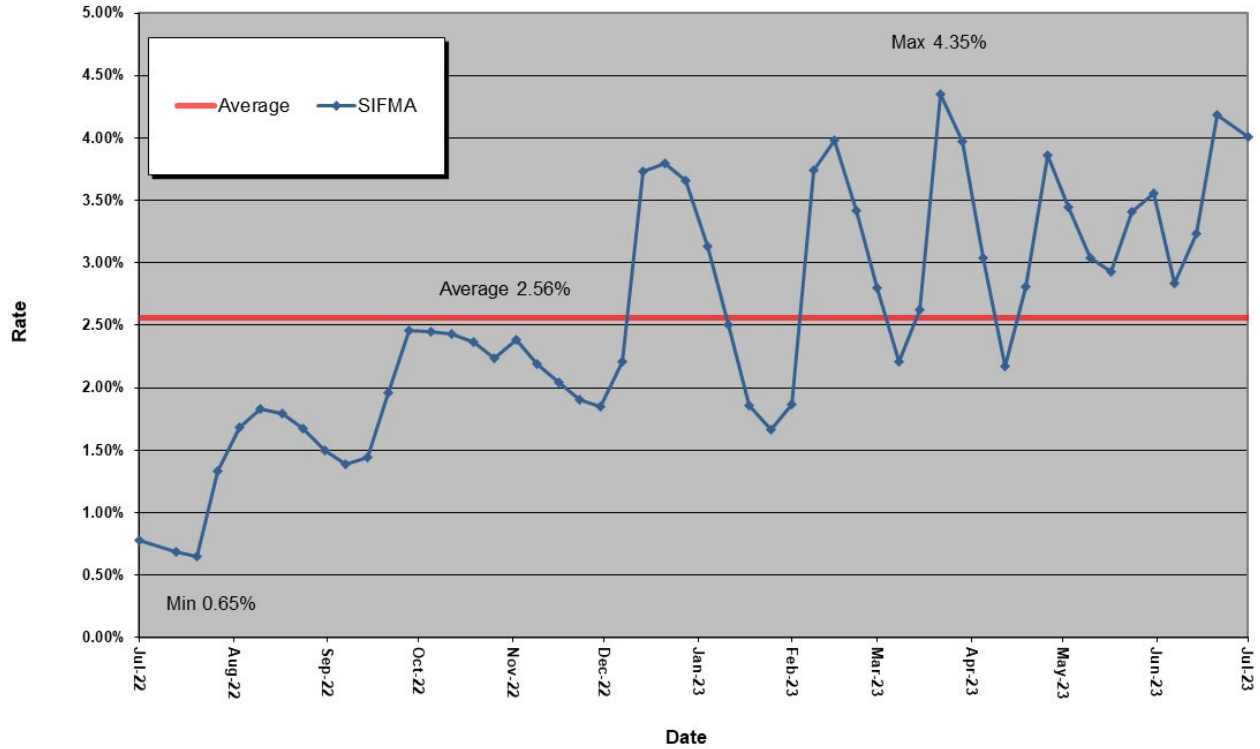
was 4.35 percent in March 2023, and the low was 0.65 percent in July 2022. The 30-day USD London Interbank Offered Rate (“LIBOR”) averaged 4.02 percent for FY 2023. The high was 5.22 percent in June 2023 and the low was 1.80 percent in July 2022. During the year, SIFMA traded at a high of 90.05 percent of the 30-day LIBOR in March 2023, at a low of 28.86 percent in July 2022, and at an average of 61.98 percent for the FY.

**Bond Buyer 20 General Obligation Index**  
 Range 07/01/2022 - 06/30/2023  
 BBWK20GO Index

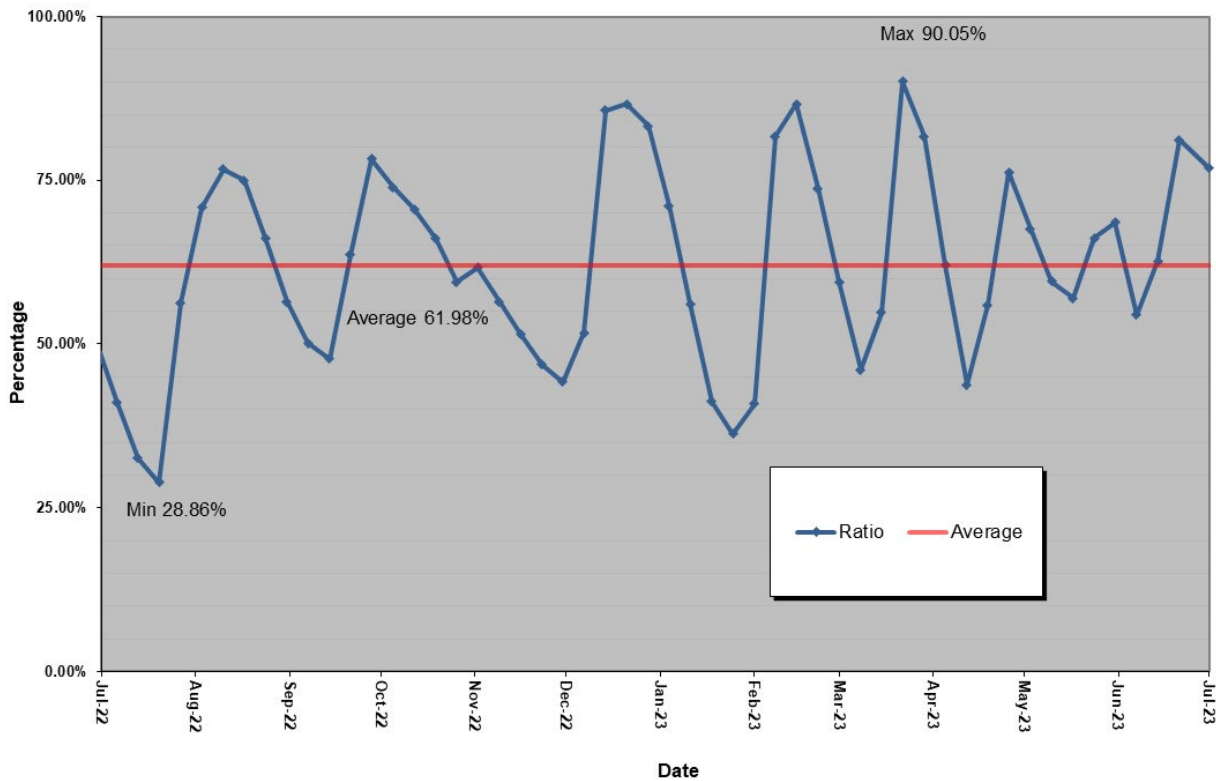


### SIFMA & SIFMA/LIBOR Ratio

**SIFMA Rate**  
 Range 07/01/2022 - 06/30/2023  
 MUNIPSA Index



**SIFMA / LIBOR Ratio**  
 Range 07/01/2022 - 06/30/2023



## CREDIT MANAGEMENT

### *Mid-Year Reflection*

#### *Credit*

As inflation continued to slow in the first half of 2023, the pace of interest rate hikes by the Federal Reserve also tapered off. By the end of June, the federal funds rate sat at 5.00 percent to 5.25 percent with only one or two more hikes anticipated in the current tightening cycle. The result of these aggressive rate hikes is a headline inflation rate that peaked at over 9 percent but came in around 3 percent at the end of June. Supply chain restraints have been mostly resolved, dropping the increase in producer prices paid year-over-year to 0.1 percent at the end of June after peaking at more than 11 percent early last year. After decreasing in the final two months of 2022, consumer spending began to show modest gains again and now sits above \$18 trillion when adjusted to an annual rate. Personal income continues to follow the pre-2020 trend line, meaning that real incomes have declined slightly when high inflation rates are taken into consideration. Household debt continued to rise and exceeded \$17 trillion in the first quarter as delinquency rates also increased on all types of consumer loans. Total mortgage balances exceeded \$12 trillion for the first time after rising sharply since last year while credit card debt remained flat.

Despite higher borrowing rates, non-financial corporations increased their debt load to nearly \$20 trillion in the first quarter. The growth rate slowed however, causing the ratio of corporate debt to GDP to drop slightly. Investment grade debt remained the vast majority of new issuance as investors enjoyed higher rates without having to dip into junk territory to find

them. After falling in the previous year, higher borrowing rates finally began to take a toll on corporate balance sheets as corporate bankruptcies in the first half of 2023 were double what they were the year prior and the highest since 2010. After rising in the first quarter, spreads on investment grade bonds compared to U.S. Treasuries fell back in the second quarter and finished the first half of the year very close to where they began it and below the elevated level seen during most of 2022. The Senior Loan Officer Opinion Survey on Bank Lending Practices, or SLOOS, reported that standards tightened for all categories of consumer and business loans while demand decreased, a trend carried over from the previous year. Banks cited a decreased appetite for risk during an uncertain economic environment as the reason for tighter standards.

#### *Credit Process*

OFM's credit strategy invests in creditworthy corporate issuers having a long-term rating of A3/A-/A- or better as rated by Moody's, S&P, or Fitch, where the lowest rating of the three is used to determine credit rating compliance. The strategy focuses on adding value through a disciplined approach in the credit selection process. With independent research and prudent diversification with respect to industries and issuers, our goal is to deliver consistent longer-term investment performance over U.S. Treasuries.

#### **Default Monitoring**

The Bloomberg credit risk model is the main tool for default monitoring. The default likelihood model is based on the Merton distance-to-default ("DD") measure, along



## CREDIT MANAGEMENT

with additional economically and statistically relevant factors. Firms are assigned a default risk measure as a high-level summary of their credit health using an explicit mapping from default likelihood to default risk.

A daily report is generated using the approved list and their peers enabling us to track market activity in selected names including Credit Default Swaps (“CDS”).

### **Industry/Company Analysis**

OFM uses a combination top-down and bottom-up approach for investing. The top-down approach refers to understanding the current and future business cycle or the “big picture” of the economy and financial world in order to identify attractive industries. Once industries are identified, a bottom-up approach is utilized where Portfolio Managers focus on specific company fundamentals, picking the strongest companies within a sector.

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

### **Approved List**

Once analysis has been completed, the State Investment Commission approves the list on a quarterly basis. During the first half of 2023, Intel and US Bank were removed from the Corporate Credits Approved list. The Corporate Credits Approved list as of June 30, 2023 is located in Appendix A.

## DEBT MANAGEMENT

### Authorized but Unissued Debt Summary

As of June 30, 2023, the Commonwealth's 2023-2024 budget includes authorized debt service for over \$3.9 billion of projects supported by the General Fund, Agency Fund, Road Fund, and Federal Fund, which were approved during prior sessions of the General Assembly. This pipeline of projects is anticipated to be financed over a number of future bond transactions. The speed at which this financing takes place is dependent upon factors managed by and between the project sponsors, the Office of the State Budget Director and the Office of Financial Management.

The balance of prior bond authorizations of the General Assembly dating from 2010 through 2023 subject to moral obligation or state intercept totals \$3,963.45 million. Of these prior authorizations, \$2,860.74 million is General Fund supported, \$940.21 million is Agency Fund supported, \$12.50 million is supported by Road Fund appropriations and \$150.00 million is supported through Grant Anticipation Revenue Vehicle Bonds designated for the Brent Spence Bridge project.

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

### Summary of Authorized but Unissued Debt by Fund Type As of June 30, 2023:

Legislative Session (Year)	General Fund (millions)	Agency Fund (millions)	Road Fund (millions)	Federal Fund (millions)	TOTAL (millions)
2010	\$ 22.05	\$ 17.50	-		\$ 39.55
2012	1.85	-	\$ 12.50		14.35
2014	7.26	-	-		7.26
2016	20.26	-	-		20.26
2018	189.07	6.53	-		195.60
2019	44.67	-	-		44.67
2020-2021	395.36	80.43	-		475.79
2022-2024	2,395.22	835.75	-	\$ 150.00	3,380.97
Bond Pool Proceeds	(215.00)				(215.00)
<b>TOTAL</b>	<b>\$ 2,860.74</b>	<b>\$ 940.21</b>	<b>\$ 12.50</b>	<b>\$ 150.00</b>	<b>\$ 3,963.45</b>

### Looking Forward

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

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

## DEBT MANAGEMENT

### *Ratings Update*

The rating agencies continually monitor the Commonwealth's budgetary policies and actual performance in areas such as revenue, the economy, pensions, and debt management. While significant recent contributions have been cited as a credit positive, pension unfunded liabilities have continued to put pressure on the Commonwealth's credit ratings.

In Fiscal Year 2023, the Commonwealth received issuer level rating upgrades from Fitch Ratings and S&P Global Ratings. During the reporting period, the remaining ratings below were either affirmed or remained unchanged from the previous reporting period.

### The Ratings Picture at June 30, 2023:

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

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

## DEBT MANAGEMENT

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

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

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

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

### **Inter-Fund Borrowing**

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

As of June 30, 2023 the total available liquid resources available to the General Fund was \$13.021 billion.

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

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

No BANs were issued during the reporting period

### **Notes or Direct Loans**

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

- (a) Judgments, with a final maturity of not more than ten (10) years; and
- (b) The finance or refinance of obligations owed under KRS 161.550(2) or 161.553(2)

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

No notes were issued during the reporting period

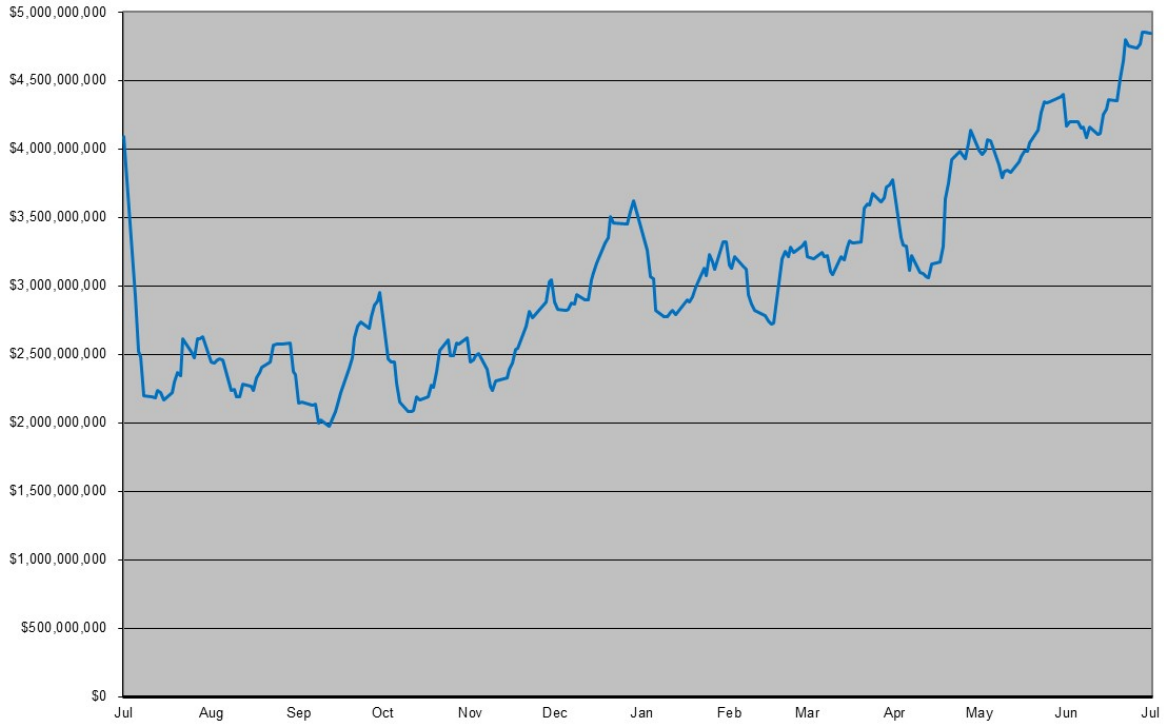
### **Synthetic Fixed Rate**

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

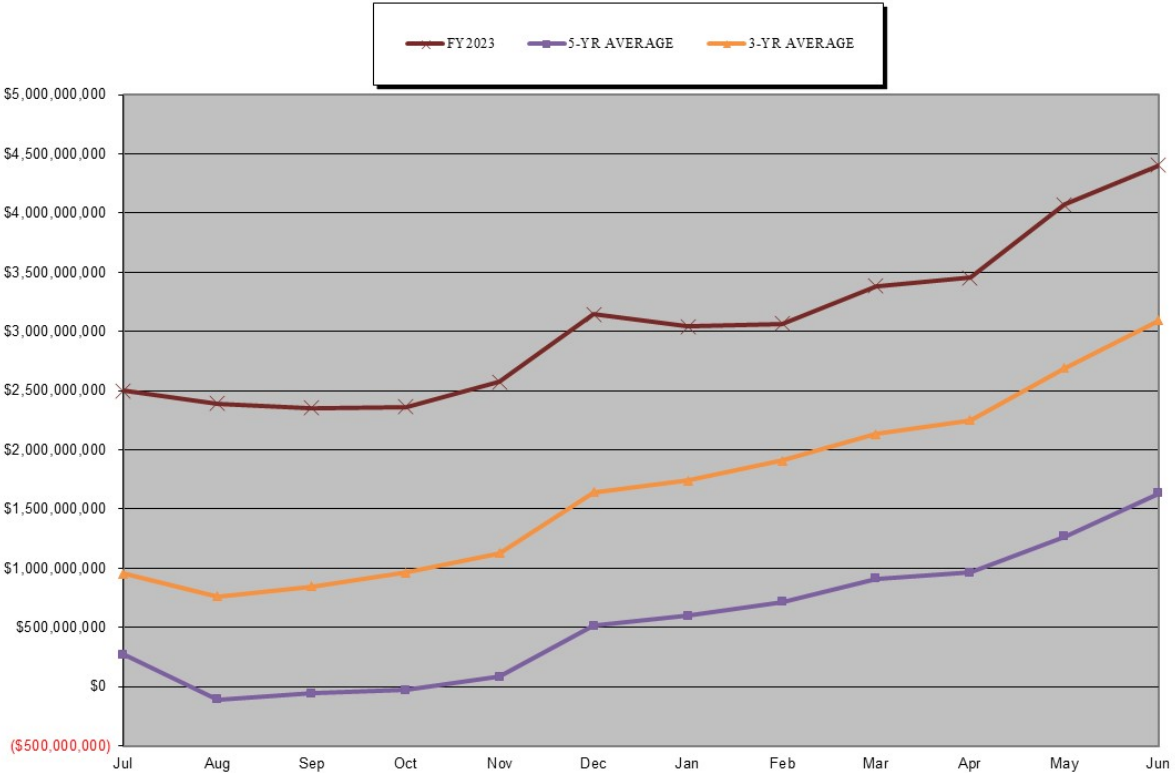
No Synthetic Fixed Rate bonds were issued during the reporting period.

## DEBT MANAGEMENT

**General Fund Cash Balance**  
Fiscal Year 2023



**General Fund Monthly Average**  
(Excluding TRANs Proceeds)



## DEBT MANAGEMENT

### *ALCo Financial Agreements*

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

### *Asset/Liability Model*

#### **General Fund**

The total State Property and Buildings Commission (“SPBC”) debt portfolio as of June 30, 2023 had \$2.731 billion of bonds outstanding with a weighted average coupon of 4.84 percent and a weighted average life of 6.27 years. The average coupon reflects an amount of taxable bonds, issued under the Build America Bond Program during 2009 and 2010, as well as continued investor preference for tax-exempt callable premium bonds in the current market at a yield lower than par or discount coupon bonds. The \$1.246 billion callable portion had a weighted average coupon of 4.73 percent. The SPBC debt structure has 45.82 percent of principal maturing in 5-years and 74.70 percent of principal maturing in 10-years which is primarily influenced by the reduced amount of long-term new money permanent financings within the last several years.

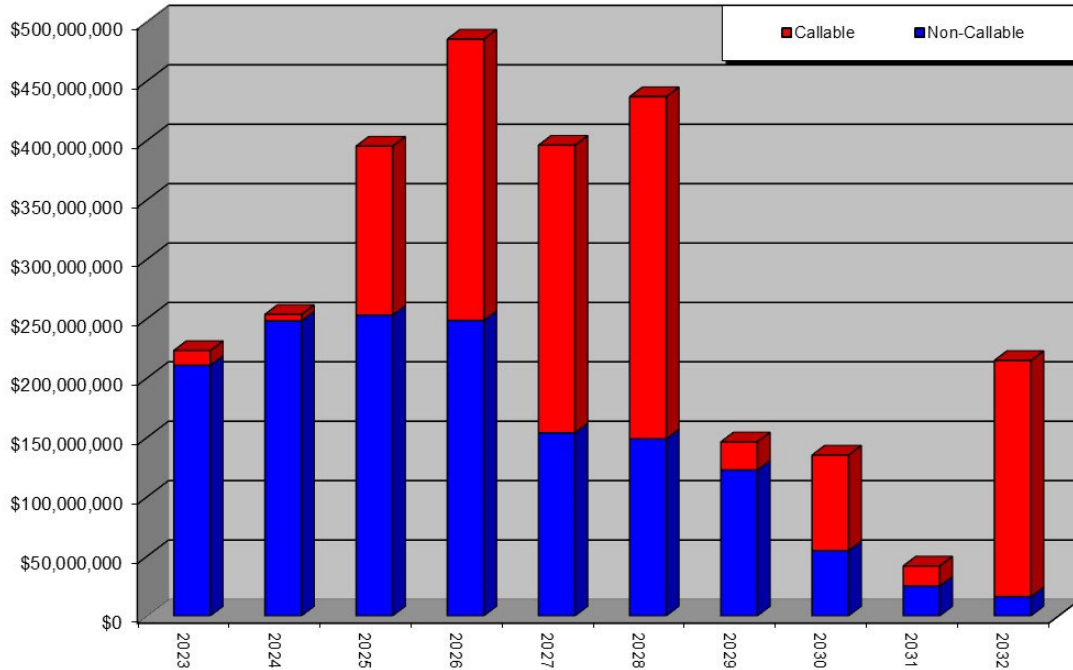
The General Fund had a maximum balance of \$4.849 billion on June 30, 2023, and a low of \$1.971 billion on September 12, 2022. The average and median balances were \$3.071 billion and \$2.933 billion, respectively. Return on investable balances is impacted by investment earnings, fees and mark-to-market rules on the underlying investments.

From a liability management perspective, total Commonwealth General Fund debt service, net of credits was \$536.52 million for FY 2023. In addition to the Commonwealth General Fund

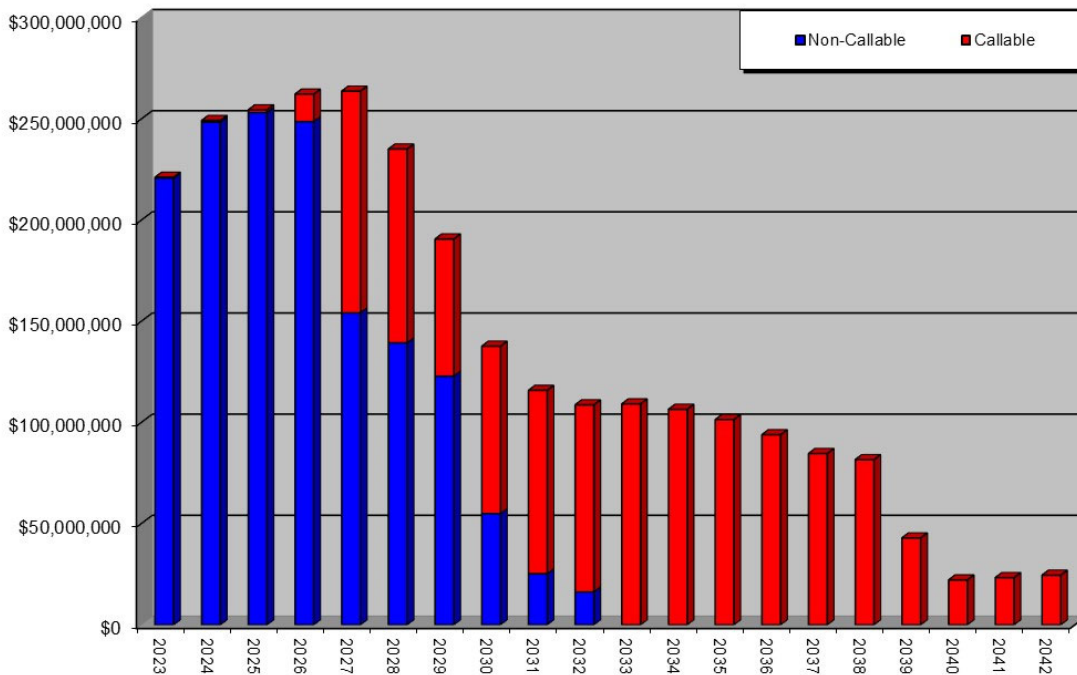
debt service, General Fund debt service of \$9.811 million was provided for an Eastern State Hospital financing that was first issued through the Lexington-Fayette Urban County Government in 2011. Also, General Fund debt service of \$11.293 million was provided for the 2015 and 2018 Certificates of Participation (related to the two Commonwealth State office Building projects). These projects are separately identified because they are not direct obligations of the Commonwealth, but they are General Fund supported.

## DEBT MANAGEMENT

**Call Analysis by Call Date**  
State Property and Buildings Commission Bonds



**Call Analysis by Maturity Date**  
State Property and Buildings Commission Bonds



## DEBT MANAGEMENT

### Looking Forward

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

### Road Fund

The net Road Fund average daily cash balance for FY 2023 was \$445 million compared to \$493 million for Fiscal Year 2022. The Road Fund cash was invested in the Intermediate Term Investment Pool which had a duration of 0.96 years as of June 30, 2023. The Road Fund earned \$6.3 million on a cash basis for FY 2023 versus negative \$11 million for FY 2022.

As of June 30, 2023, the Turnpike Authority of Kentucky ("TAK") had \$765.19 million of bonds outstanding with a weighted average coupon of 4.62% and an average life of 5.17 years.

Road Fund debt service paid in FY 2023 was \$132.82 million, resulting in a net interest margin (investment income earned year-to-date less debt service paid) of negative \$126.51 million. The negative amount stems from the level of investable balances in addition to the limited callability of fixed rate obligations on the liability side.

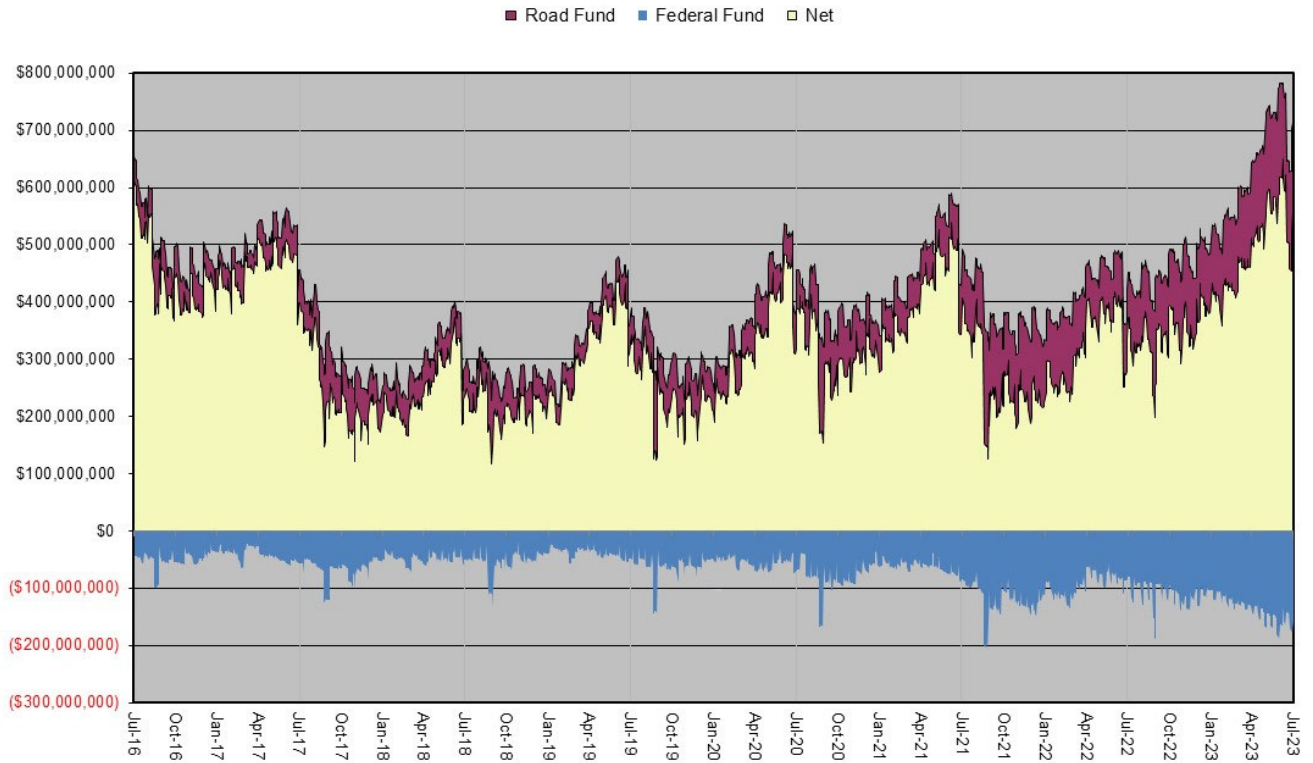
### ALCo 2023 GARVEEs

On June 6, 2023, ALCo priced a \$54,840,000 bond transaction which currently refunded \$55,405,000 of outstanding Kentucky ALCo, Project Notes 2013 Federal Highway Trust Fund Series A. The transaction achieved an All-In True Interest Cost of 3.423% and a net present value savings of \$1,598,618 (2.885% savings of refunded par). The bonds were issued tax-exempt via competitive sale with Hilltop Securities Inc serving as Financial Advisor and Dinsmore & Shohl LLP serving as Bond Counsel. The bonds achieved a rating of AA from S&P. The transaction closed on June 22, 2023.



# DEBT MANAGEMENT

**Road Fund Available Balance**  
Fiscal Year 2017-2023 as of 06/30/2023



## SUMMARY

During the reporting period for the 53rd semi-annual report, the FOMC achieved success in its goal to drive inflation closer to the long-run objective of 2 percent after two years of stubbornly high price gains. After an aggressive series of interest rate hikes in 2022, the pace slowed in 2023 as inflation continued to fall from earlier peaks. Yields on treasury securities and corporate bonds continued to rise on the shorter end and the 2-year and 10-year treasury curve remained sharply inverted. This contributed to a higher cost of capital across the Commonwealth, but provided debt issuers numerous opportunities for investment income from banking deposits.

ALCo's approach to managing the Commonwealth's interest-sensitive assets and interest-sensitive liabilities has provided flexibility and savings in financing the Commonwealth's capital construction program. As always, ALCo continues to analyze potential opportunities for

savings and to evaluate new financing structures which offer the Commonwealth the ability to diversify risk within its portfolio while taking advantage of market demand for various new or unique products. The Commission continues to monitor the municipal bond interest rate market and uses this information together with other relevant market data to evaluate whether or not the interim financing program would provide an economic advantage in conjunction with the fixed-rate bonds.

The balance of prior bond authorizations of the General Assembly from 2010 – 2023 totals over \$3.96 billion with existing debt for SPBC of \$2.59 billion, SFCC \$955.70 million, ALCo GARVEEs \$264.68 million, ALCo bonds \$76.56 million and Turnpike bonds \$765.19 million. The bonds are monitored for potential refunding savings on an advance refunding basis as well as taxable refunding bonds.

# APPENDIX

## APPENDIX A

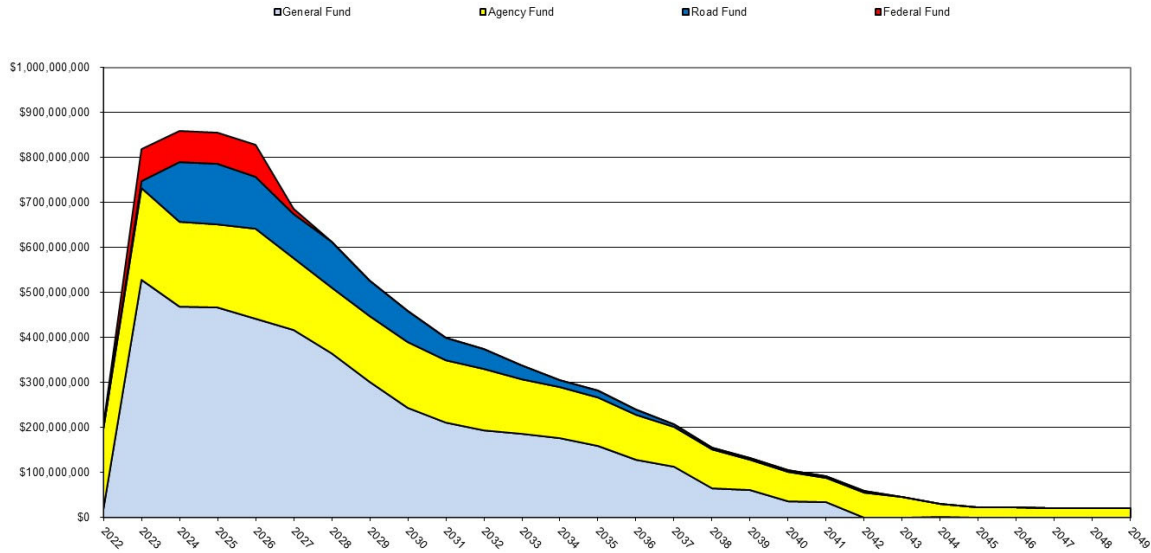
### Corporate Credits Approved For Purchase

6/20/2023

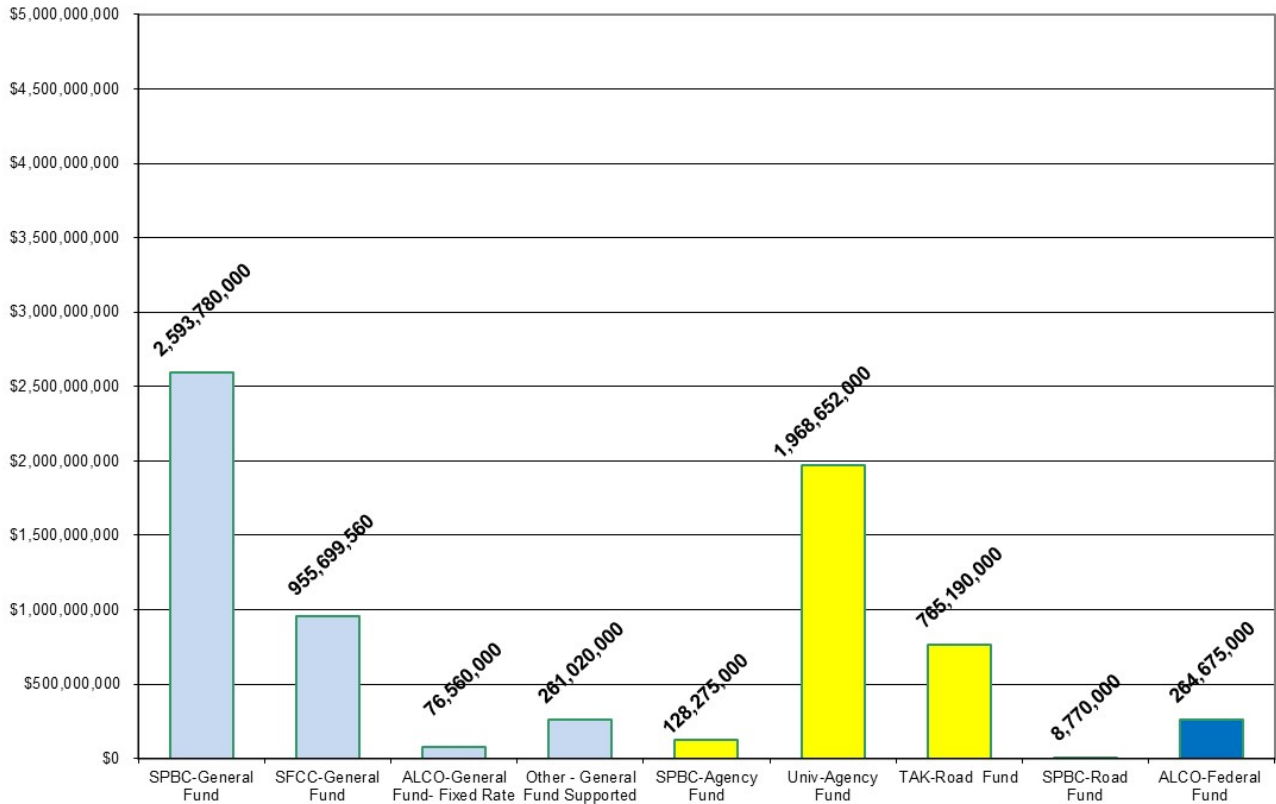
<u>Company Name</u>	<u>Repurchase Agreements</u>	<u>Commercial Paper</u>	<u>Bonds</u>
Apple Inc		Yes	Yes
Bank of Montreal	Yes	Yes	Yes
Bank of Nova Scotia	Yes	Yes	Yes
Bank of Tokyo-Mitsubishi UFJ		Yes	Yes
Berkshire Hathaway Inc		Yes	Yes
BNP Paribas Securities Corp	Yes	Yes	Yes
BNY Mellon NA		Yes	Yes
Canadian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

## APPENDIX B

Appropriation Supported Debt Service  
by Fund Source as of 06/30/2023



Appropriation Debt Principal Outstanding  
by Fund Source as of 06/30/2023



\*This data does not include debt issued for judicial center projects and paid for by the Administrative Office of the Courts in the Court of Justice or debt issued by the Lexington-Fayette Urban County Government for the Eastern State Hospital.

## APPENDIX C

**COMMONWEALTH OF KENTUCKY  
ASSET/LIABILITY COMMISSION  
SCHEDULE OF NOTES OUTSTANDING  
AS OF 6/30/2023**

FUND TYPE SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING
<b>General Fund Project &amp; Funding Notes</b>				
2021 General Fund Refunding Project Notes	\$113,940,000	5/2021	11/2027	\$76,560,000
<b>FUND TOTAL</b>	<b>\$113,940,000</b>			<b>\$76,560,000</b>
<b>Federal Hwy Trust Fund Project Notes</b>				
2013 1st Series	\$212,545,000	8/2013	9/2025	\$25,695,000
2014 1st Series	\$171,940,000	3/2014	9/2026	\$132,175,000
2015 1st Series	\$106,850,000	10/2015	9/2027	\$51,400,000
2023 Refunding Notes FHTF	\$54,840,000	6/2023	9/2025	\$54,840,000
<b>FUND TOTAL</b>	<b>\$546,175,000</b>			<b>\$264,110,000</b>
<b>ALCo NOTES TOTAL</b>	<b>\$660,115,000</b>			<b>\$340,670,000</b>

REPORT PREPARED BY:



Office of Financial  
Management

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

*Creating Financial Value for the Commonwealth*

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**TEAM**   
**KENTUCKY**

**Annual Report of Bonds Outstanding**

FY23	Principal					Interest	Annual Fees**
	June 30, 2022	Issued	Matured	Refunded	June 30, 2023		
State Property and Buildings Commission ("SPBC")	\$ 2,772,165,000	\$ 235,485,000	\$ 276,825,000	\$ 0	\$ 2,730,825,000	\$ 124,917,300	\$ -
Kentucky Asset/Liability Commission ("ALCO")	\$ 444,455,500	\$ 54,840,000	\$ 103,220,500	\$ 55,405,000	\$ 340,670,000	\$ 19,266,188	\$ -
Turnpike Authority of Kentucky ("TAK")	\$ 813,025,000	\$ 47,480,000	\$ 95,315,000	\$ -	\$ 765,190,000	\$ 36,327,665	\$ -
School Facilities Construction Commission	\$ 1,013,776,220	\$ 37,002,014	\$ 95,078,673	\$ 0	\$ 955,699,561	\$ 27,648,713	\$ -
State Universities	\$ 1,887,687,000	\$ 268,815,000	\$ 112,550,000	\$ 75,300,000	\$ 1,968,652,000	\$ 69,397,695	\$ 65,900
Other General Fund Supported	\$ 262,705,000	\$ 0	\$ 5,460,000	\$ -	\$ 257,245,000	\$ 11,682,906	\$ -
<i>Subtotal Appropriation Supported Debt</i>	<i>\$ 7,193,813,720</i>	<i>\$ 643,622,014</i>	<i>\$ 688,449,173</i>	<i>\$ 130,705,000</i>	<i>\$ 7,018,281,561</i>	<i>\$ 289,240,468</i>	<i>\$ 65,900</i>
Kentucky Infrastructure Authority ("KIA")	\$ 153,105,000	\$ -	\$ 20,430,000	\$ -	\$ 132,675,000	\$ 7,426,388	\$ 3,200
Kentucky Housing Corporation	\$ 187,615,000	\$ 0	\$ 1,486,357	\$ 19,018,643	\$ 167,110,000	\$ 5,853,316	\$ 46,538
KY Higher Education Student Loan Corporation	\$ 816,438,000	\$ 93,515,000	\$ 149,927,000	\$ 24,700,000	\$ 735,326,000	\$ 29,968,134	\$ 50,581
Kentucky Public Transportation Infrastructure Authority	\$ 721,940,674	\$ 0	\$ 7,793,541	\$ -	\$ 714,147,133	\$ 25,760,701	\$ -
<i>Subtotal Non-Appropriation Supported Debt</i>	<i>\$ 1,879,098,674</i>	<i>\$ 93,515,000</i>	<i>\$ 179,636,898</i>	<i>\$ 43,718,643</i>	<i>\$ 1,749,258,133</i>	<i>\$ 69,008,538</i>	<i>\$ 100,319</i>
<b>Total</b>	<b>\$ 9,072,912,393</b>	<b>\$ 737,137,014</b>	<b>\$ 868,086,071</b>	<b>\$ 174,423,643</b>	<b>\$ 8,767,539,694</b>	<b>\$ 358,249,007</b>	<b>\$ 166,219</b>

**1 Other General Fund Supported Bonds include Certificates of Participation, Series 2015 (Commonwealth of Kentucky State Office Building Project) and Certificates of Participation, Series 2018A and Taxable Series 2018B (Commonwealth of Kentucky State Office Building Project) and Kentucky Bond Development Corporation Industrial Building Revenue Bonds, City of Williamsburg Series 2019 (Kentucky Communications Network Authority Project).**



**Kentucky Infrastructure Authority  
 Projects for October 2023  
 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>
B24-004	City of Flatwoods	\$ 450,000	\$ 450,000	Greenup

**2021 Cleaner Water Program Grants - Sewer**

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
21CWS006	City of Sharpsburg	City of Sharpsburg Package Treatment Plant Security Updates	\$ 15,303.00	Bath	Supplemental

**2021 Cleaner Water Program Grants - Water**

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
21CWW036	East Clark County Water District	Muddy Creek Booster Pump Station Rehabilitation and Zone Meterin	\$ 35,000.00	Clark	Supplemental
21CWW040	City of Whitesville	Ward Road Water Line Upgrade	\$ 19,868.00	Daviess	Supplemental
21CWW109	City of Vanceburg	Scotts Branch Road Water Line Replacement and SCADA System Upgrade	\$ 12,360.00	Lewis	Supplemental
21CWW155	Monroe County Water District	MCWD - Tanks Rehabilitation	\$ 268,132.00	Monroe	County - R
21CWW338	City of Dry Ridge	Dry Ridge Booster Pump Station Project	\$ 35,677.51	Grant	County - R

**2022 Cleaner Water Program Grants - Sewer**

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
22CWS044	City of Sandy Hook	Buck Mobley Pump Station Renovation	\$ 22,280.00	Elliott	Supplemental
22CWS160	City of Flatwoods	Flatwoods: Federal Way Sewer Line Upgrade and Replacement	\$ 150,637.00	Greenup	County - R
22CWS161	Prestonsburg City's Utilities Commission	PCUC Harold WWTP Expansion Project	\$ 951,867.00	Floyd	County - R
22EKS001	Troublesome Creek Environmental Authority	Olive Branch High Ground Subdivision Sewer Collection Project	\$ 1,171,865.00	Knott	EKSAFE
22EKS002	Perry County Fiscal Court	Sky View Estates Sewer Extension Project	\$ 2,689,625.00	Perry	EKSAFE
22EKS003	Knott County Fiscal Court	Chestnut Ridge Main Access Road Utilities Development Sewer Project	\$ 665,300.00	Knott	EKSAFE
22EKS004	Knott County Fiscal Court	Chestnut Ridge DP-1 (59 Lots) Residential Development Sewer Project	\$ 985,150.00	Knott	EKSAFE
22EKS005	Knott County Fiscal Court	Chestnut Ridge DP-2 (101 Lots) Residential Development Sewer Project	\$ 1,382,170.00	Knott	EKSAFE

**2022 Cleaner Water Program Grants - Water**

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
22CWW073	Buffalo Trail Water Association Inc	Thomas Pike Water Main Replacement	\$ 13,321.00	Robertson	Supplemental
22CWW097	Elliott County Fiscal Court	Big Stone Road Water Main Extension	\$ 81,386.00	Elliott	Supplemental
22CWW145	Morehead Utility Plant Board	MUPB Lead Removal Program - Phase I	\$ 122,190.00	Rowan	Supplemental
22CWW152	Trimble County Water District #1	U.S. 421 Water Main Replacement	\$ 29,975.00	Trimble	Supplemental
22CWW187	Western Pulaski County Water District	Faubush/Nancy Area Water Transmission Main	\$ 107,569.90	Pulaski	Supplemental
22CWW264	North Marshall Water District	Cambridge Shores Area Water Main Replacements	\$ 48,221.00	Marshall	Supplemental
22CWW325	Meade County Water District	Meade Co. Water District Sirocco Rd, Milan Rd, Poplar Ct Extension	\$ 148,951.00	Meade	Supplemental
22CWW326	Meade County Water District	Meade Co. Water District Lone Star Rd/Big Dipper Trail Extension	\$ 36,806.00	Meade	Supplemental
22CWW327	Meade County Water District	Meade Co. Water District Chester Lane Extension	\$ 9,831.00	Meade	Supplemental
22CWW340	Marion County Water District	Lebanon Bypass Water System Improvements - Phase I	\$ 96,491.00	Marion	Supplemental
22CWW348	South Eastern Water Association Inc	Dixie Bend Tank Replacement	\$ 373,891.00	Pulaski	County - R
22EKW001	Troublesome Creek Environmental Authority	Olive Branch High Ground Subdivision Water Project	\$ 1,646,755.00	Knott	EKSAFE
22EKW002	Perry County Fiscal Court	Sky View Estates Waterline Extension Project	\$ 1,689,375.00	Perry	EKSAFE
22EKW003	Knott County Fiscal Court	Chestnut Ridge Main Access Road Utilities Development Water Project	\$ 464,300.00	Knott	EKSAFE
22EKW004	Knott County Fiscal Court	Chestnut Ridge DP-1 (59 Lots) Residential Development Water Project	\$ 707,150.00	Knott	EKSAFE
22EKW005	Knott County Fiscal Court	Chestnut Ridge DP-2 (101 Lots) Residential Development Water Project	\$ 1,000,170.00	Knott	EKSAFE

<b>EXECUTIVE SUMMARY</b>		Reviewer	Sandy Sanders	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	October 5, 2023	
<b>FUND B, INFRASTRUCTURE</b>		KIA Loan Number	B24-004	
<b>REVOLVING LOAN FUND</b>		WRIS Number	SX21089080	
BORROWER	CITY OF FLATWOODS GREENUP COUNTY			
BRIEF DESCRIPTION				
The City of Flatwoods is requesting a Fund B loan in the amount of \$450,000 for the Federal Way Sewer Line project. The project will replace approximately 4,800 linear feet of aging 4" clay lines with 8" PVC pipe. The failing clay lines are causing periodic service outages, potentially allowing raw sewage to enter the environment. Twenty-five (25) manholes will also be replaced. Seventy-seven (77) homes will benefit from replacing all lines on Federal Way, Gregory Street, Mary Sue Drive and the majority of Brenda Sue Drive.				
PROJECT FINANCING		PROJECT BUDGET		
Fund B Loan	\$450,000	Administrative Expenses	\$10,000	
ARPA Funds	644,751	Planning	2,000	
		Eng - Design / Const	78,421	
		Eng - Insp	50,753	
		Eng - Other	2,500	
		Construction	864,651	
		Contingency	86,426	
TOTAL	\$1,094,751	TOTAL	\$1,094,751	
REPAYMENT	Rate	1.25%	Est. Annual Payment	\$26,399
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	E.L. Robinson Engineering		
	Bond Counsel	Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Jul-23		
	Construction Start	Aug-23		
	Construction Stop	Dec-23		
DEBT PER CUSTOMER	Existing	\$176		
	Proposed	\$333		
OTHER DEBT	See Attached			
RESIDENTIAL RATES	Current	<u>Users</u>	<u>Avg. Bill</u>	
		2,846	\$47.75	(for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2020	432,351	88,676	343,675	4.9
Audited 2021	527,745	84,520	443,225	6.2
Audited 2022	539,604	84,448	455,156	6.4
Projected 2023	434,984	58,622	376,362	7.4
Projected 2024	549,575	56,525	493,050	9.7
Projected 2025	560,173	69,723	490,450	8.0
Projected 2026	570,982	69,723	501,259	8.2
Projected 2027	582,007	69,723	512,284	8.3

Reviewer: Sandy Sanders  
 Date: October 5, 2023  
 Loan Number: B24-004

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND B)  
 CITY OF FLATWOODS, GREENUP COUNTY  
 PROJECT REVIEW  
 SX21089080**

**I. PROJECT DESCRIPTION**

The City of Flatwoods is requesting a Fund B loan in the amount of \$450,000 for the Federal Way Sewer Line project. The project will replace approximately 4,800 linear feet of aging 4" clay lines with 8" PVC pipe. The failing clay lines are causing periodic service outages, potentially allowing raw sewage to enter the environment. Twenty-five (25) manholes will also be replaced. Seventy-seven (77) homes will benefit from replacing all lines on Federal Way, Gregory Street, Mary Sue Drive and the majority of Brenda Sue Drive.

The City of Flatwoods currently serves 2,700 residential customer and over 150 commercial and industrial customers.

**II. PROJECT BUDGET**

	Total
Administrative Expenses	\$ 10,000
Planning	2,000
Engineering Fees - Design	78,421
Engineering Fees - Inspection	50,753
Engineering Fees - Other	2,500
Construction	864,651
Contingency	86,426
<b>Total</b>	<b>\$ 1,094,751</b>

**III. PROJECT FUNDING**

	Amount	%
Fund B Loan	\$ 450,000	41%
ARPA Funds	644,751	59%
<b>Total</b>	<b>\$ 1,094,751</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 450,000
Less: Principal Forgiveness	0
Amortized Loan Amount	<u>\$ 450,000</u>
Interest Rate	1.25%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 25,499
Administrative Fee (0.20%)	<u>900</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 26,399</b>

**V. PROJECT SCHEDULE**

Bid Opening:	July 2023
Construction Start:	August 2023
Construction Stop:	December 2023

**VI. RATE STRUCTURE**

**A. Customers**

Customers	Current
Residential	2,679
Commercial	149
Industrial	<u>18</u>
Total	2,846

**B. Rates**

	<b>Inside City Limits</b>	
<b>WATER</b>	Current	Prior
Date of Last Rate Increase	<u>07/01/23</u>	<u>07/01/22</u>
Minimum up to 2,000 Gallons	\$24.83	\$24.58
2,001 to 3,000 Per Gallon	0.00884	0.0087
Over 3,000 Per Gallon	<u>0.00530</u>	<u>0.00518</u>
Cost for 4,000 gallons	\$38.97	\$38.48
Increase %	1.3%	
Affordability Index (Rate/MHI)	0.8%	0.8%

<b>WATER</b>	<b>Outside City Limits</b>	
	Current	Prior
Date of Last Rate Increase	07/01/23	07/01/22
Minimum up to 2,000 Gallons	\$37.65	\$37.40
2,001 to 3,000 Per Gallon	0.01062	0.0105
Over 3,000 Per Gallon	0.00606	0.00594
Cost for 4,000 gallons	\$54.33	\$53.84
Increase %	0.9%	
Affordability Index (Rate/MHI)	1.2%	1.2%

<b>SEWER</b>	<b>Inside City Limits</b>	
	Current	Prior
Date of Last Rate Increase	07/01/23	07/01/22
Minimum up to 2,000 Gallons	\$24.37	\$22.28
Over 2,000 Gallons, per Gallon	0.01169	0.01065
Cost for 4,000 gallons	\$47.75	\$43.58
Increase %	9.6%	
Affordability Index (Rate/MHI)	1.0%	0.9%

<b>SEWER</b>	<b>Outside City Limits</b>	
	Current	Prior
Date of Last Rate Increase	07/01/23	07/01/22
Minimum up to 2,000 Gallons	\$29.83	\$27.74
Over 2,000 Gallons, per Gallon	0.01253	0.01149
Cost for 4,000 gallons	\$54.89	\$50.72
Increase %	8.2%	
Affordability Index (Rate/MHI)	1.2%	1.1%

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility’s service area population was 3,441 with a Median Household Income (MHI) of \$55,308. The MHI for the Commonwealth is \$55,454. The project will qualify for a 1.25% interest rate.

## VIII. FINANCIAL ANALYSIS

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

### HISTORY

Total water and sewer revenues increased 8.4% from \$3.01 million in 2020 to \$3.26 million in 2022 due to annual rate adjustments for both water and sewer services. Operating expenses increased 3.0% from \$2.58 million to \$2.73 million during the same period. The debt coverage ratio was 4.9, 6.2, and 6.4 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 6.6, a debt-to-equity ratio of 0.4, 51.7 days of sales in accounts receivable, and 8.5 months of operating expenses in unrestricted cash.

### PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues will increase 1.0% in 2024 due to an existing rate increase.
- 2) Sewer revenues will increase 9.6% in 2024 due to an existing rate increase.
- 3) Operating expenses will increase 2.0% annually due to inflation.
- 4) Debt service coverage is 9.7 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 B loan.

### REPLACEMENT RESERVE

The replacement reserve will be 5% (\$22,000 total) of the final amount borrowed to be funded annually (\$1,100 yearly) each December 1 for 20 years and maintained for the life of the loan.

**IX. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
KIA Loan A12-21	\$ 295,121	2034
KIA Loan B11-04	15,146	2033
KIA Loan F14-044	191,381	2035
<b>Total</b>	<b>\$ 501,648</b>	

**X. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Flatwoods
Authorized Official	Buford Hurley (Mayor)
County	Greenup
Email	bhurley@flatwoodsky.gov
Phone	606-836-9661
Address	2513 Reed Street Flatwoods, KY 41139

<b>Applicant Contact</b>	
Name	Eric Patton
Organization	Greenup County
Email	epatton@greenupcountyky.gov
Phone	606-369-7564
Address	301 Main Street #1 Greenup, KY 41144

<b>Project Administrator</b>	
Name	Dan Cheek
Organization	FIVCO Area Development District
Email	rick@fivco.org
Phone	606-929-1366
Address	32 FIVCO Court Grayson, KY 41143



**Consulting Engineer**

PE Name	Paul Amburgey
Firm Name	E.L. Robinson Engineering
Email	pamburgey@elrobinson.com
Phone	-
Address	155 W Central Avenue Ashland, KY 41101

**XI. RECOMMENDATIONS**

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

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

	<u>Audited</u> <u>2020</u>	<u>Audited</u> <u>2021</u>	<u>Audited</u> <u>2022</u>	<u>Projected</u> <u>2023</u>	<u>Projected</u> <u>2024</u>	<u>Projected</u> <u>2025</u>	<u>Projected</u> <u>2026</u>	<u>Projected</u> <u>2027</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	1,434,989	1,904,748	2,397,322	2,465,774	2,588,484	2,696,174	2,806,126	2,918,483
Other Assets	6,010,387	5,787,370	7,555,313	5,742,061	6,952,012	7,065,132	7,186,899	7,317,486
<b>Total</b>	<b>7,445,376</b>	<b>7,692,118</b>	<b>9,952,635</b>	<b>8,207,835</b>	<b>9,540,496</b>	<b>9,761,306</b>	<b>9,993,025</b>	<b>10,235,969</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	407,033	339,334	363,021	359,863	385,530	388,710	392,003	395,310
Long Term Liabilities	2,454,894	2,444,939	2,415,304	2,415,304	2,842,804	2,820,304	2,797,804	2,775,304
<b>Total Liabilities</b>	<b>2,861,927</b>	<b>2,784,273</b>	<b>2,778,325</b>	<b>2,775,167</b>	<b>3,228,334</b>	<b>3,209,014</b>	<b>3,189,807</b>	<b>3,170,614</b>
<b>Net Assets</b>	<b>4,583,449</b>	<b>4,907,845</b>	<b>7,174,310</b>	<b>5,432,668</b>	<b>6,312,162</b>	<b>6,552,292</b>	<b>6,803,218</b>	<b>7,065,355</b>
<b>Cash Flow</b>								
Revenues	3,010,904	3,201,172	3,264,552	3,216,319	3,386,594	3,453,990	3,522,733	3,592,851
Operating Expenses	2,584,353	2,681,621	2,729,619	2,786,006	2,841,690	2,898,488	2,956,422	3,015,515
Other Income	5,800	8,194	4,671	4,671	4,671	4,671	4,671	4,671
<b>Cash Flow Before Debt Service</b>	<b>432,351</b>	<b>527,745</b>	<b>539,604</b>	<b>434,984</b>	<b>549,575</b>	<b>560,173</b>	<b>570,982</b>	<b>582,007</b>
<b>Debt Service</b>								
Existing Debt Service	88,676	84,520	84,448	58,622	43,325	43,324	43,324	43,324
Proposed KIA Loan	0	0	0	0	13,200	26,399	26,399	26,399
<b>Total Debt Service</b>	<b>88,676</b>	<b>84,520</b>	<b>84,448</b>	<b>58,622</b>	<b>56,525</b>	<b>69,723</b>	<b>69,723</b>	<b>69,723</b>
<b>Cash Flow After Debt Service</b>	<b>343,675</b>	<b>443,225</b>	<b>455,156</b>	<b>376,362</b>	<b>493,050</b>	<b>490,450</b>	<b>501,259</b>	<b>512,284</b>
<b>Ratios</b>								
Current Ratio	3.5	5.6	6.6	6.9	6.7	6.9	7.2	7.4
Debt to Equity	0.6	0.6	0.4	0.5	0.5	0.5	0.5	0.4
Days Sales in Accounts Receivable	55.2	51.9	51.7	51.7	51.7	51.7	51.7	51.7
Months Operating Expenses in Unrestricted Cash	4.5	6.5	8.5	8.7	8.9	9.1	9.4	9.6
Debt Coverage Ratio	4.9	6.2	6.4	7.4	9.7	8.0	8.2	8.3

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	21CWS006
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21011025
GRANTEE	SHARPSBURG, CITY OF BATH COUNTY		
BRIEF DESCRIPTION			
<p>The City of Sharpsburg propose the rehabilitation of the existing aging package treatment plant used for the cities wastewater system. The rehabilitation of the sewage package treatment plant would include the burying of an existing aeration basin influent line and installing a PAA chemical feed system for disinfection. The installation of the PAA system will ensure the City of Sharpsburg's ability to meet current and future discharge limits. The City of Sharpsburg wastewater system has a directly serviceable population of approximately 434 , or 225 households, with serviceable connections in Bath County.</p>			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 21CWS006	\$76,513	Administrative Expenses	\$1,148
CWP - Supplemental Pool - Increase	15,303	Planning	2,000
		Eng - Design / Const	#DIV/0! 11.6% 8,400
		Eng - Insp	#DIV/0! 11.1% 8,000
		Construction	66,500
		Contingency	5,768
TOTAL	<u>\$91,816</u>	TOTAL	<u>\$91,816</u>
PROFESSIONAL SERVICES	Engineer	Kentucky Engineering Group PLLC	
PROJECT SCHEDULE	Bid Opening	August 15, 2023	
	Construction Start	November 1, 2023	
	Construction Stop	March 1, 2024	
RESIDENTIAL RATES	Current	<u>Users</u> 150	<u>Avg. Bill</u> \$ 36.11 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Bath County	\$ 76,513.00	
Supplemental Pool		\$ 15,303.00	
	Total	\$ 91,816.00	
Notes:			
Prior Approval:			
County Allocation Pool	Bath	\$ 76,513	March 17, 2022
Supplemental Pool	Supplemental Increase	\$ 15,303	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	21CWW036
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21049043
GRANTEE	EAST CLARK COUNTY WATER DISTRICT CLARK COUNTY		
BRIEF DESCRIPTION			
The East Clark County Water District proposes to install four (4) new distribution system "zone meters" in the following areas, Cabin Creek Road and Ecton Road, and two locations near the Highway 15 Elevated Storage Tank. Each meter will include a cellular modem to provide AMR capability. Also proposed in this project is the rehabilitation of the existing Muddy Creek Booster Pump Station. This rehabilitation is proposed to include replacement of the pumps, pump controls, variable frequency drives, and installation of a new propane-fueled emergency power generator at the BPS site.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 21CWW036	\$350,000	Administrative Expenses	\$15,000
CWP - Supplemental - Increase	35,000	Legal Expenses	5,000
Local	258,000	Land, Easements	2,500
		Planning	5,500
		Eng - Design / Const	11.6% 5.3% 30,000
		Eng - Insp	9.3% 4.3% 24,000
		Construction	536,000
		Contingency	25,000
TOTAL	\$643,000	TOTAL	\$643,000
PROFESSIONAL SERVICES	Engineer	Bell Engineering	
PROJECT SCHEDULE	Bid Opening	September 12, 2023	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 2,655	<u>Avg. Bill</u> \$ 51.36 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Clark County	\$ 350,000.00	
Supplemental Pool		\$ 35,000.00	
	Total	\$ 385,000.00	
Notes:			
Prior Approval:			
County Allocation Pool	Clark	\$ 350,000	April 19, 2022
Supplemental Pool	Supplemental Increase	\$ 35,000	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	21CWW040
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21059031
GRANTEE	WHITESVILLE, CITY OF DAVISS COUNTY		
BRIEF DESCRIPTION			
This project will replace 2" water line with 6" PVC and connect to the existing 8" line in the area to improve water quality and pressure to approximately 19 households along Ward Road.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 21CWW040	\$198,679	Administrative Expenses	\$7,087
CWP -Supplemental Pool - Increase	19,868	Eng - Design / Const	12.1% 9.1% 18,780
Local	29,740	Eng - Insp	10.3% 8.2% 16,890
		Construction	191,355
		Contingency	14,175
TOTAL	\$248,287	TOTAL	\$248,287
PROFESSIONAL SERVICES	Engineer	HRG, PLLC	
PROJECT SCHEDULE	Bid Opening	August 29, 2023	
	Construction Start	November 1, 2023	
	Construction Stop	March 1, 2024	
RESIDENTIAL RATES		Users	Avg. Bill
	Current	1,477	\$ 33.82 (for 4,000 gallons)
	Additional	19	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Daviess County	\$ 198,679.00	
Supplemental Pool		\$ 19,868.00	
	Total	\$ 218,547.00	
Notes:			
Prior Approval:			
County Allocation Pool	Daviess	\$ 198,679	April 19, 2022
Supplemental Pool	Supplemental Increase	\$ 19,868	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	21CWW109
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21135023
GRANTEE	VANCEBURG, CITY OF LEWIS COUNTY		
BRIEF DESCRIPTION			
This project proposes to reroute and replace an 8" water line along the mouth of Scotts Branch Road (State Hwy 474) on State Hwy 59 to avoid a reoccurring slip between the highway and Laurel Fork creek. This line services around 500 customers including an elementary school. To accomplish this project the water line would be moved to connect with a 12" water line that runs along Stone Hill Road. This would require approximately 1,500 feet of new water line be laid from Stone Hill Road to a 400' directional bore crossing going under Laurel Fork Creek back to the existing water line alone State Route 59. This project would also upgrade the systems obsolete SCADA system with the newest version of the software.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 21CWW109	\$123,600	Administrative Expenses	\$4,000
CWP - Supplemental Pool - Increase	12,360	Construction	111,760
		Equipment	20,200
TOTAL	<u>\$135,960</u>	TOTAL	<u>\$135,960</u>
PROFESSIONAL SERVICES	Engineer	NA	
PROJECT SCHEDULE	Bid Opening	May 26, 2023	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 2,629	<u>Avg. Bill</u> \$ 29.82 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Lewis County	\$ 123,600.00	
Supplemental Pool		\$ 12,360.00	
	Total	\$ 135,960.00	
Notes:			
Prior Approval:			
County Allocation Pool	Lewis	\$ 123,600	March 17, 2022
Supplemental Pool	Supplemental Increase	\$ 12,360	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b> <b>CLEANER WATER PROGRAM GRANT</b>	Reviewer	Julie Bickers
	CPBOC Date	October 25, 2023
	KIA Grant Number	21CWW155
	WRIS Number	WX21171052

GRANTEE	MONROE COUNTY WATER DISTRICT MONROE COUNTY
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**BRIEF DESCRIPTION**

There are seven (7) aging water storage tanks within this system, all of which would receive necessary care and rehabilitation by this project. The seven (7) water storage tanks include Big Sulphur Tank, Hwy 100 Tank, Persimmon Tank, Old Mulkey Rd Tank, Gamaliel Tank, Gum Tree Tank, and Flippin Tank. All tanks need an interior and exterior cleaning and inspection as well as an additional mixer. 570 Big Sulphur Rd, Tompkinsville, KY 42167 (36.677110, -85.651715) 170 J Scott Rd, Tompkinsville, KY 42167 (36.722469, -85.627413) 80 Hurt Rd, Tompkinsville, KY 42167 (36.809745, -85.647243) 44 Tim Lee Carter Rd, KY 2167 (36.695296, -85.721067) 775 E Main St., Gamaliel, KY 42140 (36.640011, -85.777085) 5121 Mud Lick Flippin Rd, KY 42167 (36.732203, -85.805924) 109 Arterburn Rd., Tompkinsville, KY 42167 (36.697056, -85.842658)

PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
CWP - Water Grant - 21CWW155	\$268,132	Administrative Expenses			\$30,000
Local ARPA	999,968	Eng - Design / Const	8.7%	8.0%	88,100
		Eng - Insp	5.5%	5.1%	55,500
		Construction			1,008,700
		Contingency			85,800
<b>TOTAL</b>	<b>\$1,268,100</b>	<b>TOTAL</b>			<b>\$1,268,100</b>

PROFESSIONAL SERVICES	Engineer	TBD
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PROJECT SCHEDULE	Bid Opening	TBD
	Construction Start	TBD
	Construction Stop	TBD

RESIDENTIAL RATES	Current	<u>Users</u> 3,575	\$	<u>Avg. Bill</u> 53.28 (for 4,000 gallons)
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REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount
County Allocation Pool	Monroe County	\$ 268,132.00
	Total	\$ 268,132.00

Notes:

This grant is a reallocation from a previously approved grant.  
 Previous Grantee: Monroe County Water District  
 Previous Grant #21CWW272  
 Previous WRIS #WX21171053  
 Prior Approval Date: 9/29/2022

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

Reviewer Julie Bickers  
 CPBOC Date October 25, 2023  
 KIA Grant Number 21CWW338  
 WRIS Number WX21081501

GRANTEE DRY RIDGE, CITY OF  
 GRANT COUNTY

**BRIEF DESCRIPTION**

The project consists of constructing a booster pump station and install telemetry to improve control of the existing water tanks.

PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
CWP - Water Grant - 21CWW338	\$35,678	Administrative Expenses			\$5,000
CWP Grant - 22CWW216	320,759	Legal Expenses			6,000
Local	193,563	Land, Easements			10,000
		Eng - Design / Const	10.5%	9.5%	42,000
		Eng - Insp	7.8%	7.3%	32,000
		Eng - Other			15,000
		Construction			400,000
		Contingency			40,000
<b>TOTAL</b>	<b>\$550,000</b>	<b>TOTAL</b>			<b>\$550,000</b>

PROFESSIONAL SERVICES Engineer Kenvirons, Inc.

PROJECT SCHEDULE Bid Opening TBD  
 Construction Start TBD  
 Construction Stop TBD

RESIDENTIAL RATES Current Users 915 Avg. Bill \$ 47.84 (for 4,000 gallons)

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount
County Allocation Pool	Grant County	\$ 35,678.00
	<b>Total</b>	<b>\$ 35,678.00</b>

**Notes:**

This grant is a reallocation of remaining funds from a previously approved grant.  
 Previous Grantee: City of Dry Ridge  
 Previous Grant #21CWW063  
 Previous WRIS #WX21081024  
 Prior Approval Date: 04/19/2022



<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWS044
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21063003
GRANTEE	SANDY HOOK, CITY OF ELLIOTT COUNTY		
BRIEF DESCRIPTION			
With the current aging internals and controls of this pump station failing and the general undersized lines, this project proposes to correct the issues with this pump station by replacing all of the internals and controls with new, up-to-date systems. It will also correct a section of the influent line and the valve box. Included is also the demolition of the current well and site restoration.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 22CWS044	\$40,000	Administrative Expenses	\$9,977
CWP - Supplemental Pool - Increase	22,280	Eng - Design / Const	11.5% 17.9% 49,955
CWP Grant 21CWS026	276,070	Construction	278,418
TOTAL	<u>\$338,350</u>	TOTAL	<u>\$338,350</u>
PROFESSIONAL SERVICES	Engineer	E. L. Robinson Engineering Co.	
PROJECT SCHEDULE	Bid Opening	September 15, 2022	
	Construction Start	February 15, 2023	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 325	<u>Avg. Bill</u> \$ 24.00 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Elliott County	\$ 40,000.00	
Supplemental Pool		\$ 22,280.00	
	Total	\$ 62,280.00	
Notes:			
Prior Approval:			
County Allocation Pool	Elliott	\$ 40,000	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 22,280	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWS160
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21089080
GRANTEE	FLATWOODS, CITY OF GREENUP COUNTY		
BRIEF DESCRIPTION			
The Federal way sewer line project will require 4000 LF of 8 inch PVC pipe and 25 manholes to replace a failing 4 inch line. Project will affect 60 households for an estimated cost of \$400,000			
PROJECT FINANCING		PROJECT BUDGET	
CWP - Sewer Grant - 22CWS160	\$150,637	RD Fee %	Actual %
KIA Fund B24-004	450,000	Administrative Expenses	\$10,000
Local	493,934	Planning	2,000
		Eng - Design / Const	10.4% 111.6% 542,856
		Eng - Insp	7.5% 10.4% 50,753
		Eng - Other	2,500
		Construction	400,000
		Contingency	86,462
TOTAL	\$1,094,571	TOTAL	\$1,094,571
PROFESSIONAL SERVICES	Engineer	E. L. Robinson Engineering Co.	
PROJECT SCHEDULE	Bid Opening	July 18, 2023	
	Construction Start	August 1, 2023	
	Construction Stop	December 12, 2023	
RESIDENTIAL RATES	Current	<u>Users</u> 2,846	<u>Avg. Bill</u> \$ 44.56 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Greenup County	\$ 150,637.00	
	Total	\$ 150,637.00	
Notes:			
This grant is a reallocation from two previously approved grants.			
Previous Grantee: City of Flatwoods	Previous Grant # 22CWW095	Previous Grantee: City of Flatwoods	Previous Grant # 22CWW092
Previous WRIS # WX21089122	Prior Approval Date: 12/27/2022	Previous WRIS # WX21089093	Prior Approval Date: 12/27/2022
Amount: \$100,000		Amount: \$50,637	

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWS161
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21071016
GRANTEE	PRESTONSBURG CITY'S UTILITIES COMMISSION FLOYD COUNTY		
BRIEF DESCRIPTION			
PCUC proposes to add an additional 0.2 MGD of capacity to the Harold WWTP with two (2) additional process trains. The existing activated sludge treatment process utilizes extended aeration equipment, and the proposed expansion project will spec the same process equipment for expansion. The project expansion will include 2 additional 0.1 MGD process trains, foundation work for the 2 units, electrical control upgrades, process train influent and effluent piping and controls, final grade work, etc. to complete the expansion. The process units will be prefabricated by the contractor's manufacturer and delivered to the site, set, and connected on preconstructed foundations. The units will be mechanically and electrically completed for startup and processing.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 22CWS161	\$951,867	Administrative Expenses	\$20,000
USACOE Sec 531	1,075,000	Planning	75,000
Other Funding	473,133	Eng - Design / Const	149,600
		Eng - Insp	90,300
		Construction	1,936,000
		Contingency	193,600
		Other	35,500
TOTAL	\$2,500,000	TOTAL	\$2,500,000
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 310	<u>Avg. Bill</u> \$ 36.40 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Floyd County	\$ 951,867.00	
	Total	\$ 951,867.00	
Notes:			
This grant is a reallocation from a previously approved grant. Previous Grantee: Prestonsburg City's Utilities Commission Previous Grant # 22CWS032 Previous WRIS # SX21071020 Prior Approval Date: 12/27/2022			

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22EKS001
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21119015
GRANTEE	TROUBLESOME CREEK ENVIRONMENTAL AUTHORITY KNOTT COUNTY		
BRIEF DESCRIPTION			
This project will provide sanitary service to the new Olive Branch High Ground subdivision. The Sanitary Sewer Collection Project will consist of 7,500 LF of 4" HDPE Force Main, 400 LF of 4" HDPE Force Main HDD, 5 - 4" Gate Valves, 11,500 LF of 8" PVC SDR35 Gravity sewer pipe, 1 - 100 GPM Duplex SS Lift Station with SCADA, 1 - flow meter, 1 - odor control system, 6- Combination Air/Vacuum Release Valves, and 6 - 4" cleanouts. Knott County Water and Sewer will assume ownership of the collection system once the project is complete.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
EKSAFE - Sewer Grant - 22EKS001	\$1,171,865	Administrative Expenses	\$50,000
Other Funding	2,584,120	Eng - Design / Const	7.1% 7.9% 263,200
AML Pilot	256,665	Eng - Insp	3.9% 4.3% 144,100
ARC	200,000	Eng - Other	50,000
		Construction	2,981,000
		Contingency	336,850
		Other	387,500
TOTAL	<u>\$4,212,650</u>	TOTAL	<u>\$4,212,650</u>
PROFESSIONAL SERVICES	Engineer	R. M. Johnson Engineering, Inc.	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>
	Current	173	\$ 22.56 (for 4,000 gallons)
	Additional	1	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
EKSAFE	Knott	\$ 1,171,865.00	
	Total	\$ 1,171,865.00	
Notes:			

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

Reviewer Julie Bickers  
 CPBOC Date October 25, 2023  
 KIA Grant Number 22EKS002  
 WRIS Number SX21193033

GRANTEE PERRY COUNTY FISCAL COURT  
 PERRY COUNTY

**BRIEF DESCRIPTION**

The Perry County Fiscal Court working with the Governor's office and other state agencies proposes to fund and develop a residential subdivision that is located out of the floodplain in Perry County west of Hazard off the Hal Rogers Parkway that will provide Perry County with much needed single family housing opportunities. This project is a public-private partnership that will provide approximately 500 - 0.25 to 0.33 acre lots. The project includes approximately 4,500 LF of new 6" HDPE waterline and a 200 GPM Duplex Pump Station to the subdivision as well as 18,500 LF of 4" to 6" HDPE Sanitary Sewer Force Main that will interconnect with the City of Hazard potable water and wastewater collection systems. The sanitary collection system will include a 150 GPM Duplex Pump Station with a SCADA system and odor control. The residential development of this project will include approximately 20,000 LF of 6" HDPE waterline and a 100,000 gal elevated water storage tank. The subdivision development will be designed with a 50' ROW corridor for streets that will be 2 - 12' lanes with curb and gutter and Type A curb boxes for stormwater drainage.

PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
EKSAFE - Sewer Grant - 22EKS002	\$2,689,625	Administrative Expenses			\$25,000
Local	28,000	Eng - Design / Const	6.8%	4.8%	233,900
Other Funding	2,661,625	Eng - Insp	3.5%	2.3%	114,100
		Eng - Other			42,500
		Construction			4,555,750
		Contingency			358,000
		Other			50,000
<b>TOTAL</b>	<b>\$5,379,250</b>	<b>TOTAL</b>			<b>\$5,379,250</b>

PROFESSIONAL SERVICES Engineer R. M. Johnson Engineering, Inc.

PROJECT SCHEDULE  
 Bid Opening TBD  
 Construction Start TBD  
 Construction Stop TBD

RESIDENTIAL RATES  
 Current Users 2,574 \$ Avg. Bill 24.20 (for 4,000 gallons)  
 Additional 51

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount
EKSAFE	Perry	\$ 2,689,625.00
	Total	\$ 2,689,625.00

Notes:

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

Reviewer Julie Bickers  
 CPBOC Date October 25, 2023  
 KIA Grant Number 22EKS003  
 WRIS Number SX21119020

GRANTEE KNOTT COUNTY FISCAL COURT  
 KNOTT COUNTY

**BRIEF DESCRIPTION**

This project is the main access road portion of the Chestnut Ridge development in Knott County. The project will consist of 4,000 LF of 8" SDR 35 PVC gravity sewer pipe, 12 EA standard manholes w/frames and lids 4 ft. in diameter, 1 LS Tie-in to existing manhole MH-13, and 4,000 LF video inspection of completed gravity pipe.

PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
EKSAFE - Sewer Grant - 22EKS003	\$665,300	Administrative Expenses			\$25,000
		Eng - Design / Const	10.2%	7.2%	37,650
		Eng - Insp	7.3%	4.7%	24,500
		Eng - Other			25,000
		Construction			481,000
		Contingency			41,150
		Other			31,000
<b>TOTAL</b>	<b>\$665,300</b>	<b>TOTAL</b>			<b>\$665,300</b>

PROFESSIONAL SERVICES Engineer TBD

PROJECT SCHEDULE  
 Bid Opening January 15, 2024  
 Construction Start February 15, 2024  
 Construction Stop February 15, 2025

RESIDENTIAL RATES  

	Users	Avg. Bill
Current	173	\$ 22.56 (for 4,000 gallons)
Additional	443	

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount
EKSAFE	Knott	\$ 665,300.00
	<b>Total</b>	<b>\$ 665,300.00</b>

Notes:

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

Reviewer Julie Bickers  
 CPBOC Date October 25, 2023  
 KIA Grant Number 22EKS004  
 WRIS Number SX21119021

GRANTEE KNOTT COUNTY FISCAL COURT  
 KNOTT COUNTY

**BRIEF DESCRIPTION**

This project is part of the Chestnut Ridge development in Knott County. The project will consist of 3,800 LF of 8" SDR 35 PVC gravity sewer pipe, 17 EA standard manholes w/frames and lids 4 ft. in diameter, 3 LS Tie-in to existing manhole, 6,000 LF service laterals (depth to 10.0') and 3,800 LF video inspection of completed gravity pipe.

PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
EKSAFE - Sewer Grant - 22EKS004	\$985,150	Administrative Expenses			\$25,000
		Eng - Design / Const	9.2%	6.7%	54,700
		Eng - Insp	6.0%	4.2%	34,150
		Eng - Other			25,000
		Construction			752,000
		Contingency			64,300
		Other			30,000
<b>TOTAL</b>	<b>\$985,150</b>	<b>TOTAL</b>			<b>\$985,150</b>

PROFESSIONAL SERVICES Engineer TBD

PROJECT SCHEDULE  
 Bid Opening January 15, 2024  
 Construction Start February 15, 2024  
 Construction Stop February 15, 2025

RESIDENTIAL RATES  
 Current Users 173 \$ Avg. Bill 22.56 (for 4,000 gallons)  
 Additional Users 59

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount
EKSAFE	KNOTT	\$ 985,150.00
	Total	\$ 985,150.00

Notes:

**EXECUTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**ARPA STATE FISCAL RECOVERY FUND**  
**HB1 2022 RS LINE ITEM - FEDERAL**

Reviewer Julie Bickers  
 CPBOC Date October 25, 2023  
 KIA Grant Number 22EKS005  
 WRIS Number SX21119022

GRANTEE KNOTT COUNTY FISCAL COURT  
 KNOTT COUNTY

**BRIEF DESCRIPTION**

This project is part of the Chestnut Ridge development in Knott County. The project will consist of 5,000 LF of 8" SDR 35 PVC gravity sewer pipe, 25 EA standard manholes w/frames and lids 4 ft. in diameter, 1 LS Tie-in to existing manhole, 10,000 LF service laterals (depth to 10.0') and 5,000 LF video inspection of completed gravity pipe.

PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
EKSAFE - Sewer Grant - 22EKS005	\$1,382,170	Administrative Expenses			\$25,000
		Eng - Design / Const	8.6%	6.2%	72,750
		Eng - Insp	5.4%	3.7%	44,100
		Eng - Other			25,000
		Construction			1,085,000
		Contingency			93,120
		Other			37,200
<b>TOTAL</b>	<b>\$1,382,170</b>	<b>TOTAL</b>			<b>\$1,382,170</b>

PROFESSIONAL SERVICES Engineer TBD

PROJECT SCHEDULE  
 Bid Opening January 15, 2024  
 Construction Start February 15, 2024  
 Construction Stop February 15, 2025

RESIDENTIAL RATES  

	<u>Users</u>	<u>Avg. Bill</u>
Current	173	\$ 22.56 (for 4,000 gallons)
Additional	101	

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	County	Allocated Amount
EKSAFE	Knott	\$ 1,382,170.00
Total		\$ 1,382,170.00

Notes:



<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023	
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW073	
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21201018	
GRANTEE	BUFFALO TRAIL WATER ASSOCIATION INC ROBERTSON COUNTY			
BRIEF DESCRIPTION				
The project involves the replacement of approximately 5,300 LF of 3" and 4" water main. The existing water main is made of older Class 160 material and is prone to leaks and breaks. In addition to the leaks and breaks this main is undersized in areas and creates hydraulic difficulties for the Association in efficiently serving its customer base.				
PROJECT FINANCING		PROJECT BUDGET		
CWP - Water Grant - 22CWW073	\$113,364	RD Fee %	Actual %	
CWP - Supplemental - Increase	13,321	Administrative Expenses		\$4,000
Local	46,715	Eng - Design / Const	12.7% 13.6%	20,500
		Eng - Insp	11.2% -1.5%	(2,250)
		Construction		148,000
		Contingency		3,150
TOTAL	\$173,400	TOTAL		\$173,400
PROFESSIONAL SERVICES	Engineer	Bluegrass Engineering Inc		
PROJECT SCHEDULE	Bid Opening	May 18, 2023		
	Construction Start	September 26, 2023		
	Construction Stop	October 26, 2023		
RESIDENTIAL RATES	Current	Users	Avg. Bill	
		1,603	\$ 44.74	(for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
Allocation Source	Allocated County	Allocated Amount		
County Allocation Pool	Robertson County	\$ 133,214.00		
Supplemental Pool		\$ 13,321.00		
	Total	\$ 146,535.00		
Notes:				
Prior Approval:				
County Allocation Pool	Robertson	\$ 133,214	December 27, 2022	
Supplemental Pool	Supplemental Increase	\$ 13,321	Pending Approval October 25, 2023	

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW097
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21063012
GRANTEE	ELLIOTT COUNTY FISCAL COURT ELLIOTT COUNTY		
BRIEF DESCRIPTION			
Elliott County will run a 3" water main up KY-566 to Big Stone Road and along that road for approximately 4000 feet. To keep water pressure at appropriate levels, a small pump station will be needed. This will serve existing unserved people and a development project in the area.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW097	\$275,000	Administrative Expenses	\$5,000
CWP - Supplemental Pool - Increase	81,386	Eng - Design / Const	12.1% 6.6% 21,000
		Eng - Insp	10.3% 4.4% 14,000
		Construction	316,386
TOTAL	\$356,386	TOTAL	\$356,386
PROFESSIONAL SERVICES	Engineer	Bluegrass Engineering PLLC	
PROJECT SCHEDULE	Bid Opening	August 1, 2023	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>
	Current	1,149	\$ 50.95 (for 4,000 gallons)
	Additional	4	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Elliott County	\$ 250,000.00	
Supplemental Pool		\$ 106,386.00	
	Total	\$ 356,386.00	
Notes:			
Prior Approval:			
County Allocation Pool	Elliott	\$ 250,000	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 25,000	September 27, 2023
Supplemental Pool	Supplemental Increase	\$ 81,386	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW145
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21205057
GRANTEE	MOREHEAD UTILITY PLANT BOARD ROWAN COUNTY		
BRIEF DESCRIPTION			
The proposed project will ensure compliance with EPA's Lead and Copper Rule by removing portions of the MUPB's distribution system that contain lead parts and materials that could be sources of lead contamination. During normal maintenance activities MUPB's staff have encountered lead and have documented these areas to be removed in future Capital Improvement Projects. The lead belled water mains are located within the City of Morehead on areas of the distribution system that have not been upgraded in the past. These water mains date back to the 1930s. This phase of the Lead Removal Program will replace approximately 2300 linear feet of water main ranging in sizes from 4-inch to 8-inch along Main Street in the City of Morehead. The proposed project will also replace approximately 3700 linear feet of water main ranging in sizes from 4 inch to 8 inch along Old Flemingsburg Rd, West Second Street, Union Street, and Rowan Street, Main Street and Fleming Ave in the City of Morehead.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW145	\$815,585	Eng - Design / Const	8.3% 4.4% \$64,150
CWP - Supplemental Pool - Increase	122,190	Eng - Insp	5.2% 4.1% 58,700
CWP Grant - 21CWW194	406,319	Construction	1,413,941
Local	221,001	Contingency	28,304
TOTAL	\$1,565,095	TOTAL	\$1,565,095
PROFESSIONAL SERVICES	Engineer	Bluegrass Engineering, PLLC	
PROJECT SCHEDULE	Bid Opening	February 15, 2023	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 3,442	<u>Avg. Bill</u> \$ 43.29 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Rowan County	\$ 815,585.00	
Supplemental Pool		\$ 122,190.00	
	Total	\$ 937,775.00	
Notes:			
Prior Approval:			
County Allocation Pool	Rowan	\$ 815,585	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 122,190	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b> <b>CLEANER WATER PROGRAM GRANT</b>		Reviewer CPBOC Date KIA Grant Number WRIS Number	Julie Bickers October 25, 2023 22CWW152 WX21223040
GRANTEE	TRIMBLE COUNTY WATER DISTRICT #1 TRIMBLE COUNTY		
BRIEF DESCRIPTION			
This project will involve replacing approximately 5000 linear feet (LF) of existing 6" asbestos cement (AC) water main with new 8" PVC along U.S. 421. This is one of the main arteries in the Trimble County Water District #1's distribution system (serving more than 900 customers), and the existing AC is aged and problematic, causing additional water loss and expense to the District. Also included is the reconnection of two branch mains (Lehue and Gatewood) and reconnection of approximately 14 customers directly connected to KY 421.			
PROJECT FINANCING		PROJECT BUDGET	
CWP - Water Grant - 22CWW152	\$299,750	Administrative Expenses	\$7,500
CWP - Supplemental Pool - Increase	29,975	Legal Expenses	4,000
Local	70,275	Land, Easements	5,000
		Eng - Design / Const	34,000
		Eng - Insp	26,000
		Construction	309,000
		Contingency	14,500
TOTAL	\$400,000	TOTAL	\$400,000
PROFESSIONAL SERVICES	Engineer	Bluegrass Engineering PLLC	
PROJECT SCHEDULE	Bid Opening	June 19, 2023	
	Construction Start	August 30, 2023	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 1,458	<u>Avg. Bill</u> \$ 37.53 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Trimble County	\$ 299,750.00	
Supplemental Pool		\$ 29,975.00	
	Total	\$ 329,725.00	
Notes:			
Prior Approval:			
County Allocation Pool	Trimble	\$ 299,750	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 29,975	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023	
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW187	
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21199138	
GRANTEE	WESTERN PULASKI COUNTY WATER DISTRICT PULASKI COUNTY			
BRIEF DESCRIPTION				
1) Project consists of approximately 47,000 LF of 12-inch PVC water transmission main along Kentucky Highway 80 from the Fishing Creek Bridge/Lee's Ford Pump Station to the intersection of Kentucky Highway 80 and Kentucky Highway 196 in Nancy, then along Kentucky Highway 196 to the Faubush area.				
PROJECT FINANCING		PROJECT BUDGET		
CWP - Water Grant - 22CWW187	\$790,094	Administrative Expenses	RD Fee %	Actual %
CWP - Supplemental - Increase	107,570	Legal Expenses		
CWP - Grant 21CWW192	285,605	Eng - Design / Const	7.2%	8.4%
Other Funding	400,998	Eng - Insp	4.0%	5.2%
		Construction		
		Contingency		
TOTAL	\$1,584,267	TOTAL		\$1,584,267
PROFESSIONAL SERVICES	Engineer	Monarch Engineering, Incorporated		
PROJECT SCHEDULE	Bid Opening	September 19 2023		
	Construction Start	November 26, 2023		
	Construction Stop	August 26, 2024		
RESIDENTIAL RATES	Current	Users	Avg. Bill	
		9,251	\$ 32.46	(for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
Allocation Source	Allocated County	Allocated Amount		
County Allocation Pool	Pulaski County	\$ 790,094.00		
Supplemental Pool		\$ 107,570.00		
	Total	\$ 897,664.00		
Notes:				
Prior Approval:				
County Allocation	Pulaski	\$ 790,094		December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 107,570		Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW264
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21157063
GRANTEE	NORTH MARSHALL WATER DISTRICT MARSHALL COUNTY		
BRIEF DESCRIPTION			
The project consists of the replacement of approximately 2.8 miles of 3", 4", 6" and 8" AC water lines in an area that was damaged by a large tornado event. The project includes main replacement, service line and meter replacements. The project includes replacements of mains along Cambridge Shores Dr., Concord Dr., Paradise Point, Piedmont St., Sunset Dr., Lakeshore Dr., Cape Fear Dr., Lexington Dr., Kentucky Ave. and Woolridge St.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW264	\$480,779	Administrative Expenses	\$8,500
Funding Source 2	400,000	Legal Expenses	1,500
CWP - Supplemental - Increase	48,221	Planning	2,500
Local	61,079	Eng - Design / Const	9.1% 7.0% 57,800
		Eng - Insp	5.9% 3.2% 26,400
		Eng - Other	3,500
		Construction	784,699
		Equipment	63,700
		Contingency	41,480
TOTAL	\$990,079	TOTAL	\$990,079
PROFESSIONAL SERVICES	Engineer	Paul E Cloud	
PROJECT SCHEDULE	Bid Opening	April 11, 2023	
	Construction Start	July 5, 2023	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 5,859	<u>Avg. Bill</u> \$ 37.88 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Marshall County	\$ 480,779.00	
Supplemental Pool		\$ 48,221.00	
	Total	\$ 529,000.00	
Notes:			
Prior Approval:			
County Allocation Pool	Marshall	\$ 480,779	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 48,221	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023	
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW325	
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21163026	
GRANTEE	MEADE COUNTY WATER DISTRICT MEADE COUNTY			
BRIEF DESCRIPTION				
The proposed project will extend 4 inch water line along Sirocco Road approx. 20,940 feet from Midway Rd. to Milan Rd, extend 4 inch waterline along Milan Road approx. 6285 feet, and extend 4 inch water line along Poplar Court for approx. 1,584 feet to provide potable water to approximately 45 unserved households in rural Meade Co. The project will also loop three lines providing better water quality.				
PROJECT FINANCING		PROJECT BUDGET		
CWP - Water Grant - 22CWW325	\$326,000	Administrative Expenses	RD Fee %	Actual %
CWP- Supplemental - Increase	148,951	Eng - Design / Const	8.6%	7.7%
CWP Grant 21CWW250	462,780	Eng - Insp	5.4%	4.9%
Local ARPA Funds	417,496	Construction		
TOTAL	\$1,355,227	TOTAL		\$1,355,227
PROFESSIONAL SERVICES	Engineer	HDR Engineering Inc		
PROJECT SCHEDULE	Bid Opening	September 12, 2023		
	Construction Start	January 1, 2024		
	Construction Stop	June 1, 2024		
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	5,675	\$	27.75 (for 4,000 gallons)
	Additional	40		
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
Allocation Source	Allocated County	Allocated Amount		
County Allocation Pool	Meade County	\$ 326,000.00		
Supplemental Pool		\$ 148,951.00		
	Total	\$ 474,951.00		
Notes:				
Prior Approval:				
County Allocation Pool	Meade	\$ 326,000		March 29, 2023
Supplemental Pool	Supplemental Increase	\$ 148,951		Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW326
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21163027
GRANTEE	MEADE COUNTY WATER DISTRICT MEADE COUNTY		
BRIEF DESCRIPTION			
The proposed project will extend 4-inch water lines along Lone Star and Big Dipper Trail approximately 2,900 l.f. to 15 existing unserved customers.			
PROJECT FINANCING		PROJECT BUDGET	
CWP - Water Grant - 22CWW326	\$21,000	RD Fee %	Actual %
Local ARPA	41,564	Administrative Expenses	\$2,613
CWP Grant 21CWW251	58,080	Eng - Design / Const	13.3% 4.2% 5,952
CWP - Supplemental - Increase	36,806	Eng - Insp	11.9% 3.3% 4,700
		Eng - Other	2,835
TOTAL	\$157,450	Construction	141,350
		TOTAL	\$157,450
PROFESSIONAL SERVICES	Engineer	HDR Engineering Inc	
PROJECT SCHEDULE	Bid Opening	September 12, 2023	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 5,675	<u>Avg. Bill</u> \$ 27.75 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Meade County	\$ 21,000.00	
Supplemental Pool		\$ 36,806.00	
	Total	\$ 57,806.00	
Notes:			
Prior Approval:			
County Allocation Pool	Meade	\$ 21,000	March 29, 2023
Supplemental Pool	Supplemental Increase	\$ 36,806	Pending Approval October 25, 2023



<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW327
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21163036
GRANTEE	MEADE COUNTY WATER DISTRICT MEADE COUNTY		
BRIEF DESCRIPTION			
The proposed project will extend a 4-inch water line approximately 2,800 lf. along Chester Lane to 8 existing unserved households. The project is part of a series of extensions proposed by Meade Co. Water District to provide potable water to unserved areas in the county.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW327	\$48,000	Administrative Expenses	\$2,612
Local ARPA	40,292	Eng - Design / Const	13.8% 5.1% 5,623
CWP - Supplemental Pool - Increase	9,831	Eng - Insp	12.7% 4.1% 4,495
CWP Grant 21CWW234	28,477	Eng - Other	3,240
		Construction	110,630
TOTAL	\$126,600	TOTAL	\$126,600
PROFESSIONAL SERVICES	Engineer	HDR Engineering Inc	
PROJECT SCHEDULE	Bid Opening	September 12, 2023	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>
	Current	5,675	\$ 27.75 (for 4,000 gallons)
	Additional	8	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Meade County	\$ 48,000.00	
Supplemental Pool		\$ 9,831.00	
	Total	\$ 57,831.00	
Notes:			
Prior Approval:			
County Allocation	Meade	\$ 48,000	March 29, 2023
Supplemental Pool	Supplemental Increase	\$ 9,831	Pending Approval October 25, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	October 25, 2023
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW340
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21155062
GRANTEE	MARION COUNTY WATER DISTRICT MARION COUNTY		
BRIEF DESCRIPTION			
This project proposes the construction of a 1,800 gpm booster pump station and appurtenances along the Lebanon Bypass (Kentucky Highway 2154). The improvements included in this project represent the initial phase of a larger project (WX21155061).			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW340	\$594,721	Administrative Expenses	\$3,000
CWP - Supplemental Pool -	96,491	Legal Expenses	3,000
CWP Grant 21CWW329	370,190	Land, Easements	60,000
Local	123,598	Eng - Design / Const	8.9% 8.5% 81,000
		Eng - Insp	5.7% 5.5% 52,200
		Construction	868,961
		Equipment	30,000
		Contingency	86,839
TOTAL	\$1,185,000	TOTAL	\$1,185,000
PROFESSIONAL SERVICES	Engineer	Monarch Engineering, Incorporated	
PROJECT SCHEDULE	Bid Opening	April 27, 2023	
	Construction Start	June 1, 2023	
	Construction Stop	March 1, 2024	
RESIDENTIAL RATES	Current	<u>Users</u> 6,337	<u>Avg. Bill</u> \$ 32.76 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Marion County	\$ 594,721.00	
Supplemental Pool		\$ 96,491.00	
	Total	\$ 691,212.00	
Notes:			
Prior Approval:			
County Allocation Pool	Marion	\$ 594,721	April 25, 2023
Supplemental Pool	Supplemental Increase	\$ 96,491	Pending Approval October 25, 2023

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

Reviewer Julie Bickers  
 CPBOC Date October 25, 2023  
 KIA Grant Number 22CWW348  
 WRIS Number WX21199134

GRANTEE SOUTH EASTERN WATER ASSOCIATION INC  
 PULASKI COUNTY

**BRIEF DESCRIPTION**

The base bid project will consist of replacing the existing standpipe water storage tank along Dixie Bend Road with a new 100,000 gallon elevated water storage tank.

PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
CWP - Water Grant - 22CWW348	\$373,891	Administrative Expenses			\$10,000
USDA RD Loan	622,000	Legal Expenses			10,000
CWP Grant 21CWW306	285,606	Planning			10,000
		Eng - Design / Const	8.6%	4.1%	48,300
		Eng - Insp	5.4%	3.0%	35,300
		Construction			1,061,297
		Contingency			106,600
<b>TOTAL</b>	<b>\$1,281,497</b>	<b>TOTAL</b>			<b>\$1,281,497</b>

PROFESSIONAL SERVICES Engineer Kenvirons, Inc.

PROJECT SCHEDULE  
 Bid Opening TBD  
 Construction Start TBD  
 Construction Stop TBD

RESIDENTIAL RATES  
 Current Users 7,635 Avg. Bill \$ 52.90 (for 4,000 gallons)

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount
County Allocation Pool	Pulaski County	\$ 373,891.00
	Total	\$ 373,891.00

**Notes:**

This grant is a reallocation from a previously approved grant.  
 Previous Grantee: South Eastern Water Association Inc  
 Previous Grant # 22CWW334  
 Previous WRIS # WX21199151  
 Prior Approval Date: 3/29/2023

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>ARPA STATE FISCAL RECOVERY FUND</b> <b>HB1 2022 RS LINE ITEM - FEDERAL</b>	Reviewer CPBOC Date KIA Grant Number WRIS Number	Julie Bickers October 25, 2023 22EKW001 WX21119024
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GRANTEE	TROUBLESOME CREEK ENVIRONMENTAL AUTHORITY KNOTT COUNTY
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**BRIEF DESCRIPTION**

This project consists of providing service to the new Olive Branch Subdivision. The Water Supply project will consist of 5,600 LF of 8" HDPE waterline, 2,000 LF of 8" HDPE to replace the 6" PVC located from RT80 Int. to RT 1087 Int. and 400 LF 8" HDPE. The project also includes a 150 GPM booster pump station with SCADA and generator and a 100,000-gallon elevated storage tank with SCADA. Also included are 4 - 8" gate valves, 3 - Air Release/Vacuum Control Valves, 1 - 4" PRV & vault, 1 - master meter with SCADA, and 10 - 6" flush hydrants. It will also include 9,400 LF of 6" DIPS HDPE DR11 waterline and 250 LF of 6" DIPS HDPE DR9 HDD. The project will also include 4,900 LF of HDPE waterline, 1,000 LF of 3/4" service tubing, 10 - 6" gate valves, 6 - 6" flush hydrants. The project will be turned over to Knott County Water & Sewer District upon completion.

PROJECT FINANCING		PROJECT BUDGET		
		RD Fee %	Actual %	
EKSAFE - Water - 22EKW001	\$1,646,755			Administrative Expenses \$50,000
AML Piot	486,575	7.2%	8.1%	Eng - Design / Const 252,300
ARC	300,000	4.0%	4.4%	Eng - Insp 138,900
Other Funding	1,583,920			Eng - Other 50,000
				Construction 2,808,000
				Contingency 320,550
				Other 397,500
<b>TOTAL</b>	<b>\$4,017,250</b>			<b>TOTAL \$4,017,250</b>

PROFESSIONAL SERVICES	Engineer	R. M. Johnson Engineering, Inc.
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PROJECT SCHEDULE	Bid Opening	TBD
	Construction Start	TBD
	Construction Stop	TBD

RESIDENTIAL RATES		<u>Users</u>		<u>Avg. Bill</u>
	Current	3,200	\$	30.40 (for 4,000 gallons)
	Additional	10		

REGIONAL COORDINATION      This project is consistent with regional planning recommendations.

Allocation Source	County	Allocated Amount
EKSAFE	Knott	\$ 1,646,755.00
	Total	\$ 1,646,755.00

Notes:

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>ARPA STATE FISCAL RECOVERY FUND</b> <b>HB1 2022 RS LINE ITEM - FEDERAL</b>	Reviewer CPBOC Date KIA Grant Number WRIS Number	Julie Bickers October 25, 2023 22EKW002 WX21193061
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GRANTEE	PERRY COUNTY FISCAL COURT PERRY COUNTY
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**BRIEF DESCRIPTION**

The Perry County Fiscal Court working with the Governor's office and other state agencies proposes to fund and develop a residential subdivision that is located out of the floodplain in Perry County west of Hazard off the Hal Rogers Parkway that will provide Perry County with much needed single family housing opportunities. This project is a public-private partnership that will provide approximately 500 - 0.25 to 0.33 acre lots. The project includes approximately 4,500 LF of new 6" HDPE waterline and a 200 GPM Duplex Pump Station to the subdivision. The residential development of this project will include approximately 20,000 LF of 6" HDPE waterline and a 100,000 gal elevated water storage tank. The subdivision development will be designed with a 50' ROW corridor for streets that will be 2 - 12' lanes with curb and gutter and Type A curb boxes for stormwater drainage.

PROJECT FINANCING		PROJECT BUDGET			RD Fee %	Actual %
EKSAFE - Water - 22EKW002	\$1,689,375	Administrative Expenses				\$25,000
Other Funding	1,738,375	Eng - Design / Const	7.2%	7.9%		233,900
		Eng - Insp	4.0%	3.9%		114,100
		Eng - Other				42,500
		Construction				2,604,250
		Contingency				358,000
		Other				50,000
<b>TOTAL</b>	<u>\$3,427,750</u>	<b>TOTAL</b>				<u>\$3,427,750</u>

PROFESSIONAL SERVICES	Engineer	R. M. Johnson Engineering, Inc.
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PROJECT SCHEDULE	Bid Opening	TBD
	Construction Start	TBD
	Construction Stop	TBD

RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>
	Current	8,781	\$ 33.13 (for 4,000 gallons)
	Additional	51	

**REGIONAL COORDINATION** This project is consistent with regional planning recommendations.

Allocation Source	County	Allocated Amount
EKSAFE	Perry	\$ 1,689,375.00
	Total	\$ 1,689,375.00

Notes:

**EXECUTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**ARPA STATE FISCAL RECOVERY FUND**  
**HB1 2022 RS LINE ITEM - FEDERAL**

Reviewer Julie Bickers  
 CPBOC Date October 25, 2023  
 KIA Grant Number 22EKW003  
 WRIS Number WX21119036

GRANTEE KNOTT COUNTY FISCAL COURT  
 KNOTT COUNTY

**BRIEF DESCRIPTION**

This project is the main access road portion of the Chestnut Ridge development in Knott County. The project will consist of 4,000 LF of 6" DIPS HDPE DR11 waterline, 1 tie-in to existing line, 6 flush hydrants, and 10 6" gate/control valves.

PROJECT FINANCING		PROJECT BUDGET			RD Fee %	Actual %
EKSAFE - Water - 22EKW003	\$464,300	Administrative Expenses				\$25,000
		Eng - Design / Const	11.1%	11.7%		37,650
		Eng - Insp	8.6%	7.6%		24,500
		Eng - Other				25,000
		Construction				280,000
		Contingency				41,150
		Other				31,000
<b>TOTAL</b>	<b>\$464,300</b>	<b>TOTAL</b>				<b>\$464,300</b>

PROFESSIONAL SERVICES Engineer TBD

PROJECT SCHEDULE  
 Bid Opening TBD  
 Construction Start TBD  
 Construction Stop TBD

RESIDENTIAL RATES  
 Current Users 3,200 Avg. Bill \$ 30.40 (for 4,000 gallons)  
 Additional 443

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	County	Allocated Amount		
EKSAFE	Knott	\$	464,300.00	
	Total	\$	464,300.00	

Notes:

**EXECUTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**ARPA STATE FISCAL RECOVERY FUND**  
**HB1 2022 RS LINE ITEM - FEDERAL**

Reviewer Julie Bickers  
 CPBOC Date October 25, 2023  
 KIA Grant Number 22EKW004  
 WRIS Number WX21119037

GRANTEE KNOTT COUNTY FISCAL COURT  
 KNOTT COUNTY

**BRIEF DESCRIPTION**

This project is part of the Chestnut Ridge development in Knott County. The project will consist of 3,800 LF of 6" DIPS HDPE DR11 waterline, 500 LF of 6" DIPS HDPE DR9 HDD, 1 tie-in to existing line, 5 flush hydrants, 5 6" gate/control valves, 59 EA of the 5/8" x 3/4" service meters w/individual PRV, S-Bae, Radio Read MXU, & meter base, and 6,000 LF of 3/4" HDPE service tubing.

PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %	
EKSAFE - Water - 22EKW004	\$707,150	Administrative Expenses				\$25,000
		Eng - Design / Const	10.1%	10.2%		54,700
		Eng - Insp	7.2%	6.3%		34,150
		Eng - Other				25,000
		Construction				474,000
		Contingency				64,300
		Other				30,000
<b>TOTAL</b>	<b>\$707,150</b>	<b>TOTAL</b>				<b>\$707,150</b>

PROFESSIONAL SERVICES Engineer TBD

PROJECT SCHEDULE  
 Bid Opening TBD  
 Construction Start TBD  
 Construction Stop TBD

RESIDENTIAL RATES  
 Current Users 3,200 Avg. Bill \$ 30.40 (for 4,000 gallons)  
 Additional 59

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	County	Allocated Amount		
EKSAFE	Knott	\$ 707,150.00		
	Total	\$ 707,150.00		

Notes:

<b>EXECUTIVE SUMMARY</b> KENTUCKY INFRASTRUCTURE AUTHORITY ARPA STATE FISCAL RECOVERY FUND HB1 2022 RS LINE ITEM - FEDERAL		Reviewer CPBOC Date KIA Grant Number WRIS Number	Julie Bickers October 25, 2023 22EKW005 WX21119038
GRANTEE	KNOTT COUNTY FISCAL COURT KNOTT COUNTY		
BRIEF DESCRIPTION			
This project is part of the Chestnut Ridge development in Knott County. The project will consist of 5,000 LF of 6" DIPS HDPE DR11 waterline, 500 LF of 6" DIPS HDPE DR9 HDD, 1 tie-in to existing line, 8 flush hydrants, 12 6" gate/control valves, 101 EA of the 5/8" x 3/4" service meters w/individual PRV, S-Bae, Radio Read MXU, & meter base, and 10,000 LF of 3/4" HDPE service tubing.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
EKSAFE - Water - 22EKW005	\$1,000,170	Administrative Expenses	\$25,000
		Eng - Design / Const	9.2% 9.1% 72,750
		Eng - Insp	6.0% 5.5% 44,100
		Eng - Other	25,000
		Construction	703,000
		Contingency	93,120
		Other	37,200
TOTAL	\$1,000,170	TOTAL	\$1,000,170
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>
	Current	3,200	\$ 30.40 (for 4,000 gallons)
	Additional	101	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	County	Allocated Amount	
EKSAFE	Knott	\$ 1,000,170.00	
	Total	\$ 1,000,170.00	
Notes:			





CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear  
Governor

Old Capitol Annex  
300 West Broadway  
Frankfort, Kentucky 40601

Jeff Noel  
Secretary

September 19, 2023

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

**RE: Economic Development Fund Grant - \$211,750 to City of Owensboro on behalf of the Greater Owensboro Economic Development Corporation**

Dear Secretary Johnson:

In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$211,750 in Economic Development Fund (EDF) funds for the purpose of making a grant to the City of Owensboro on behalf of the Greater Owensboro Economic Development Corporation.

The City of Owensboro on behalf of the Greater Owensboro Economic Development Corporation is seeking to complete due diligence studies on the 184-acre Massie property, the planned new industrial development site in Daviess County. This project was a potential infrastructure projects identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

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

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

Sincerely,

Jeff Noel  
Secretary

**AGREED TO AND APPROVED BY:**

DocuSigned by:  
*Holly M. Johnson* 9/21/2023  
81C993F6FA23433...  
Secretary, Finance and Administration Cabinet Date

cc: Kristina Slattery  
Katie Smith



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

**Date:** September 28, 2023  
**Grantee:** City of Owensboro  
**Beneficiary:** Greater Owensboro Economic Development Corporation  
**City:** Owensboro **County:** Daviess  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** A. Chilton **DFS Staff:** B. Combs  
**Project Description:**

The City of Owensboro on behalf of the Greater Owensboro Economic Development Corporation is seeking to complete due diligence studies on the 184-acre Massie property, the planned new industrial development site in Daviess County. Matching funds will be provided by the City of Owensboro and Daviess County Fiscal Court. 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**

Due Diligence Studies  
**TOTAL**

Total Investment
\$423,500
<b>\$423,500</b>

**Anticipated Project Funding**

Economic Development Fund Grant (State)  
 City of Owensboro/ Daviess County Fiscal Court Funds  
**TOTAL**

Amount	% of Total
\$211,750	50.0%
\$211,750	50.0%
<b>\$423,500</b>	<b>100.0%</b>

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

**RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT:**

<b>\$211,750</b>
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**Recommendation:**

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



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear  
Governor

Old Capitol Annex  
300 West Broadway  
Frankfort, Kentucky 40601

Jeff Noel  
Secretary

September 19, 2023

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

**RE: Economic Development Fund Grant - \$110,000 to Martin County Fiscal Court on behalf of The Martin County Economic Development Authority, Inc.**

Dear Secretary Johnson:

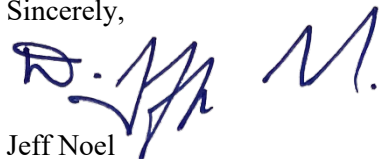
In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$110,000 in Economic Development Fund (EDF) funds for the purpose of making a grant to the Martin County Fiscal Court on behalf of The Martin County Economic Development Authority, Inc.

The Martin County Fiscal Court on behalf of The Martin County Economic Development Authority, Inc. is seeking to improve and renovate an existing industrial building located in the Eastern Kentucky Business Park. This project was a potential infrastructure projects identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

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

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

Sincerely,

  
Jeff Noel  
Secretary

**AGREED TO AND APPROVED BY:**

DocuSigned by:  
  
81C983F6EA23433...  
9/21/2023  
Secretary, Finance and Administration Cabinet Date

cc: Kristina Slattery  
Katie Smith



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

**Date:** September 28, 2023  
**Grantee:** Martin County Fiscal Court  
**Beneficiary:** The Martin County Economic Development Authority, Inc.  
**City:** Debord **County:** Martin  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** C. Prather **DFS Staff:** B. Combs  
**Project Description:** The Martin County Fiscal Court on behalf of The Martin County Economic Development Authority, Inc. is seeking to improve and renovate an existing industrial building located in the Eastern Kentucky Business Park. 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**  
 Building Construction/Renovation  
**TOTAL**

<b>Total Investment</b>
\$220,000
<b>\$220,000</b>

**Anticipated Project Funding**  
 Economic Development Fund Grant (State)  
 Local Grant  
**TOTAL**

<b>Amount</b>	<b>% of Total</b>
\$110,000	50.0%
\$110,000	50.0%
<b>\$220,000</b>	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:**

<b>\$110,000</b>
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**Recommendation:**

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



**School Facilities Construction Commission**

Finance and Administration Cabinet

700 Louisville Rd

Carriage House

Frankfort, Kentucky 40601

(502) 564-5582

(888) 979-6152 Fax

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

**ANDY BESHEAR**

Governor

**MS. HOLLY M. JOHNSON**

Secretary

**HEATHER OVERBY**

Chairman

**CHELSEY COUCH**

Executive Director

**MEMORANDUM**

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

**FROM:** Kristi Russell, SFCC 

**DATE:** October 4, 2023

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

The following information is submitted for consideration by CPBO at their next meeting tentatively scheduled for October 25, 2023:

Augusta Independent- \$300,000 estimated – District wide renovations. State estimated annual debt service is \$22,620 and local is \$0. No tax increase is necessary to finance this project.

Elizabethtown Independent- \$350,000 estimated – Flooring & gym improvements. State estimated annual debt service is \$25,441 and local is \$0. No tax increase is necessary to finance this project.

Lee County- \$525,000 estimated – Middle, High & ATC improvements. State estimated annual debt service is \$41,963 and local is \$0. No tax increase is necessary to finance this project.

Spencer County- \$18,000,000 estimated – Middle, Elementary & Early learning center Improvements. State estimated annual debt service is \$40,038 and local is \$1,552,973. No tax increase is necessary to finance this project.

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





September 12, 2023

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

RE: \$300,000 Augusta Ind. School District Finance Corporation  
School Building Revenue Bonds, Series of 2023

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 at Augusta Independent School.

We would like to go ahead and submit the plan to Bond Oversight so that we will be ready to proceed with the bond sale in the coming months. The Bonds will be funded with 100.0% SFCC funds.

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

Sincerely,

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

Lincoln Theinert

147 East Third Street  
Lexington, KY  
40508

859/977-6600

fax: 859/381-1357

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

Enclosures

# BOND PAYEE DISCLOSURE FORM

Par Amount:	<b>\$300,000</b>	
District	Augusta Independent School District	
Issue Name:	School Building Revenue Bonds, Series 2023	
Purpose:	Improvementns to Augusta Ind. School	
Projected Sale Date:	Q4 2023	
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:	Dinsmore & Shohl Covington, KY	
Fiscal Agent:	RSA Advisors LLC, Lexington, Kentucky	
Date received by SFCC:	/ /	<i>To be filled in by SFCC</i>
Date scheduled for Committee review:	/ /	<i>To be filled in by SFCC</i>

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$300,000	\$0	\$300,000
% Share of total Bonds:	100.00%	0.00%	100.00%
Estimated average annual debt service:	\$22,620	\$0	\$22,620
Estimated debt service reserve:	\$0	\$0	\$0

**Estimated Cost of Issuance:**

	SFCC	Local	Total
Fiscal Agent, Bond Counsel, etc	\$7,500	\$0	\$7,500
Special Tax Counsel	\$0	\$0	\$0
Number verifications	\$0	\$0	\$0
Bond Rating & Bank Fee	\$4,230	\$0	\$4,230
Underwriter's Discount	\$6,000	\$0	\$6,000
Credit Enhancement	\$0	\$0	\$0
<b>Total Cost of Issuance:</b>	<b>\$17,730</b>	<b>\$0</b>	<b>\$17,730</b>

**Anticipated Interest Rates:**

5 Years: 3.600%    10 Years: 3.900%    15 Years: 4.500%  
20 Years: 4.500%

**Notes: No Tax Increase required**

# ESTIMATED SOURCES & USES

<u>Sources Of Funds</u>	
Par Amount of Bonds	\$300,000.00
Cash	\$0.00
Esser	\$0.00
LAVEC	\$0.00
<b>Total Sources</b>	<b>\$300,000.00</b>
<u>Uses Of Funds</u>	
Deposit to Project Construction Fund	\$282,270.00
Total Underwriter's Discount (2.00%)	\$6,000.00
Costs of Issuance	\$11,730.00
<b>Total Uses</b>	<b>\$300,000.00</b>



AUGUSTA INDEPENDENT SCHOOL DISTRICT  
PLAN OF FINANCING - SERIES 2023

Date of Report: 09.12.23

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Local Bond Payments Outstanding ..... 1

Summary of Funds for Bond Payments ..... 2

Projected Series 2023..... 3

Disclosure..... 4



# AUGUSTA INDEPENDENT SCHOOL DISTRICT

## OUTSTANDING NET LOCAL DEBT SERVICE

	<u>A</u>	<u>B</u>	<u>C</u>	<u>Total</u>
FYE	Series 2015	Series 2016-R	Series 2021-REF	Debt Service
2024	\$33,701	\$34,621	\$22,727	\$91,049
2025	\$52,401	\$22,536	\$16,356	\$91,293
2026	\$50,777	\$27,638	\$15,042	\$93,457
2027	\$54,069	\$22,593	\$18,739	\$95,401
2028	\$57,201	\$20,932	\$17,398	\$95,530
2029	\$65,089		\$16,064	\$81,154
2030	\$62,813		\$11,987	\$74,800
2031	\$65,458		\$9,999	\$75,457
2032	\$67,939			\$67,939
2033	\$65,338			\$65,338
2034	\$67,657			\$67,657
2035	\$64,896			\$64,896
2036	\$67,783			\$67,783
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
<b>Totals:</b>	<b>\$775,121</b>	<b>\$128,319</b>	<b>\$128,313</b>	<b>\$1,031,753</b>

# AUGUSTA INDEPENDENT SCHOOL DISTRICT

## SUMMARY OF FUNDS AVAILABLE

A	B	C	D	E	F	G	H	I	J	K	L	M	N
FYE	Local Nickel	Growth Nickel	Capital Outlay @ 80%	FSPK	Additional FSPK	Total Local Funds	Less Current Payments	Local Funds Available	2014 SFCC Offer	2016 SFCC Offer	2018 SFCC Offer	2020 SFCC Offer	Total Funds Available
2024	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$91,049)	\$220,215					\$220,215
2025	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$91,293)	\$219,971	\$11,862	\$9,434	\$9,774	\$9,785	\$260,826
2026	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$93,457)	\$217,807	\$11,862	\$9,434	\$9,774	\$9,785	\$258,662
2027	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$95,401)	\$215,863	\$11,862	\$9,434	\$9,774	\$9,785	\$256,718
2028	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$95,530)	\$215,734	\$11,862	\$9,434	\$9,774	\$9,785	\$256,589
2029	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$81,154)	\$230,110	\$11,862	\$9,434	\$9,774	\$9,785	\$270,965
2030	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$74,800)	\$236,464	\$11,862	\$9,434	\$9,774	\$9,785	\$277,319
2031	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$75,457)	\$235,807	\$11,862	\$9,434	\$9,774	\$9,785	\$276,662
2032	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$67,939)	\$243,325	\$11,862	\$9,434	\$9,774	\$9,785	\$284,180
2033	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$65,338)	\$245,926	\$11,862	\$9,434	\$9,774	\$9,785	\$286,781
2034	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$67,657)	\$243,607	\$11,862	\$9,434	\$9,774	\$9,785	\$284,462
2035	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$64,896)	\$246,368	\$11,862	\$9,434	\$9,774	\$9,785	\$287,223
2036	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264	(\$67,783)	\$243,481	\$11,862	\$9,434	\$9,774	\$9,785	\$284,336
2037	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264		\$311,264	\$11,862	\$9,434	\$9,774	\$9,785	\$352,119
2038	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264		\$311,264	\$11,862	\$9,434	\$9,774	\$9,785	\$352,119
2039	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264		\$311,264	\$11,862	\$9,434	\$9,774	\$9,785	\$352,119
2040	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264		\$311,264	\$11,862	\$9,434	\$9,774	\$9,785	\$352,119
2041	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264		\$311,264	\$11,862	\$9,434	\$9,774	\$9,785	\$352,119
2042	\$35,667	\$35,667	\$22,720	\$108,605	\$108,605	\$311,264		\$311,264	\$11,862	\$9,434	\$9,774	\$9,785	\$352,119
2043	\$35,667	\$35,667	\$22,720	\$108,605		\$202,659		\$202,659	\$11,862	\$9,434	\$9,774	\$9,785	\$243,514
2044	\$35,667	\$35,667	\$22,720	\$108,605		\$202,659		\$202,659	\$11,862	\$9,434	\$9,774	\$9,785	\$243,514

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

# AUGUSTA INDEPENDENT SCHOOL DISTRICT

## PROJECTED SERIES 2023

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	Local Funds Available For Future Projects	
	FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	SFCC Portion	Local Portion			
\$91,049	2024			\$6,146	\$6,146	\$6,146		\$91,049	\$311,264	\$220,215
\$91,293	2025	\$10,000	3.600%	\$12,113	\$22,113	\$22,113		\$91,293	\$311,264	\$219,971
\$93,457	2026	\$10,000	3.600%	\$11,753	\$21,753	\$21,753		\$93,457	\$311,264	\$217,807
\$95,401	2027	\$10,000	3.600%	\$11,393	\$21,393	\$21,393		\$95,401	\$311,264	\$215,863
\$95,530	2028	\$10,000	3.600%	\$11,033	\$21,033	\$21,033		\$95,530	\$311,264	\$215,734
\$81,154	2029	\$10,000	3.600%	\$10,673	\$20,673	\$20,673		\$81,154	\$311,264	\$230,110
\$74,800	2030	\$10,000	3.600%	\$10,313	\$20,313	\$20,313		\$74,800	\$311,264	\$236,464
\$75,457	2031	\$15,000	3.700%	\$9,855	\$24,855	\$24,855		\$75,457	\$311,264	\$235,807
\$67,939	2032	\$15,000	3.700%	\$9,300	\$24,300	\$24,300		\$67,939	\$311,264	\$243,325
\$65,338	2033	\$15,000	3.700%	\$8,745	\$23,745	\$23,745		\$65,338	\$311,264	\$245,926
\$67,657	2034	\$15,000	3.900%	\$8,175	\$23,175	\$23,175		\$67,657	\$311,264	\$243,607
\$64,896	2035	\$15,000	3.900%	\$7,590	\$22,590	\$22,590		\$64,896	\$311,264	\$246,368
\$67,783	2036	\$15,000	4.050%	\$6,994	\$21,994	\$21,994		\$67,783	\$311,264	\$243,481
	2037	\$15,000	4.100%	\$6,383	\$21,383	\$21,383			\$311,264	\$311,264
	2038	\$15,000	4.500%	\$5,738	\$20,738	\$20,738			\$311,264	\$311,264
	2039	\$20,000	4.500%	\$4,950	\$24,950	\$24,950			\$311,264	\$311,264
	2040	\$20,000	4.500%	\$4,050	\$24,050	\$24,050			\$311,264	\$311,264
	2041	\$20,000	4.500%	\$3,150	\$23,150	\$23,150			\$311,264	\$311,264
	2042	\$20,000	4.500%	\$2,250	\$22,250	\$22,250			\$311,264	\$311,264
	2043	\$20,000	4.500%	\$1,350	\$21,350	\$21,350			\$202,659	\$202,659
	2044	\$20,000	4.500%	\$450	\$20,450	\$20,450			\$202,659	\$202,659
\$1,031,753	<b>Totals:</b>	\$300,000		\$152,400	\$452,400	\$452,400		\$1,031,753	\$6,319,334	\$5,287,581

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

RSA Advisors, LLC (“RSA Advisors”)

### **Introduction**

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

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

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

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

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

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

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

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



October 2, 2023

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

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

Dear Ms. Couch:

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

\$350,000 (est.)  
Elizabethtown Independent  
School District Finance Corporation  
School Building Revenue Bonds,  
Series 2023

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

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

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

Sincerely,

*/s/ Maria Long*

Maria Long  
Analyst

## BOND PAYEE DISCLOSURE FORM

Par Amount:	\$350,000
Issue Name:	Elizabethtown Independent School District Finance Corporation School Building Revenue Bonds, Series 2023
Purpose:	Finance gym seating and flooring
Projected Sale Date of Bonds:	November/December 2023
First Call Date:	2033
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "A1" – Moody's
Bond Counsel:	Rubin & Hays
Fiscal Agent:	Baird
Construction Manager/General Contractor:	N/A
Architect/Engineer:	N/A

Date Received by SFCC: 

/ /
-----

*To be filled in by SFCC*

Date Scheduled for Committee Review: 

/ /
-----

*To be filled in by SFCC*

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$350,000	-	\$350,000
% Share of total Bonds:	100%	-	100%
Estimated average annual debt service:	\$25,441	-	\$25,441
Estimated debt service reserve:	-	-	-
<b>Estimated Costs of Issuance (1):</b>			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	\$7,500	-	\$7,500
Special Tax Counsel	-	-	-
Number Verifications	-	-	-
Bond Rating	5,500	-	5,500
Underwriter's Discount	10,500	-	10,500
Paying Agent/Escrow Agent Bank	3,750	-	3,750
<b>Total Cost of Issuance:</b>	<b>\$27,250</b>	<b>-</b>	<b>\$27,250</b>

**Anticipated Interest Rates:**

5 Years: 3.98%	10 Years: 4.21%
15 Years: 4.67%	20 Years: 4.95%

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

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School Building Revenue Bonds, Series 2023  
100% SFCC  
(Using 2014 & 2016 Offer of Assistance)

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SOURCES AND USES OF FUNDS

Elizabethtown Independent (Kentucky) School District Finance Corporation  
 School Building Revenue Bonds, Series 2023  
 100% SFCC  
 (Using 2014 & 2016 Offer of Assistance)

Dated Date	12/15/2023
Delivery Date	12/15/2023

Sources:

<hr/>	
Bond Proceeds:	
Par Amount	350,000.00
Other Sources of Funds:	
SFCC Cash Requirements	
	<hr/>
	350,000.00
	<hr/> <hr/>

Uses:

<hr/>	
Project Fund Deposits:	
Total Construction Cost	322,750.00
Cost of Issuance:	
Baird/Rubin & Hays (FA/BC)	7,500.00
Moody's (Rating Agency)	5,500.00
Paying Agent	3,750.00
	<hr/>
	16,750.00
Underwriter's Discount:	
Underwriter's Discount	10,500.00
	<hr/>
	350,000.00
	<hr/> <hr/>

BOND DEBT SERVICE

Elizabethtown Independent (Kentucky) School District Finance Corporation  
 School Building Revenue Bonds, Series 2023  
 100% SFCC  
 (Using 2014 & 2016 Offer of Assistance)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2024			1,989.56	1,989.56	
06/30/2024					1,989.56
08/01/2024	10,000	4.150%	7,785.25	17,785.25	
02/01/2025			7,577.75	7,577.75	
06/30/2025					25,363.00
08/01/2025	10,000	4.110%	7,577.75	17,577.75	
02/01/2026			7,372.25	7,372.25	
06/30/2026					24,950.00
08/01/2026	15,000	4.040%	7,372.25	22,372.25	
02/01/2027			7,069.25	7,069.25	
06/30/2027					29,441.50
08/01/2027	15,000	3.960%	7,069.25	22,069.25	
02/01/2028			6,772.25	6,772.25	
06/30/2028					28,841.50
08/01/2028	15,000	3.980%	6,772.25	21,772.25	
02/01/2029			6,473.75	6,473.75	
06/30/2029					28,246.00
08/01/2029	15,000	4.030%	6,473.75	21,473.75	
02/01/2030			6,171.50	6,171.50	
06/30/2030					27,645.25
08/01/2030	15,000	4.080%	6,171.50	21,171.50	
02/01/2031			5,865.50	5,865.50	
06/30/2031					27,037.00
08/01/2031	15,000	4.130%	5,865.50	20,865.50	
02/01/2032			5,555.75	5,555.75	
06/30/2032					26,421.25
08/01/2032	15,000	4.160%	5,555.75	20,555.75	
02/01/2033			5,243.75	5,243.75	
06/30/2033					25,799.50
08/01/2033	15,000	4.210%	5,243.75	20,243.75	
02/01/2034			4,928.00	4,928.00	
06/30/2034					25,171.75
08/01/2034	15,000	4.290%	4,928.00	19,928.00	
02/01/2035			4,606.25	4,606.25	
06/30/2035					24,534.25
08/01/2035	20,000	4.370%	4,606.25	24,606.25	
02/01/2036			4,169.25	4,169.25	
06/30/2036					28,775.50
08/01/2036	20,000	4.470%	4,169.25	24,169.25	
02/01/2037			3,722.25	3,722.25	
06/30/2037					27,891.50
08/01/2037	20,000	4.570%	3,722.25	23,722.25	
02/01/2038			3,265.25	3,265.25	
06/30/2038					26,987.50
08/01/2038	20,000	4.670%	3,265.25	23,265.25	
02/01/2039			2,798.25	2,798.25	
06/30/2039					26,063.50
08/01/2039	20,000	4.770%	2,798.25	22,798.25	
02/01/2040			2,321.25	2,321.25	
06/30/2040					25,119.50
08/01/2040	25,000	4.820%	2,321.25	27,321.25	
02/01/2041			1,718.75	1,718.75	
06/30/2041					29,040.00
08/01/2041	25,000	4.870%	1,718.75	26,718.75	
02/01/2042			1,110.00	1,110.00	
06/30/2042					27,828.75
08/01/2042	25,000	4.920%	1,110.00	26,110.00	
02/01/2043			495.00	495.00	
06/30/2043					26,605.00
08/01/2043	20,000	4.950%	495.00	20,495.00	
06/30/2044					20,495.00
	350,000		184,246.81	534,246.81	534,246.81

BOND DEBT SERVICE

Elizabethtown Independent (Kentucky) School District Finance Corporation  
 School Building Revenue Bonds, Series 2023  
 100% SFCC  
 (Using 2014 & 2016 Offer of Assistance)

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2024			1,989.56	1,989.56
06/30/2025	10,000	4.150%	15,363.00	25,363.00
06/30/2026	10,000	4.110%	14,950.00	24,950.00
06/30/2027	15,000	4.040%	14,441.50	29,441.50
06/30/2028	15,000	3.960%	13,841.50	28,841.50
06/30/2029	15,000	3.980%	13,246.00	28,246.00
06/30/2030	15,000	4.030%	12,645.25	27,645.25
06/30/2031	15,000	4.080%	12,037.00	27,037.00
06/30/2032	15,000	4.130%	11,421.25	26,421.25
06/30/2033	15,000	4.160%	10,799.50	25,799.50
06/30/2034	15,000	4.210%	10,171.75	25,171.75
06/30/2035	15,000	4.290%	9,534.25	24,534.25
06/30/2036	20,000	4.370%	8,775.50	28,775.50
06/30/2037	20,000	4.470%	7,891.50	27,891.50
06/30/2038	20,000	4.570%	6,987.50	26,987.50
06/30/2039	20,000	4.670%	6,063.50	26,063.50
06/30/2040	20,000	4.770%	5,119.50	25,119.50
06/30/2041	25,000	4.820%	4,040.00	29,040.00
06/30/2042	25,000	4.870%	2,828.75	27,828.75
06/30/2043	25,000	4.920%	1,605.00	26,605.00
06/30/2044	20,000	4.950%	495.00	20,495.00
	350,000		184,246.81	534,246.81

BOND SUMMARY STATISTICS

Elizabethtown Independent (Kentucky) School District Finance Corporation  
 School Building Revenue Bonds, Series 2023  
 100% SFCC  
 (Using 2014 & 2016 Offer of Assistance)

Dated Date	12/15/2023
Delivery Date	12/15/2023
Last Maturity	08/01/2043
Arbitrage Yield	4.584161%
True Interest Cost (TIC)	4.948609%
Net Interest Cost (NIC)	4.875103%
All-In TIC	5.566096%
Average Coupon	4.612256%
Average Life (years)	11.413
Weighted Average Maturity (years)	11.413
Duration of Issue (years)	8.502
Par Amount	350,000.00
Bond Proceeds	350,000.00
Total Interest	184,246.81
Net Interest	194,746.81
Total Debt Service	534,246.81
Maximum Annual Debt Service	29,441.50
Average Annual Debt Service	27,218.91
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	30.000000
	<hr/>
Total Underwriter's Discount	30.000000
Bid Price	97.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bonds	350,000.00	100.000	4.6122596%	11.413	291.05
	350,000.00			11.413	291.05

	TIC	All-In TIC	Arbitrage Yield
Par Value	350,000.00	350,000.00	350,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-10,500.00	-10,500.00	
- Cost of Issuance Expense		-16,750.00	
- Other Amounts			
Target Value	339,500.00	322,750.00	350,000.00
Target Date	12/15/2023	12/15/2023	12/15/2023
Yield	4.948609%	5.566096%	4.584161%



BOND PRICING

Elizabethtown Independent (Kentucky) School District Finance Corporation  
 School Building Revenue Bonds, Series 2023  
 100% SFCC  
 (Using 2014 & 2016 Offer of Assistance)

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bonds:					
	08/01/2024	10,000	4.150%	4.150%	100.000
	08/01/2025	10,000	4.110%	4.110%	100.000
	08/01/2026	15,000	4.040%	4.040%	100.000
	08/01/2027	15,000	3.960%	3.960%	100.000
	08/01/2028	15,000	3.980%	3.980%	100.000
	08/01/2029	15,000	4.030%	4.030%	100.000
	08/01/2030	15,000	4.080%	4.080%	100.000
	08/01/2031	15,000	4.130%	4.130%	100.000
	08/01/2032	15,000	4.160%	4.160%	100.000
	08/01/2033	15,000	4.210%	4.210%	100.000
	08/01/2034	15,000	4.290%	4.290%	100.000
	08/01/2035	20,000	4.370%	4.370%	100.000
	08/01/2036	20,000	4.470%	4.470%	100.000
	08/01/2037	20,000	4.570%	4.570%	100.000
	08/01/2038	20,000	4.670%	4.670%	100.000
	08/01/2039	20,000	4.770%	4.770%	100.000
	08/01/2040	25,000	4.820%	4.820%	100.000
	08/01/2041	25,000	4.870%	4.870%	100.000
	08/01/2042	25,000	4.920%	4.920%	100.000
	08/01/2043	20,000	4.950%	4.950%	100.000
		350,000			

Dated Date	12/15/2023	
Delivery Date	12/15/2023	
First Coupon	02/01/2024	
Par Amount	350,000.00	
Original Issue Discount		
Production	350,000.00	100.000000%
Underwriter's Discount	-10,500.00	-3.000000%
Purchase Price	339,500.00	97.000000%
Accrued Interest		
Net Proceeds	339,500.00	



BOND SOLUTION

Elizabethtown Independent (Kentucky) School District Finance Corporation  
 School Building Revenue Bonds, Series 2023  
 100% SFCC  
 (Using 2014 & 2016 Offer of Assistance)

Period Ending	Principal	Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Service Coverage
06/30/2024		1,990	1,990	7,270	5,280	365.41%
06/30/2025	10,000	25,363	25,363	47,420	22,057	186.97%
06/30/2026	10,000	24,950	24,950	47,420	22,470	190.06%
06/30/2027	15,000	29,442	29,442	47,420	17,979	161.07%
06/30/2028	15,000	28,842	28,842	47,420	18,579	164.42%
06/30/2029	15,000	28,246	28,246	47,420	19,174	167.88%
06/30/2030	15,000	27,645	27,645	47,420	19,775	171.53%
06/30/2031	15,000	27,037	27,037	47,420	20,383	175.39%
06/30/2032	15,000	26,421	26,421	47,420	20,999	179.48%
06/30/2033	15,000	25,800	25,800	47,420	21,621	183.80%
06/30/2034	15,000	25,172	25,172	47,420	22,248	188.39%
06/30/2035	15,000	24,534	24,534	47,420	22,886	193.28%
06/30/2036	20,000	28,776	28,776	47,420	18,645	164.79%
06/30/2037	20,000	27,892	27,892	47,420	19,529	170.02%
06/30/2038	20,000	26,988	26,988	47,420	20,433	175.71%
06/30/2039	20,000	26,064	26,064	47,420	21,357	181.94%
06/30/2040	20,000	25,120	25,120	47,420	22,301	188.78%
06/30/2041	25,000	29,040	29,040	47,420	18,380	163.29%
06/30/2042	25,000	27,829	27,829	47,420	19,591	170.40%
06/30/2043	25,000	26,605	26,605	47,420	20,815	178.24%
06/30/2044	20,000	20,495	20,495	40,150	19,655	195.90%
	350,000	534,247	534,247	948,400	414,153	



September 18, 2023

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

RE: \$525,000 Lee County School District Finance Corporation  
School Building Revenue Bonds, Series of 2023

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 at

We would like to go ahead and submit the plan to Bond Oversight so that we will be ready to proceed with the bond sale in the coming months. The Bonds will be funded with 100% SFCC funds.

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

Sincerely,

A handwritten signature in blue ink that reads 'Dwight Salsbury'.

Dwight G. Salsbury

Enclosures

147 East Third Street  
Lexington, KY  
40508

859/977-6600

fax: 859/381-1357

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

# BOND PAYEE DISCLOSURE FORM

Par Amount:	<b>\$525,000</b>	
District	Lee County School District	
Issue Name:	School Building Revenue Bonds, Series 2023	
Purpose:	Improvements at Middle School, High School, and ATC	
Projected Sale Date:	Q4 2023	
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:	/ /	<i>To be filled in by SFCC</i>
Date scheduled for Committee review:	/ /	<i>To be filled in by SFCC</i>

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$525,000	\$0	\$525,000
% Share of total Bonds:	100.00%	0.00%	100.00%
Estimated average annual debt service:	\$41,963	\$0	\$41,963
Estimated debt service reserve:	\$0	\$0	\$0

**Estimated Cost of Issuance:**

Fiscal Agent, Bond Counsel, etc	\$5,775	\$0	\$5,775
Special Tax Counsel	\$0	\$0	\$0
Number verifications	\$0	\$0	\$0
Bond Rating & Bank Fee	\$7,700	\$0	\$7,700
Underwriter's Discount	\$10,500	\$0	\$10,500
Credit Enhancement	\$0	\$0	\$0
<b>Total Cost of Issuance:</b>	<b>\$23,975</b>	<b>\$0</b>	<b>\$23,975</b>

**Anticipated Interest Rates:**

5 Years: 3.900%    10 Years: 3.900%    15 Years: 4.400%  
20 Years: 4.450%

**Notes: No Tax Increase required**



## ESTIMATED SOURCES & USES

<u>Sources Of Funds</u>	
Par Amount of Bonds	\$525,000.00
Cash	\$0.00
Esser	\$0.00
LAVEC	\$0.00
<b>Total Sources</b>	<b>\$525,000.00</b>
<u>Uses Of Funds</u>	
Deposit to Project Construction Fund	\$501,025.00
Total Underwriter's Discount (2.00%)	\$10,500.00
Costs of Issuance	\$13,475.00
<b>Total Uses</b>	<b>\$525,000.00</b>

LEE COUNTY SCHOOL DISTRICT  
PLAN OF FINANCING - SERIES 2023

Date of Report: 09.18.23

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Local Bond Payments Outstanding .....	1
Summary of Funds for Bond Payments .....	2
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# LEE COUNTY SCHOOL DISTRICT

## OUTSTANDING NET LOCAL DEBT SERVICE

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>Total</u>
FYE	2015 QZAB	Series 2015	Series 2016-REF	Series 2020-REF	Debt Service
2024	\$55,411	\$109,463	\$168,174	\$60,496	\$393,544
2025	\$55,222	\$107,862	\$174,676	\$58,696	\$396,456
2026	\$55,033	\$111,263	\$171,075	\$61,840	\$399,211
2027	\$55,844	\$108,394	\$177,375	\$59,929	\$401,541
2028	\$55,651	\$105,526	\$173,575	\$62,958	\$397,710
2029	\$65,459	\$147,657	\$35,350	\$120,258	\$368,724
2030	\$66,231	\$163,269		\$121,634	\$351,133
2031		\$208,206		\$121,428	\$329,634
2032		\$276,457			\$276,457
2033		\$281,832			\$281,832
2034		\$291,682			\$291,682
2035		\$285,832			\$285,832
<b>Totals:</b>	<b>\$408,849</b>	<b>\$2,197,441</b>	<b>\$900,224</b>	<b>\$667,240</b>	<b>\$4,173,755</b>

# LEE COUNTY SCHOOL DISTRICT

## SUMMARY OF FUNDS AVAILABLE

A	B	C	D	E	F	G	H	I	J	K	L
FYE	Local Nickel	Capital Outlay @ 80%	FSPK	Total Local Funds	Less Current Payments	Local Funds Available	2014 SFCC Offer	2016 SFCC Offer	2018 SFCC Offer	2020 SFCC Offer	Total Funds Available
2024	\$186,802	\$65,122	\$226,723	\$478,647	(\$393,544)	\$85,103					\$85,103
2025	\$186,802	\$65,122	\$226,723	\$478,647	(\$396,456)	\$82,191	\$13,813	\$8,070	\$9,309	\$10,771	\$124,154
2026	\$186,802	\$65,122	\$226,723	\$478,647	(\$399,211)	\$79,436	\$13,813	\$8,070	\$9,309	\$10,771	\$121,399
2027	\$186,802	\$65,122	\$226,723	\$478,647	(\$401,541)	\$77,106	\$13,813	\$8,070	\$9,309	\$10,771	\$119,069
2028	\$186,802	\$65,122	\$226,723	\$478,647	(\$397,710)	\$80,937	\$13,813	\$8,070	\$9,309	\$10,771	\$122,900
2029	\$186,802	\$65,122	\$226,723	\$478,647	(\$368,724)	\$109,923	\$13,813	\$8,070	\$9,309	\$10,771	\$151,886
2030	\$186,802	\$65,122	\$226,723	\$478,647	(\$351,133)	\$127,514	\$13,813	\$8,070	\$9,309	\$10,771	\$169,477
2031	\$186,802	\$65,122	\$226,723	\$478,647	(\$329,634)	\$149,013	\$13,813	\$8,070	\$9,309	\$10,771	\$190,976
2032	\$186,802	\$65,122	\$226,723	\$478,647	(\$276,457)	\$202,190	\$13,813	\$8,070	\$9,309	\$10,771	\$244,153
2033	\$186,802	\$65,122	\$226,723	\$478,647	\$478,647	\$196,815	\$13,813	\$8,070	\$9,309	\$10,771	\$238,778
2034	\$186,802	\$65,122	\$226,723	\$478,647	(\$291,682)	\$186,965	\$13,813	\$8,070	\$9,309	\$10,771	\$228,928
2035	\$186,802	\$65,122	\$226,723	\$478,647	(\$285,832)	\$192,815	\$13,813	\$8,070	\$9,309	\$10,771	\$234,778
2036	\$186,802	\$65,122	\$226,723	\$478,647		\$478,647	\$13,813	\$8,070	\$9,309	\$10,771	\$520,610
2037	\$186,802	\$65,122	\$226,723	\$478,647		\$478,647	\$13,813	\$8,070	\$9,309	\$10,771	\$520,610
2038	\$186,802	\$65,122	\$226,723	\$478,647		\$478,647	\$13,813	\$8,070	\$9,309	\$10,771	\$520,610
2039	\$186,802	\$65,122	\$226,723	\$478,647		\$478,647	\$13,813	\$8,070	\$9,309	\$10,771	\$520,610
2040	\$186,802	\$65,122	\$226,723	\$478,647		\$478,647	\$13,813	\$8,070	\$9,309	\$10,771	\$520,610
2041	\$186,802	\$65,122	\$226,723	\$478,647		\$478,647	\$13,813	\$8,070	\$9,309	\$10,771	\$520,610
2042	\$186,802	\$65,122	\$226,723	\$478,647		\$478,647	\$13,813	\$8,070	\$9,309	\$10,771	\$520,610
2043	\$186,802	\$65,122	\$226,723	\$478,647		\$478,647	\$13,813	\$8,070	\$9,309	\$10,771	\$520,610
2044	\$186,802	\$65,122	\$226,723	\$478,647		\$478,647	\$13,813	\$8,070	\$9,309	\$10,771	\$520,610

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

# LEE COUNTY SCHOOL DISTRICT

## PROJECTED SERIES 2023

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	Local Funds Available For Future Projects	
	FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	SFCC Portion	Local Portion			
\$393,544	2024							\$393,544	\$478,647	\$85,103
\$396,456	2025	\$15,000	3.700%	\$24,842	\$39,842	\$39,842		\$396,456	\$478,647	\$82,191
\$399,211	2026	\$20,000	3.700%	\$21,473	\$41,473	\$41,473		\$399,211	\$478,647	\$79,436
\$401,541	2027	\$20,000	3.700%	\$20,733	\$40,733	\$40,733		\$401,541	\$478,647	\$77,106
\$397,710	2028	\$20,000	3.900%	\$19,993	\$39,993	\$39,993		\$397,710	\$478,647	\$80,937
\$368,724	2029	\$20,000	3.900%	\$19,213	\$39,213	\$39,213		\$368,724	\$478,647	\$109,923
\$351,133	2030	\$20,000	3.900%	\$18,433	\$38,433	\$38,433		\$351,133	\$478,647	\$127,514
\$329,634	2031	\$20,000	3.900%	\$17,653	\$37,653	\$37,653		\$329,634	\$478,647	\$149,013
\$276,457	2032	\$25,000	3.900%	\$16,873	\$41,873	\$41,873		\$276,457	\$478,647	\$202,190
\$281,832	2033	\$25,000	3.900%	\$15,898	\$40,898	\$40,898		\$281,832	\$478,647	\$196,815
\$291,682	2034	\$25,000	3.900%	\$14,923	\$39,923	\$39,923		\$291,682	\$478,647	\$186,965
\$285,832	2035	\$25,000	4.400%	\$13,948	\$38,948	\$38,948		\$285,832	\$478,647	\$192,815
	2036	\$25,000	4.400%	\$12,848	\$37,848	\$37,848			\$478,647	\$478,647
	2037	\$30,000	4.400%	\$11,748	\$41,748	\$41,748			\$478,647	\$478,647
	2038	\$30,000	4.400%	\$10,428	\$40,428	\$40,428			\$478,647	\$478,647
	2039	\$30,000	4.400%	\$9,108	\$39,108	\$39,108			\$478,647	\$478,647
	2040	\$30,000	4.450%	\$7,788	\$37,788	\$37,788			\$478,647	\$478,647
	2041	\$35,000	4.450%	\$6,453	\$41,453	\$41,453			\$478,647	\$478,647
	2042	\$35,000	4.450%	\$4,895	\$39,895	\$39,895			\$478,647	\$478,647
	2043	\$35,000	4.450%	\$3,338	\$38,338	\$38,338			\$478,647	\$478,647
	2044	\$40,000	4.450%	\$1,780	\$41,780	\$41,780			\$478,647	\$478,647
\$4,173,755	<b>Totals:</b>	\$525,000		\$272,360	\$797,360	\$797,360		\$4,173,755	\$10,051,587	\$5,877,832

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

RSA Advisors, LLC (“RSA Advisors”)

### **Introduction**

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

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

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

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

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

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

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

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



September 28, 2023

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

RE: \$18,000,000 Spencer County School District Finance Corporation  
School Building Revenue Bonds, Series of 2024

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 renovations to the early learning center, middle school, and elementary school.

We would like to go ahead and submit the plan to Bond Oversight so that we will be ready to proceed with the bond sale in the coming months. The Bonds will be funded with 2.94% 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 that reads 'Dwight Salsbury'.

Dwight G. Salsbury

147 East Third Street  
Lexington, KY  
40508

859/977-6600

fax: 859/381-1357

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

Enclosures

# BOND PAYEE DISCLOSURE FORM

Par Amount:	<b>\$18,000,000</b>	
District	Spencer County School District	
Issue Name:	School Building Revenue Bonds, Series 2024	
Purpose:	Renovations to the early learning center, middle school and elementary school	
Projected Sale Date:	Q2 2024	
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:	/ /	<i>To be filled in by SFCC</i>
Date scheduled for Committee review:	/ /	<i>To be filled in by SFCC</i>

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$530,000	\$17,470,000	\$18,000,000
% Share of total Bonds:	2.94%	97.06%	100.00%
Estimated average annual debt service:	\$40,038	\$1,552,973	\$1,593,011
Estimated debt service reserve:	\$0	\$0	\$0

**Estimated Cost of Issuance:**

	SFCC Portion	Local Portion	Total
Fiscal Agent, Bond Counsel, etc	\$2,503	\$82,497	\$85,000
Special Tax Counsel	\$0	\$0	\$0
Number verifications	\$0	\$0	\$0
Bond Rating & Bank Fee	\$997	\$32,853	\$33,850
Underwriter's Discount	\$10,600	\$349,400	\$360,000
Credit Enhancement	\$0	\$0	\$0
<b>Total Cost of Issuance:</b>	<b>\$14,099</b>	<b>\$464,751</b>	<b>\$478,850</b>

**Anticipated Interest Rates:**

5 Years: 3.700%	10 Years: 3.850%	15 Years: 4.300%
20 Years: 4.625%		

**Notes: No Tax Increase required**



## ESTIMATED SOURCES & USES

<u>Sources Of Funds</u>	
Par Amount of Bonds	\$18,000,000.00
SFCC Cash Requirement	\$4,765,915.45
Esser	\$0.00
LAVEC	\$0.00
<b>Total Sources</b>	<b>\$22,765,915.45</b>
<u>Uses Of Funds</u>	
Deposit to Project Construction Fund	\$22,287,065.45
Total Underwriter's Discount (2.00%)	\$360,000.00
Costs of Issuance	\$118,850.00
<b>Total Uses</b>	<b>\$22,765,915.45</b>

# SPENCER COUNTY SCHOOL DISTRICT

## PLAN OF FINANCING - SERIES 2024

Date of Report: 09.28.23

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Local Bond Payments Outstanding .....	1
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# SPENCER COUNTY SCHOOL DISTRICT

## OUTSTANDING NET LOCAL DEBT SERVICE

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>Total</u>
FYE	Series 2005	Series 2011R	Series 2016R	Series 2016	Series 2018	Series 2020	Debt Service
2024	\$55,200	\$1,420,886	\$511,751	\$541,521	\$273,837	\$218,913	\$3,022,108
2025	\$53,200	\$1,384,849	\$559,527	\$533,771	\$272,187	\$221,563	\$3,025,095
2026	\$56,100		\$1,994,351	\$496,145	\$255,762	\$219,163	\$3,021,521
2027			\$2,048,113	\$494,396	\$259,458	\$221,713	\$3,023,680
2028			\$2,047,456	\$492,646	\$262,942	\$219,213	\$3,022,257
2029				\$2,455,896	\$344,937	\$221,663	\$3,022,495
2030				\$2,472,477	\$330,555	\$219,063	\$3,022,095
2031				\$2,424,590	\$380,217	\$216,463	\$3,021,269
2032				\$2,366,139	\$437,627	\$218,813	\$3,022,578
2033				\$2,317,540	\$487,658	\$221,063	\$3,026,260
2034				\$2,263,489	\$540,193	\$218,263	\$3,021,945
2035				\$2,204,140	\$599,911	\$220,413	\$3,024,463
2036				\$2,154,639	\$646,687	\$222,463	\$3,023,789
2037					\$1,465,359	\$650,113	\$2,115,472
2038					\$1,461,496	\$652,888	\$2,114,384
2039					\$1,464,536	\$541,200	\$2,005,736
2040						\$817,000	\$817,000
2041						\$814,056	\$814,056
<b>Totals:</b>	<b>\$164,500</b>	<b>\$2,805,735</b>	<b>\$7,161,198</b>	<b>\$21,217,390</b>	<b>\$9,483,362</b>	<b>\$6,334,019</b>	<b>\$47,166,203</b>

# SPENCER COUNTY SCHOOL DISTRICT

## SUMMARY OF FUNDS AVAILABLE

A	B	C	D	E	F	G	H	I	J	K	L	L
FYE	Local Nickel	Growth Nickel	Additional Nickel	Capital Outlay @ 80%	FSPK	Additional FSPK	Total Local Funds	Less Current Payments	Local Funds Available	2018 SFCC Offer	2020 SFCC Offer	Total Funds Available
2024	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,022,108)	\$1,731,147			\$1,731,147
2025	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,025,095)	\$1,728,160	\$21,875	\$18,163	\$1,768,198
2026	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,021,521)	\$1,731,734	\$21,875	\$18,163	\$1,771,772
2027	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,023,680)	\$1,729,575	\$21,875	\$18,163	\$1,769,613
2028	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,022,257)	\$1,730,998	\$21,875	\$18,163	\$1,771,036
2029	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,022,495)	\$1,730,760	\$21,875	\$18,163	\$1,770,798
2030	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,022,095)	\$1,731,160	\$21,875	\$18,163	\$1,771,198
2031	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,021,269)	\$1,731,986	\$21,875	\$18,163	\$1,772,024
2032	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,022,578)	\$1,730,677	\$21,875	\$18,163	\$1,770,715
2033	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,026,260)	\$1,726,995	\$21,875	\$18,163	\$1,767,033
2034	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,021,945)	\$1,731,311	\$21,875	\$18,163	\$1,771,349
2035	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,024,463)	\$1,728,792	\$21,875	\$18,163	\$1,768,830
2036	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$3,023,789)	\$1,729,466	\$21,875	\$18,163	\$1,769,504
2037	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$2,115,472)	\$2,637,783	\$21,875	\$18,163	\$2,677,821
2038	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$2,114,384)	\$2,638,871	\$21,875	\$18,163	\$2,678,909
2039	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$2,005,736)	\$2,747,519	\$21,875	\$18,163	\$2,787,557
2040	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$817,000)	\$3,936,255	\$21,875	\$18,163	\$3,976,293
2041	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255	(\$814,056)	\$3,939,199	\$21,875	\$18,163	\$3,979,237
2042	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$898,624	\$4,753,255		\$4,753,255	\$21,875	\$18,163	\$4,793,293
2043	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$449,312	\$4,303,943		\$4,303,943	\$21,875	\$18,163	\$4,343,981
2044	\$1,056,083	\$1,056,083	\$1,056,083	\$237,070	\$449,312	\$449,312	\$4,303,943		\$4,303,943	\$21,875	\$18,163	\$4,343,981

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

# SPENCER COUNTY SCHOOL DISTRICT

## PROJECTED SERIES 2024

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	Local Funds Available For Future Projects	
	FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	SFCC Portion	Local Portion			
\$3,022,108	2024							\$3,022,108	\$4,753,255	\$1,731,147
\$3,025,095	2025	\$20,000	3.900%	\$799,226	\$819,226	\$40,038	\$779,188	\$3,804,284	\$4,753,255	\$948,971
\$3,021,521	2026	\$25,000	3.850%	\$798,446	\$823,446	\$40,038	\$783,408	\$3,804,929	\$4,753,255	\$948,326
\$3,023,680	2027	\$25,000	3.800%	\$797,484	\$822,484	\$40,038	\$782,446	\$3,806,125	\$4,753,255	\$947,130
\$3,022,257	2028	\$25,000	3.750%	\$796,534	\$821,534	\$40,038	\$781,496	\$3,803,752	\$4,753,255	\$949,503
\$3,022,495	2029	\$25,000	3.700%	\$795,596	\$820,596	\$40,038	\$780,558	\$3,803,053	\$4,753,255	\$950,202
\$3,022,095	2030	\$30,000	3.700%	\$794,671	\$824,671	\$40,038	\$784,633	\$3,806,728	\$4,753,255	\$946,527
\$3,021,269	2031	\$30,000	3.700%	\$793,561	\$823,561	\$40,038	\$783,523	\$3,804,793	\$4,753,255	\$948,462
\$3,022,578	2032	\$30,000	3.750%	\$792,451	\$822,451	\$40,038	\$782,413	\$3,804,991	\$4,753,255	\$948,264
\$3,026,260	2033	\$25,000	3.800%	\$791,326	\$816,326	\$40,038	\$776,288	\$3,802,549	\$4,753,255	\$950,707
\$3,021,945	2034	\$35,000	3.850%	\$790,376	\$825,376	\$40,038	\$785,338	\$3,807,283	\$4,753,255	\$945,972
\$3,024,463	2035	\$30,000	4.000%	\$789,029	\$819,029	\$40,038	\$778,991	\$3,803,454	\$4,753,255	\$949,801
\$3,023,789	2036	\$35,000	4.050%	\$787,829	\$822,829	\$40,038	\$782,791	\$3,806,579	\$4,753,255	\$946,676
\$2,115,472	2037	\$945,000	4.200%	\$786,411	\$1,731,411	\$40,038	\$1,691,373	\$3,806,845	\$4,753,255	\$946,410
\$2,114,384	2038	\$985,000	4.200%	\$746,721	\$1,731,721	\$40,038	\$1,691,683	\$3,806,067	\$4,753,255	\$947,188
\$2,005,736	2039	\$1,135,000	4.300%	\$705,351	\$1,840,351	\$40,038	\$1,800,313	\$3,806,049	\$4,753,255	\$947,206
\$817,000	2040	\$2,370,000	4.375%	\$656,546	\$3,026,546	\$40,038	\$2,986,508	\$3,803,508	\$4,753,255	\$949,747
\$814,056	2041	\$2,480,000	4.375%	\$552,859	\$3,032,859	\$40,038	\$2,992,821	\$3,806,877	\$4,753,255	\$946,378
	2042	\$3,400,000	4.500%	\$444,359	\$3,844,359	\$40,038	\$3,804,321	\$3,804,321	\$4,753,255	\$948,934
	2043	\$3,105,000	4.550%	\$291,359	\$3,396,359	\$40,038	\$3,356,321	\$3,356,321	\$4,303,943	\$947,622
	2044	\$3,245,000	4.625%	\$150,081	\$3,395,081	\$40,038	\$3,355,043	\$3,355,043	\$4,303,943	\$948,900
\$47,166,203	<b>Totals:</b>	\$18,000,000		\$13,860,218	\$31,860,218	\$800,760	\$31,059,458	\$78,225,661	\$98,919,733	\$20,694,072

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

RSA Advisors, LLC (“RSA Advisors”)

### **Introduction**

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

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

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

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

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

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

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

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