



Commonwealth of Kentucky
Finance and Administration Cabinet
OFFICE OF THE SECRETARY
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Matthew G. Bevin
Governor

William M. Landrum III
Secretary

May 1, 2018

Stephanie Belt, Director
Division of Fiscal & Budget Integrity
Education and Workforce Development Cabinet
275 E Main St, 2WB
Frankfort, KY 40621

Dear Ms. Belt:

This letter is to inform you that approval has been given pursuant to KRS 45.760(7) for an appropriation increase of \$289,100 for the Workforce Development Integration FY 16-18 project for the Office of Employment and Training. The total revised appropriation is \$1,253,600 and is 100 percent federally funded.

This action will be on the agenda of the Capital Projects Bond Oversight Committee currently scheduled for May 15, 2018 at 1:00 pm in Room 169, Capitol Annex. Please have a representative familiar with this project in attendance for any related question the committee may have.

Sincerely,

A handwritten signature in blue ink that reads "William M. Landrum III".

William M. Landrum III
Secretary

Date: May 1, 2018
Agency: Education and Workforce Development Cabinet - Office of
Employment and Training
Project: Workforce Development Integration FY 16-18
Account Number: C8J6
Type of Action: Appropriation Increase- Federal Funds

Pursuant to KRS 45.760(7), the Secretary of the Finance and Administration Cabinet has approved an appropriation increase in a capital information technology project, Workforce Development Integration FY 16-18. This increase is needed to accommodate Kentucky Online Gateway, which will provide a single source log on for multiple systems. The original project appropriation is \$964,500 and Workforce is requesting an increase of \$289,100 for a new project total of \$1,253,600. The project is 100 percent federally funded from a U.S. Department of Labor grant.

The project will incorporate various systems creating a common registration system for all public customers of Office of Employment and Training, Office for Vocational Rehabilitation, and Office for the Blind.



**EDUCATION AND WORKFORCE DEVELOPMENT CABINET
DIVISION OF FISCAL & BUDGET INTEGRITY**

Matthew G. Bevin
Governor

Beth Kuhn
Commissioner

Hal Heiner
Secretary

275 E. Main St., 2WB
Frankfort, KY 40621
502-564-5331
kcc.ky.gov

MEMORANDUM

TO: William M. Landrum III, Secretary
Finance and Administration Cabinet

THRU: Kara Smothermon, Policy and Budget Analyst
Office of the State Budget Director

FROM: Stephanie Belt, Director
Division of Fiscal & Budget Integrity

DATE: April 11, 2018

SUBJECT: Additional work for existing Capital Project C8J6-"Workforce Development Integration FY16-18"

In January 2017 a capital project entitled "Workforce Development Integration FY16-18" was approved and created. This project was to incorporate a common registration system as a front door entry for all public customers of Office of Employment and Training (OET), Office for Vocational Rehabilitation (OVR) and Office for the Blind (OFB) multiple programs. When complete, this project will prevent the customers from having to provide the same information across multiple systems as well as save staff time performing duplicate entries into multiple systems. The implementation of this common registration system will improve service delivery and employment outcomes for the Commonwealth.

Since the work began on this project, the Commonwealth Office of Technology has mandated that the Kentucky Online Gateway (KOG) will be the single sign on solution for the Commonwealth. This capital project must be modified in order to accommodate the KOG into Workforce Connect. We are requesting an additional \$289,100 to be added to the current authorized amount of \$964,500 for a new project total of \$1,253,600.

cc: Secretary Heiner
Beth Kuhn
Andy Hightower
Stuart Johnston
Stuart Hamling

Preliminary New Bond Issue Report

Issuer	Asset Liability Commission Project Notes 2018-1 (not to exceed \$30,250,000) Kentucky Community and Technical College System
Purpose of Issue	To 1.) provide financing for an amount not to exceed \$30,250,000, the remaining agency fund bond authorization, commonly and collectively referred to as the BuildSmart project, on behalf of the Kentucky Community and Technical College System, as authorized in House Bill 235 (2014 Regular Session); and, 2.) pay costs of issuance.
Proposed Closing Date	On or about May 23, 2018
Ratings:	not rated
Net Proceeds:	TBD
Costs of Issuance:	
Underwriter's Counsel	\$25,000 (not to exceed)
Bond Counsel	16,000
FA Fee	<u>3,500</u>
	\$44,500 (approximate)
Financing:	Lesser of : (i) 70% 3-month LIBOR + 1.00% and (ii) 9.50%
Net Interest Rate:	Variable
Maturity:	10/1/2023
Optional Redemption:	10/1/2019 @ 104 10/1/2020 @ 103 10/1/2021 @ 102 10/1/2022 @ 101
Method of Sale	Negotiated direct placement
Bond Counsel	Kutak Rock
Underwriter	Morgan Stanley
Underwriter's Counsel	Katten Muchin Rosenmann LLP
Financial Advisor	Office of Financial Management

Kentucky Community and Technical College System Tax-Exempt Variable Rate Notes Preliminary Terms and Conditions for Purchase

NOTE: This Term Sheet constitutes a brief summary of certain, but not all, transaction terms and conditions for discussion purposes only. The summary that follows is subject to credit approval and does not constitute an offer or commitment. Terms not defined herein shall have the meanings in the Issuer's Resolution provided by Kutak.

Transaction Overview

Issuer	Kentucky Asset/Liability Commission (the "Issuer")
Lessee	Finance and Administration Cabinet (the "Cabinet").
SubLessee	Kentucky Community and Technical College System ("State Agency").
Lender	Morgan Stanley Bank NA ("MSBNA"), or an affiliate.
Description	The Lender(s) will make the above-captioned loan to the Issuer (the "Loan"), on or before Closing Date.
Security	The Loan/Notes will be secured by rental payments under the Financing/Lease Agreement (the "Financing Agreement") among the Cabinet, the SPBC and the Issuer, that will be assigned to the Lender. The Financing Agreement shall be secured by: 1) Assignment of Lessors' rights under the Sublease from the Cabinet, as Lessor, to the State Agency, as lessee, including rental payments under the Sublease and a pledge of General Receipts (as defined in the Original SPBC Lease) by the State Agency; and 2) lien on all assets, funds and accounts of the State Agency pledged under the Sublease and Lease. Security for Loan/Notes must be on a parity with the security granted for SPBC Bonds. Rental payments are subject to appropriation by the legislature.
Use of Proceeds	Proceeds of the Loan/Notes will be used to fund remaining portion of Project authorized under Budget Act.
Proposal Date	April 25, 2018.

Terms of Loan/Notes and Fees

Principal Amount of Loan/Notes	\$30,250,000, subject to approval by bond counsel of terms of additional \$13 million piece.
Closing Date	On or about May 23, 2018
Tax Status	Tax-Exempt
Form	Loan evidenced by Certificated Note, registered to MSBNA, or an affiliate.
CUSIP	None
Credit Ratings	None required
Disclosure	Continuing disclosure covenant in Loan Agreement acceptable to the Lender and similar to prior undertakings of Issuer and SPBC, including annual audited financials.
Maturity	10/1/2023
Interest Rate	Lesser of: (i) 70% * 3-month LIBOR + 1.00% and (ii) 9.50% reset quarterly. If LIBOR is no longer used, another replacement index will be selected by a mechanism acceptable to the parties.
Price	100%
Optional Prepayment	Not more than 50% of the initial aggregate principal amount of the Bonds issued may be optionally prepaid at par on and after the 31 st day following closing.

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Not more than 60% of the initial aggregate principal amount of the Bonds issued may be prepaid at par after the 1st anniversary of the issuance date.

Not more than 70% of the initial aggregate principal amount of the Bonds issued may be prepaid at par after the 2nd anniversary of the issuance date.

Not more than 80% of the initial aggregate principal amount of the Bonds issued may be prepaid at par after the 3rd anniversary of the issuance date.

Not more than 90% of the initial aggregate principal amount of the Bonds issued may be prepaid at par after the 4th anniversary of the issuance date.

Amounts in excess of the above, may be prepaid as follows:

On 10/1/2019 but prior to 10/1/2020, @ 104%

On 10/1/2020 but prior to 10/1/2021 @ 103%,

On 10/1/2021 but prior to 10/1/2022 @ 102%

On 10/1/2022 but prior to 10/1/2023 @ 101%

On or after 10/1/2023 @ 100%

Prepayment Notice

Five Business Days in advance of prepayment date

Interest Payment Dates

April 1 & October 1 each year, commencing October 1, 2018

Day Count

Actual/360

Terms and Covenants

Transaction Documentation

Documentation (inter-creditor agreement, if deemed necessary) to provide Lender with security on a parity with the 2016 and 2017 SPBC Bonds, Loan Agreement, Financing Agreement/Lease, Sublease, Project Note and Assignments of Lease and Sublease ("Loan Documents"). In addition to the Loan Documents, the authorization documents, a bond counsel opinion acceptable to the Lender as to the validity and enforceability and tax-exemption of the Loan/Notes and each of the Issuer's Loan Documents. An opinion of Bond Counsel or State Agency's Counsel to the effect that that the Sublease is secured on a parity with the pledge under the SPBC Lease of the Agency's General Receipts and rentals, opinions of other participant counsel acceptable to Lender's Counsel as to the validity and enforceability of the Loan Documents, as appropriate, against the State Agency, Cabinet, and SPBC.

Conditions & Representations

- Customary for Loan/Notes of this type, including but not limited to no material litigation or Event of Default and cross default to defaults under the Original Lease.
- Customary Events of Default and Remedies in Loan Documents
- Delivery of all required legal opinions including opinions of Bond Counsel and State Agency's Counsel in form and substance satisfactory to Lender(s) and their counsel
- Delivery of executed or certified copies, as applicable, of all Transaction Documents
- Delivery of a certificate evidencing that (a) no Default or Event of Default shall have occurred, (b) all representations, warranties, and covenants shall be true and correct, (c) no material litigation is pending or threatened and (d) no material adverse change has occurred with respect to the Borrower

Covenants

- Borrower covenants to pay the principal and interest on the Loan pursuant to the

Kentucky Community and Technical College System Tax-Exempt Variable Rate Notes Preliminary Terms and Conditions for Purchase

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	Transaction Documents				
	<ul style="list-style-type: none">• Similar to existing documents in Original Lease for parity obligations				
Due Diligence	Lender shall be given the opportunity to conduct due diligence of the Borrower				
Municipal Advisor	<i>(a) Morgan Stanley & Co. LLC ("Morgan Stanley") is not recommending an action to you; (b) Morgan Stanley is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to you with respect to the information and material contained in this communication; (c) Morgan Stanley is acting for its own interests; (d) you should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material; and (e) Morgan Stanley seeks to serve as an investor or an underwriter on a future transaction and not as a financial advisor or municipal advisor. The information provided is for discussion purposes only in anticipation of being engaged to serve as an investor or underwriter. The primary role of an underwriter is to purchase securities with a view to distribution in an arm's-length commercial transaction with the issuer. The underwriter has financial and other interests that differ from those of the issuer and obligated persons. Any non-historical interest rates used herein are hypothetical and take into consideration conditions in today's market and other factual information such as the issuer's or obligated person's credit rating, geographic location and market sector. As such, these rates should not be viewed as rates that Morgan Stanley guarantees to achieve for the transaction should we be selected to act as underwriter. Any information about interest rates and terms for SLGS is based on current publically available information and treasury or agency rates for open-market escrows are based on current market interest rates for these types of credits and should not be seen as costs or rates that Morgan Stanley guarantees to achieve for the transaction should we be selected to act as underwriter.</i>				
Transfer Restrictions	Transfer is limited to bank's affiliates, commercial banks or other Qualified Institutional Buyers unless Issuer consents.				
Confidentiality	This document is intended for the internal use of the recipient only and may not be distributed externally or reproduced for external distribution in any form without express written permission from Morgan Stanley or as required by law and with notice to the Lender.				
<u>Counsel and Documents</u>					
Acceptance of Terms	<p>The pricing and terms indicated herein remains subject to market conditions until the Term Sheet is executed by both the Borrower and the Lender.</p> <p>The proposal remains subject to additional due diligence and credit approval of the Lender. Upon acceptance of the proposal by both the Borrower and the Lender, documentation will be created which will include these terms and conditions as well as warranties and covenants specific to this transaction. The contents herein provide an indication of terms and are not a contract, commitment or intent to be bound.</p>				
Lender's Counsel	Katten Muchin Rosenman LLP				
Legal Fees	The State Agency shall be responsible for all reasonable fees incurred by the Lender with respect to Lender's Counsel, capped at \$25,000.				
Contacts:	<table><tr><td>Morgan Stanley & Co, LLC 440 South LaSalle St. Chicago, IL 60605</td><td>Morgan Stanley & Co, LLC 1585 Broadway, 2nd Floor New York, NY 10036</td></tr><tr><td>Bill Mack Executive Director Phone: 312.706.4266 William.Mack@morganstanley.com</td><td>Chris Cost Executive Director Phone: 212.761.6928 Christopher.Cost@morganstanley.com</td></tr></table>	Morgan Stanley & Co, LLC 440 South LaSalle St. Chicago, IL 60605	Morgan Stanley & Co, LLC 1585 Broadway, 2 nd Floor New York, NY 10036	Bill Mack Executive Director Phone: 312.706.4266 William.Mack@morganstanley.com	Chris Cost Executive Director Phone: 212.761.6928 Christopher.Cost@morganstanley.com
Morgan Stanley & Co, LLC 440 South LaSalle St. Chicago, IL 60605	Morgan Stanley & Co, LLC 1585 Broadway, 2 nd Floor New York, NY 10036				
Bill Mack Executive Director Phone: 312.706.4266 William.Mack@morganstanley.com	Chris Cost Executive Director Phone: 212.761.6928 Christopher.Cost@morganstanley.com				

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NEW BOND ISSUE REPORT

Name of Bond Issue: Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (J.O. Blanton House Project), Series 2018

Purpose of Issue: The bonds will be used to finance the acquisition, rehabilitation and equipping of a multifamily residential rental facility containing 258 units (including two (2) manager units), located in Louisville, Kentucky, at 850 W. Muhammed Ali Boulevard (the "Project"). The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on Tuesday, April 10, 2018 following the delivery of notice to the public on Sunday, March 25, 2018.

Name of Project: J.O. Blanton House

Date of Sale: June 15, 2018

Date of Issuance: June 29, 2018

Anticipated Ratings: Moody's Investors Service – MIG-I

Anticipated Net Proceeds: \$19,000,000

Cost of Issuance: \$279,550 (Issuance costs will be paid from equity)

Debt Service Reserve Fund: None

Total Project Cost: \$52,118,780

Net Interest Rate: 2.00%

Term: 30 months (1/1/2021)

Average Debt Service: \$340,000/year

Gross Debt Service: \$850,000

First Call Date: Mandatory Tender 7/1/2020, no optional redemptions expected

Premium at First Call: No premium

Method of Sale: Public Offering/Negotiation

Bond Counsel: Dinsmore & Shohl LLP

Underwriter: The Sturges Company

Underwriter Counsel: Tiber Hudson LLC

Financial Advisor: N/A

Trustee: The Huntington National Bank

Developer: TESCO Development

Project Funding Sources:

Short-Term Tax-Exempt Bonds	\$ 19,000,000
FHA Insured Mortgage Loan	7,300,000
Seller Note	13,691,628
LIHTC Equity	10,361,826
Existing Reserves	428,692
Deferred Development Fee	<u>1,336,634</u>
TOTAL	\$ 52,118,780

Costs of Issuance:

Bond Counsel	\$ 48,500
Issuer Counsel	12,500
Underwriter Counsel	30,000
Issuer Fee	67,250
Underwriter Fee	100,000
Printing, Rating, Trustee, Misc.	<u>21,300</u>
TOTAL	\$ 279,550

Description of Affordable Housing Experience

Tesco Development, Inc. – Developer

The TESCO Organization provides quality and experienced multifamily management and development services. We have successfully managed and developed apartments for over 30 years.

TESCO Development, Inc. offers comprehensive development services for both for-profit and non-profit clients. TESCO's expertise includes determining project feasibility, site analysis, complete due diligence review, preliminary underwriting and evaluating financing alternatives, and coordinating real estate closings.

Creating a viable real estate investment requires critical planning. TESCO's acquisition and development staff carefully analyzes every project to secure the financing structure that is most appropriate. We assist in refinancing activities, develop proposals for fee management and handle property dispositions with attention to detail and concern for the long-term benefit. TESCO also has expertise in securing grants and other types of funding as well.

See attached for TESCO LITHC Compliance Procedures and Monitoring Policy.

Chesapeake Community Advisors, Inc. – Developer Consultant

Chesapeake Community Advisors was founded in 2001 and is one of the nation's leading community development consulting firms. CCA has served as a development consultant for more than 75 developments in 15 states. In that time, our development work has included affordable multifamily and market rate rental, historic renovations, affordable homeownership and multi-use developments.

Fifth Street Housing GP LLC. – Nonprofit Sponsor/Owner

Fifth Street Housing GP LLC is wholly owned by Fifth Street Hi-Rise, Inc (a Not-For-Profit Corporation). Fifth Street Hi-Rise Inc.'s Board of Directors is comprised of members of three local Non-Profits: Fifth Street Baptist Church, Alpha Phi Alpha Fraternity and Y.M.C.A. Retired Men's Club. The Board meets monthly and is committed to ensuring JO Blanton remains positioned to serve the residents of Louisville with safe and decent housing. Fifth Street Hi-Rise Inc. has owned and supervised JO Blanton House since 1972.



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RESUME

TESCO Properties, Inc. is an Accredited Management Organization (AMO), which was formed in 1979. TESCO currently manages and/or owns approximately 6,000 apartment units in ten (10) states, ranging in size from 14 units to 306 units. TESCO's management portfolio includes all types of multifamily apartment communities including conventional and affordable housing properties as well as those properties financed or subsidized by the Department of Housing and Urban Development. TESCO employs over 20 people in its Central Office in Germantown (Memphis) with more than 230 employees across the nation. Geographically, TESCO's management portfolio stretches from New York to Arizona.

In addition to TESCO's core business of managing multifamily housing, TESCO provides development of conventional and affordable housing properties throughout the country. TESCO Development, Inc. provides services to both for-profit and non-profit entities using all types of financing including conventional, tax-exempt and taxable bonds, credit enhanced and insured. Since 1998, TESCO's turnkey development activity, which includes acquisition, renovation, financing and management of new communities, exceeded \$55,000,000.

TESCO management division utilizes a Regional Manager system and focuses on professional training of on-site and Regional Managers. It organizes a three-day annual Manager's Training Seminar for all on-site managers. In addition, all on-site managers are encouraged to attend seminars in their area and join the local ARM program. Many managers hold the Certified Professional of Occupancy ("CPO") designation. We have six (6) members of our corporate staff that have obtained their Specialist in Housing Credit Management (SHCM). There are currently six Regional Managers and/or Senior Managers in the TESCO family who has achieved the designation of Certified Property Manager ("CPM").

Senior Management Resumes

Jerry Sisson. Jerry Sisson is the Chief Executive Officer (CEO) of the TESCO organization. As one of the founding shareholders and officers of the TESCO organization, he has been actively involved in the multifamily property management and development business with TESCO since its inception in 1979.

Jerry received his Bachelor of Business Administration (BBA) degree in 1977, with a major in real estate, from the University of Memphis, Memphis, Tennessee. In 1979, he received his Juris Doctorate (JD) degree from the University of Memphis School of Law.

Jerry is responsible for coordination of strategic planning for the company and the oversight of the parent company. He is responsible for the development, acquisition, refinancing and

sales activities of the TESCO organization.

Jerry maintains a real estate broker's license, and holds designations as a Certified Property Manager (CPM), a Certified Occupancy Specialist (COS) and as a National Assisted Housing Professional Executive (NAHP-e).

He has been licensed to practice law since 1980, and is the senior partner of Sisson and Sisson Law Firm, dealing in real estate and government financed development, purchases, and sales. He serves as legal counsel for TESCO corporate operations, as well as primary in-house counsel for day-to-day development and management matters.

Jerry has served an eight-year term as a member of the Board of Directors of the Tennessee Housing Development Agency (THDA), chairing the Policy and Programs Committee and serving as its Vice Chairman.

Philip C. Dees. Philip Dees is the Chief Financial Officer (CFO) of the TESCO organization and serves as its Treasurer.

Philip graduated with honors from Christian Brothers University in Memphis, Tennessee, receiving a Bachelors of Science (BS) degree with an area of concentration in accounting.

Prior to joining TESCO Development, Inc., Philip worked for the international public accounting firm of Arthur Andersen & Company, where he served in the audit and tax divisions. He is a Certified Public Accountant (CPA).

Philip is responsible for financial supervision of the TESCO portfolio. Under his direction, policies and procedures are established to provide appropriate financial controls are utilized in accordance with the various agreements governing such properties. He is also responsible for the review, coordination and submission of all financial and tax reporting. He also assists the property management staff in developing and coordinating budgetary and operational policies.

Philip is active with Southeastern Affordable Housing Management Association (SAHMA) and currently holds the position of State of TN Regulatory Committee Chairman. He is also on the board of directors of the Alliance for Nonprofit Excellence.

Philip holds the Certified Property Manager (CPM) designation, Certified Occupancy Specialist (COS) designation and the National Assisted Housing Professional Executive (NAHPe) designation.

Larry Sisson. Larry Sisson is the Chief Operating Officer (COO) of the TESCO organization and serves as President of TESCO Properties, Inc., the management arm of TESCO.

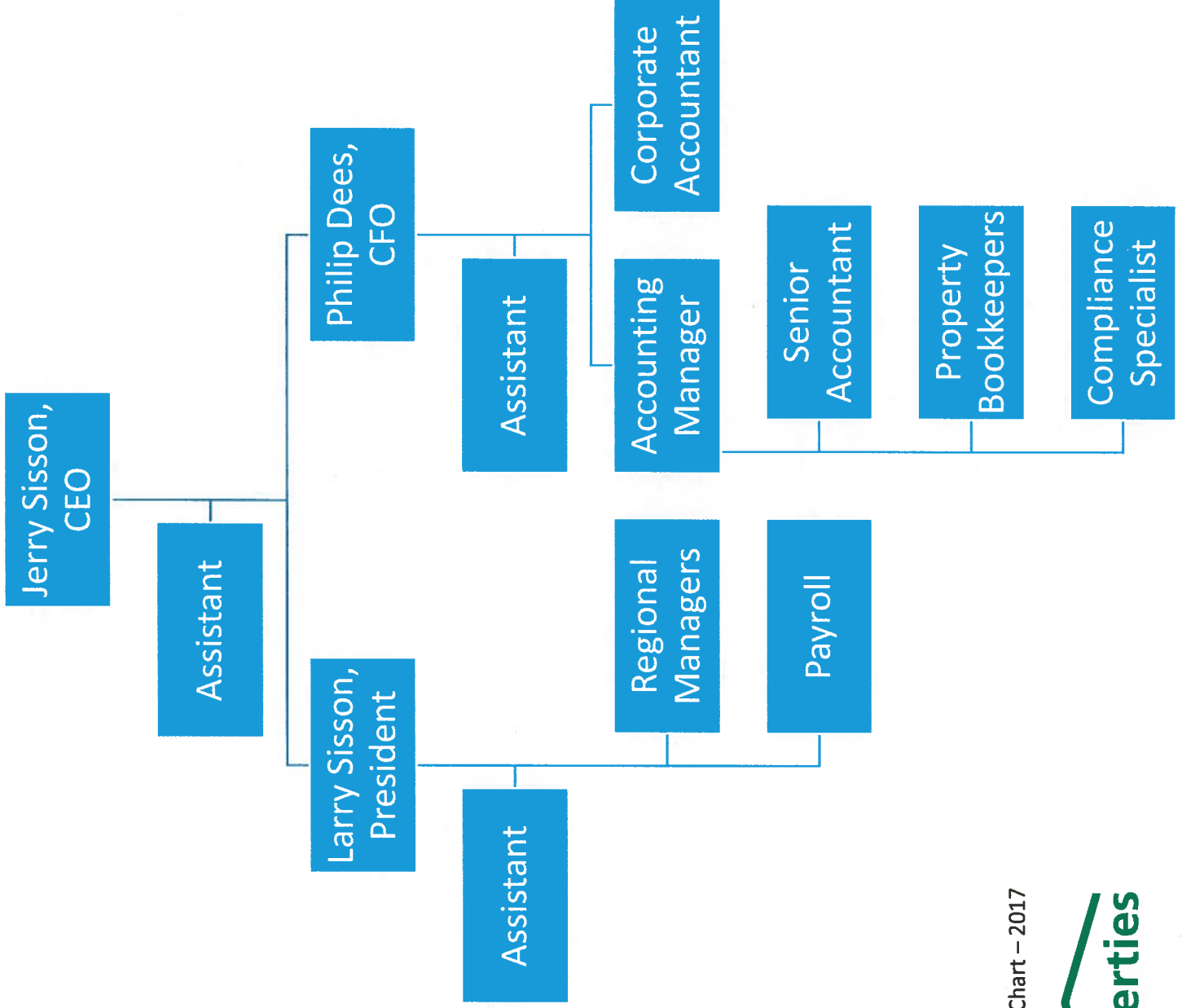
Larry received his Bachelors degree in Business Administration, with a major in accounting, from David Lipscomb University in Nashville, Tennessee. He received his Juris Doctorate

(JD) degree from the School of Law at the University of Memphis and is a Certified Public Accountant (CPA).

Larry directs the day-to-day management of site operations for TESCO, directly supervising the Regional Managers. He is also the coordinator for selected apartment complexes, as well as coordinator of major renovations.

Larry serves on the leadership council of the Southeastern Affordable Housing Management Association (SAHMA) and is a Past President of the organization. He is also an officer of the National Affordable Housing Manager's Association (NAHMA) where he serves as a Vice President and chair of the Tax Credit Committee.

Larry holds the Certified Property Manager designation (CPM), National Affordable Housing Professional Executive Level (NAHP-e) designation, Certified Occupancy Specialist designation (COS) and Specialist in Housing Credit Management (SHCM). He is a national instructor certified to teach NAHMA's Fair Housing Compliance course. He has also taught REAC inspection protocol on a national level. Larry was awarded NAHMA's 2016 Affordable Housing Advocate of the Year. He also has been inducted into the Kentucky Affordable Housing Hall of Fame.



NEW BOND ISSUE REPORT

Name of Bond Issue:	Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Beecher Phase I Project), Series 2018
Purpose of Issue:	The bonds will be used to finance the acquisition, rehabilitation and equipping of the Beecher Phase I Project, a one hundred and seventeen unit property located at 434 S. 10th Street, Louisville, Kentucky 40203. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on May 7, 2018 following the delivery of notice to the public on April 22, 2018.
Name of Project:	Beecher Phase I Apartments
Date of Sale:	June 15, 2018
Date of Issuance:	June 15, 2018
Anticipated Ratings:	Standard & Poor's (AA+)
Anticipated Net Proceeds:	\$15,500,000
Cost of Issuance:	See Exhibit A attached (costs of issuance paid from owner equity)
Debt Service Reserve Fund:	\$0, but a \$405,000 operating reserve and \$335,000 lease up reserve will be funded from equity.
Insurance Premium:	N/A
Total Project Cost:	\$42,488,321
Net Interest Rate:	2.25%
Term:	2 Years
Average Debt Service:	\$348,750
Gross Debt Service:	\$697,500
First Call Date:	June 2020
Premium at First Call:	No premium
Method of Sale:	Public Offering
Bond Counsel:	Dinsmore & Shohl LLP
Underwriter:	RED Capital Markets, LLC
Underwriter Counsel:	Tiber Hudson, LLC
Financial Advisor:	N/A
Trustee:	TBD
Developer:	McCormack Baron Salazar

Exhibit A

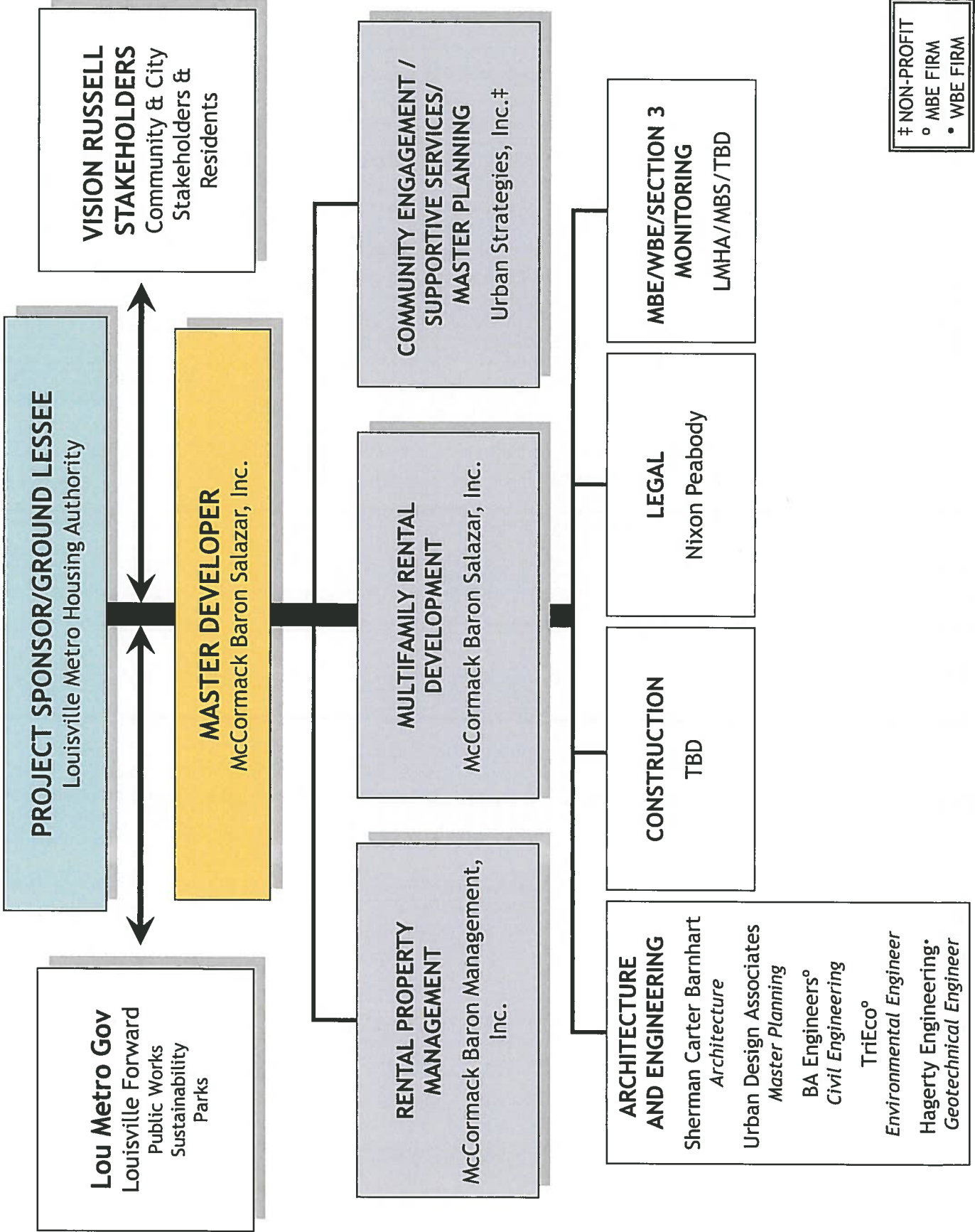
Project Funding Sources:

FHA First Mortgage Loan	\$ 2,418,000
LMHA Choice Neighborhood Funds	4,768,000
LMHA Capital Funds	9,179,821
KHC Bonds	15,500,000
LMHA Contribution (Developer Fee)	1,112,500
Investor Equity (Federal Tax Credits)	<u>9,510,000</u>
TOTAL	\$ 42,488,321

Costs of Issuance:

Origination Fee	\$ 169,000
KHC Counsel	12,500
KHC Financing Fee	93,042
KHC Application Fee & Expenses	3,500
Bond Counsel	67,000
Lender Counsel	70,500
Borrowers Counsel	34,500
TEFRA/Publication/Print	<u>5,000</u>
TOTAL	\$ 455,042

Development Team Organizational Chart



‡ NON-PROFIT
 ° MBE FIRM
 • WBE FIRM

Brock Armstrong
Finance Manager



EXPERIENCE

McCormack Baron Salazar
Manager, Project Finance
2009 – Present

EDUCATION

University of Missouri – Columbia
Bachelor's in Business Administration

University of Missouri – Columbia
Master's in Business Administration

Brock Armstrong structures and underwrites mixed-finance and low-income housing tax credit (LIHTC) investments. Mr. Armstrong joined the Project Finance Team at McCormack Baron Salazar in May 2009 to work across all company projects, creating financial structures, managing the financial and legal aspects of the financial closing, and overseeing the close-out process upon project completion. Working closely with individual project managers, Mr. Armstrong maintains a portfolio of development projects and their financial models, prepares various state and federal regulatory filings and applications, represents project finance in meetings with city/state housing and finance agencies, negotiates with lenders and equity providers, works with accounting staff, interfaces with outside legal and financial experts, and acts as a member of the closing team.

Since joining the firm, Mr. Armstrong has participated in closing multiple transactions, totaling almost \$450 million in development and resulting in hundreds of units of mixed-income housing in cities across the country.

Prior to joining the Project Finance Team, Mr. Armstrong worked for four years as a financial consultant for RubinBrown LLP representing syndicators and developers in creating financial models for a large number of LIHTC, NMTC, and HTC transactions. He has also worked as a financial analyst for a money management firm, an energy trader and a transaction manager for a commercial real estate services firm. He holds a bachelor's degree in business administration with emphasis in finance and real estate from the University of Missouri – Columbia and master's degree in business administration from the University of Missouri – Columbia.

Julie DeGraaf Velázquez
Managing Director of Development



EXPERIENCE

McCormack Baron Salazar
Managing Director of Development
2016 – Present
Senior Vice President
2014 – 2016
Vice President
2008 – 2014
Project Manager
2004 – 2008

CUREx Fellow, University of Pennsylvania
2004 – 2005

EDUCATION

University of Illinois at Chicago
M.A. Urban Planning and Policy

Calvin College
B.A. Sociology

AWARDS & AFFILIATIONS

St. Louis Business Journal's 40 Under 40
2010

Big Brothers Big Sisters Bowl for Kids' Sake
Woolworth Partners Group Organizer

Ms. DeGraaf Velázquez has a wide-range of experience in diverse community redevelopment projects with a goal of bringing impactful, transformative projects to fruition. As a Managing Director of Development, she oversees a team of Senior Vice Presidents, Project Managers, and Associates through the development process. Her role includes high-level client relationship management with local partners, city and agency staff and elected officials, contract negotiation, oversight of project conceptualization and master planning, design and construction review, and managing schedules and deadlines to ensure timely and efficient delivery.

Ms. DeGraaf Velázquez's projects have ranged from large-scale HOPE VI and Choice Neighborhoods-funded mixed-income residential developments to impactful, mixed-use projects developed in partnership with community non-profits. They often involve the creative combination of local, state and federal resources (including HUD programs, Low-Income Housing Tax Credits, New Markets Tax Credits (NMTC), and Historic Tax Credits), with private debt, equity and philanthropic funds to support true revitalization and sustainable development. Ms. DeGraaf Velázquez has served as the lead project manager Choice Neighborhoods, for HOPE VI communities, and for a LEED-Platinum certified school developed with New Markets Tax Credits. She also led the development of the mixed-use, green-built headquarters of the St. Louis Housing Authority and the state-of-the-art Flance Early Learning Center, both of which leveraged HUD capital funds with New Markets Tax Credits.

Ms. DeGraaf Velázquez joined McCormack Baron Salazar in January 2004 as a University of Pennsylvania Center for Urban Redevelopment Excellence Fellow. Prior to joining the firm, she managed homeownership development and education programs for a non-profit community development corporation in Chicago. Ms. DeGraaf Velázquez was in the 2007-2008 class of Leadership St. Louis, and is a board member of America Scores St. Louis - an after school program for at-risk youth. She received a B.A. in Sociology in 1995 from Calvin College and an M.A. in Urban Planning and Policy in 1998 from the University of Illinois at Chicago.

Sasha-Gaye Angus
Senior Vice President



EXPERIENCE

McCormack Baron Salazar

Senior Vice President

2016 – Present

Project Manager

2007 – 2010

EDUCATION

Fisk University

Bachelor of Arts

**University of Pittsburgh Graduate School
of Public and International Affairs**

Master of Public Administration

AWARDS AND RECOGNITION

Affordable Housing Finance

Young Leader, 2015

The Michaels Organization

Teammate of the Year, 2014

AFFILIATIONS

Open Arms Housing

Board Member

2014 – 2016

Housing Association of Non Profit Developers

Board Member

2015 – Present

Recognized as one of the industry's young leaders by Affordable Housing Finance, Ms. Angus has deep experience in the development and financing of mixed-income, multi-layered, mixed-finance communities. As Senior Vice President of Development, she manages all aspects of the development process, including leveraging and securing project financing, and coordinating a diverse team of specialists, consultants, investors, residents, stakeholders and public officials.

Ms. Angus' experience includes project management, entitlements (including Planned Unit Developments), land development, managing stakeholder relationships with community and government agencies, managing third party consultants, and negotiating with lenders, investors, nonprofit clients, and public private partners. She has managed, structured, and led projects valued over \$350 million in development costs and totaling approximately 1,600 dwelling units. Her current projects include the Larimer/East Liberty Choice Neighborhood in Pittsburgh, PA and Beecher Terrace in Louisville, KY. She is also pursuing new business in the Washington D.C. and mid-Atlantic region.

In addition to her work at McCormack Baron Salazar, Ms. Angus was a Project Director for Telesis Corporation and a Vice President at The Michaels Development Company. In these roles, she led the planning and development of mixed-income housing, the refinancing and renovation of older properties, and pursued new business opportunities.

Ms. Angus holds a Master of Public Administration from the University Of Pittsburgh Graduate School Of Public and International Affairs and a Bachelor of Arts from Fisk University. She was also a CUREx (Center for Urban Redevelopment Excellence) fellow at the University of Pennsylvania.

Laura Kinsell-Baer, AICP
Project Manager



EXPERIENCE

McCormack Baron Salazar
Project Manager
2016 – Present

EDUCATION

University of Minnesota Twin Cities
Bachelor of Science, Ecology, Evolution and Behavior

University of Illinois at Urbana-Champaign
Master of Arts, Urban and Regional Planning

CERTIFICATIONS & AFFILIATIONS

American Institute of Certified Planners
Certified Planner
(2011-Present)

Ozark Regional Land Trust
Boardmember / Secretary
(2013-Present)

CivTech St. Louis
Co-Founder
(2015-Present)

Shaw Neighborhood Improvement Association
Executive Committee Member
(2006 – Present)

As Project Manager, Ms. Kinsell-Baer leads the development of mixed-income and mixed-use projects, leveraging and securing project financing and coordinating the efforts of public and private partners. Ms. Kinsell-Baer currently supports development efforts across the country, including writing financing and grant applications, coordinating financial closings and working with community groups and stakeholders to transform previously isolated and deteriorated areas into sustainable, vibrant, and connected mixed-income communities for families and seniors. Ms. Kinsell-Baer has special experience in community / economic development planning, ensuring that economic outcomes directly benefit communities and residents.

Prior to joining McCormack Baron Salazar, Ms. Kinsell-Baer was as Assistant Vice President at the St. Louis Economic Development Partnership, where she played an integral role in securing a Promise Zone designation for St. Louis' north side as well as working on the Ferguson/Dellwood Economic Recovery team after the unrest in Ferguson and other grant-funded programs and projects. She is leading the creation of a smart real estate development toolkit along with the Urban Land Institute St. Louis and Forward through Ferguson and is co-founder of CivTech St. Louis, an organization that builds regional technological capacity from the ground up, particularly with government. Prior to the Economic Development Partnership, Ms. Kinsell-Baer was a Senior Planner with St. Louis County, overseeing the county's performance measures and dedicated to the 2013 strategic planning process, focused on issues of youth opportunity, aging in place, and the suburbanization of poverty.

Ms. Kinsell-Baer holds a Master of Arts in Urban and Regional Planning from the University of Illinois at Urbana-Champaign and a Bachelor of Science from the University of Minnesota Twin Cities. She is a certified planner from the American Institute of Certified Planners.

Mike Saunders, AIA, LEED GA

Senior Vice President |
Director of Design & Construction



EXPERIENCE

McCormack Baron Salazar

Vice President–Director of Design and Construction

2001 – Present

Project Architect

1995 – 2001

EDUCATION

University of Kansas

School of Architecture and Urban Planning

Bachelor of Environmental Design

Bachelor of Architectural Engineering

Columbia University

School of Architecture and Planning

Master of Science of Historic Preservation

AFFILIATIONS

State of Missouri

Registered Architect

American Institute of Architects

– St. Louis Chapter

Council of Architects

Home Builder's Association

City of Saint Louis Division Board of Trustees

U.S. Green Building Council

LEED Green Associate

Mr. Saunders has over 30 years of experience in architectural, development and construction firms, and in single and multi-family housing, mixed-use, light commercial and retail design. As Director of the Design and Construction Department of McCormack Baron Salazar, Mr. Saunders directs and coordinates activities of the architectural staff and construction administrators to ensure that design concepts meet corporate and community-specific goals for quality, cost and completion time. He retains, supervises and negotiates with master planning, architectural and engineering professionals and contractors, coordinates meetings with neighborhood and resident associations, and works with federal, state and municipal authorities on site control and preparation, environmental assessment/remediation, public improvements, and historic preservation. He directly oversees master planning, site analysis, schematic design, design development, construction document development, cost estimation, value engineering, and construction administration.

Mr. Saunders joined McCormack Baron Salazar in 1995 with eight years of experience in single family development and three as a project architect. Since that time, he has been involved in over 50 mixed-income projects, including HOPE VI and Choice Neighborhoods, throughout the country.

Mr. Saunders is a member of the American Institute of Architects – St. Louis Chapter, the St. Louis Chapter of the Home Builder's Association, is a former member of the Planning and Community Design Committee and the Futures Task Force for the City of Olivette, MO. As a member of the task force, Mr. Saunders led public forums to help pass a \$13.5 million bond for a new City Center. Mr. Saunders is a Registered Architect in the State of Missouri.

Liane Laughlin
Regional Vice President



EXPERIENCE

McCormack Baron Management

Regional Vice President

2015 – present

Regional Director

2012 – 2015

Area Manager

2006 – 2012

Property Manager

1999 – 2006

PROFESSIONAL AFFILIATIONS

State of Pennsylvania

Licensed Real Estate Broker

Quadel

Assisted Housing Manager

Institute of Real Estate Management

Accredited Residential Manager

National Association of Home Builders

Housing Credit Certified Professional

**National Affordable Housing
Management Association**

Specialist in Housing Credit Management

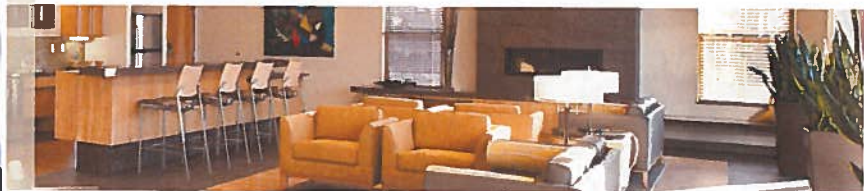
Liane Laughlin has over 25 years of experience managing high-quality market-rate and economically-integrated apartment communities. As Regional Vice President, Ms. Laughlin concentrates on asset management and portfolio concerns, the financial management of her properties and employee and tenant relations. Her portfolio includes conventional apartment communities and properties that include Section 8, public housing and low income housing tax credit apartments.

Ms. Laughlin's responsibilities include the day-to-day management of her 16-property portfolio which includes over 1,500 apartments. She oversees all area managers, budgets and analyzes operations and marketing of properties, supervises contract and vendor negotiations, coordinates compliance with public agency affordable housing programs, and implements capital improvement programs with accountability for portfolio performance.

Ms. Laughlin joined McCormack Baron Management in August 1999 as the Property Manager for Crawford Square in Pittsburgh, PA. Previously, Ms. Laughlin was with a Pittsburgh-based real estate company, administering the management of nine apartment communities as well as providing management assistance to two local Community Development Corporations.

Ms. Laughlin is a member of several local real estate organizations, holds several property management designations, and is a board member of the Professional Affordable Housing Management Association.

Tim Zaleski
President



EXPERIENCE

McCormack Baron Management
President
2011 – Present

EDUCATION

University of Pittsburgh
Bachelor of Arts

AWARDS & AFFILIATIONS

**National Affordable Housing
Management Association**
Board Member

**National Affordable Housing
Professional–Executive (NAHP-e)**

**Specialist in Housing Credit
Management (SHCM)**

**National Association of Home Builders
Housing Credit Certified Professional (HCCP)**

Mr. Zaleski has full profit and loss responsibility for McCormack Baron Management and oversees daily operations of the 30,000+ unit portfolio, located throughout 24 states and US territories. As President, he provides strategic leadership and direction for the company, in coordination with the Board of Directors. He works to establish long-range goals, strategies, plans and policies to enable McCormack Baron Management to function more efficiently and provide excellent service to residents, owners, and community stakeholders. To implement his strategies and vision, he calls upon an executive team that includes four Regional Vice Presidents, a Vice President of Accounting/Compliance, a Marketing Director, and a Risk and Insurance Manager.

Mr. Zaleski has more than 25 years of property management experience in the affordable housing industry. Prior to joining MBM, he served as the Vice President and Senior Executive of Affordable Housing for National Church Residences, Inc. in Columbus, Ohio. In this role, he managed a portfolio totaling 22,700 units in 310 communities in 28 states and Puerto Rico. In addition to his experience in acquisition, finance, and mixed-income portfolio performance experience, Mr. Zaleski has a deep understanding of regulatory compliance for affordable housing, including HUD programs and Low Income Housing Tax Credit projects.

Mr. Zaleski holds Bachelor of Arts in Economics and Business Administration from the University of Pittsburgh and is an Executive Member of the National Affordable Housing Management Association.

NEW BOND ISSUE REPORT

Name of Issue: Kentucky Higher Education Student Loan Corporation (KHESLC) Student Loan Revenue Bonds, Series 2018-1

Purpose of Issue: The Taxable Fixed Rate Bonds are being issued for the purpose of purchasing, originating and financing Advantage Refinance, Education and Parent Loans (“Advantage Loans”)

Proposed Date of Sale: June 14, 2018

Proposed Date of Delivery: June 28, 2018

Ratings (Anticipated): Senior Bonds: A / A (S&P / Fitch)
Subordinate Bonds: BBB/BBB (S&P / Fitch)

Projected Sources and Uses:

Sources	
Senior Bonds	\$ 92,000,000
Subordinate Bonds	8,000,000
KHESLC Equity Contribution	31,448,455
Total	\$ 131,448,455

Uses	
Deposit to Loan Account	\$ 102,702,712
Purchase Existing Advantage Refinance Loans	
Loan Principal Balance Outstanding	20,956,306
Capitalized Interest	-
Purchase Existing Advantage Education & Parent Loans	
Loan Principal Balance Outstanding	4,465,540
Capitalized Interest	35,443
Deposit to Debt Service Reserve Fund	1,840,000
Cost of Issuance	1,448,455
Total	\$ 131,448,455

Data as of March 31, 2018

True Interest Cost: 5.02%
First Call Date: December 1, 2026
Final Maturity Date: December 1, 2046
Average Annual Debt Service: \$5,216,386
Total Debt Service: \$151,275,201
Average Life of the Bonds: 10.06 years

Method of Sale: Negotiated
Bond Counsel: Hawkins Delafield & Wood LLP
Senior Managing Underwriter: Bank of America Merrill Lynch
Underwriter’s Counsel: Kutak Rock LLP
Trustee: Bank of New York Mellon

Kentucky Higher Education Student Loan Corporation (KHESLC)
Series 2018-1 Taxable Fixed Rate Bonds

Series 2018-1 Annual Debt Service				
Date	Principal	Coupon	Interest	Debt Service
6/28/2018				
12/1/2018	\$ -		\$ 4,365,816	\$ 4,365,816
12/1/2019	6,595,000	3.490%	4,604,718	11,199,718
12/1/2020	7,720,000	3.740%	4,345,272	12,065,272
12/1/2021	8,070,000	4.140%	4,033,859	12,103,859
12/1/2022	8,740,000	4.580%	3,666,664	12,406,664
12/1/2023	8,815,000	4.630%	3,262,450	12,077,450
12/1/2024	7,830,000	4.770%	2,871,638	10,701,638
12/1/2025	7,160,000	4.870%	2,510,546	9,670,546
12/1/2026	6,470,000	4.870%	2,178,656	8,648,656
12/1/2027	5,780,000	4.970%	1,877,478	7,657,478
12/1/2028	4,210,000	5.070%	1,627,122	5,837,122
12/1/2029	-		1,520,398	1,520,398
12/1/2030	-		1,520,398	1,520,398
12/1/2031	-		1,520,398	1,520,398
12/1/2032	-		1,520,398	1,520,398
12/1/2033	-		1,520,398	1,520,398
12/1/2034	-		1,520,398	1,520,398
12/1/2035	-		1,520,398	1,520,398
12/1/2036	20,610,000	5.180%	986,599	21,596,599
12/1/2037	-		452,800	452,800
12/1/2038	-		452,800	452,800
12/1/2039	-		452,800	452,800
12/1/2040	-		452,800	452,800
12/1/2041	-		452,800	452,800
12/1/2042	-		452,800	452,800
12/1/2043	-		452,800	452,800
12/1/2044	-		452,800	452,800
12/1/2045	-		452,800	452,800
12/1/2046	8,000,000	5.660%	226,400	8,226,400
	\$ 100,000,000		\$ 51,275,201	\$ 151,275,201

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Barbourville Independent School District Series 2018
Date: April 26, 2018
cc: File

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

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

BOND PAYEE DISCLOSURE FORM

Par Amount: **\$ 3,220,000**
 Issue Name: Barbourville Independent Schools District Finance Corporation School Building Revenue Bonds, Series 2018
 Purpose: Phase II Additions & Renovations at Barbourville City School
 Projected Sale Date of Bond: 22-May-18
 First Call Date: 6/1/28 @ 100
 Method of Sale: Competitive Bids
 Place/time of sale: SFCC, 267 Capitol Annex, Frankfort, Ky. / 11:00 A.M.
 Bond Rating: Moodys: "A1"
 Bond Counsel: Keating, Muething & Klekamp, PLL
 Fiscal Agent: Ross, Sinclair & Associates, Lexington, Kentucky
 Date received by SFCC: *To be filled in by SFCC*
 Date scheduled for Committee review: *To be filled in by SFCC*

Month Day Year

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

SFCC Portion	Local Portion	Total
\$ 447,835	\$ 2,772,165	\$ 3,220,000
13.91%	86.09%	
\$ 33,231	\$ 205,703	\$ 238,934
\$ 0	\$ 0	\$ 0

Estimated Cost of Issuance:

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

\$ 3,599	\$ 22,281	\$ 25,880
\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0
\$ 1,252	\$ 7,748	\$ 9,000
\$ 8,957	\$ 55,443	\$ 64,400
\$ 487	\$ 3,013	\$ 3,500
\$ 14,295	\$ 88,485	\$ 102,780

Anticipated Interest Rates:

5 Years 2.000% 10 Years 2.800% 15 Years: 3.600
 20 Years: 4.000%

Note: No Local Tax increase is required.



April 26, 2018

Ms. Chelsey Bizzle
Schools Facilities Construction Commission
229 West Main Street, Ste. 102
Frankfort, Kentucky 40601

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

Dear Ms. Bizzle:

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

\$1,105,000 (est.)
Grayson County
School District Finance Corporation
School Building Revenue Bonds,
Series 2018

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/ Bobby Koch

Bobby Koch
Analyst

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$1,105,000
Issue Name:	Grayson School District Finance Corporation School Building Revenue Bonds, Series 2018
Purpose:	Roof Projects at H.W Wilkey Elementary and Oran P. Lawler Elementary
Projected Sale Date of Bonds:	June 2018
First Call Date:	2027
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "A1" – Moody's
Bond Counsel:	Rubin & Hays
Fiscal Agent:	J.J.B. Hilliard, W.L. Lyons, LLC
Construction Manager/General Contractor:	N/A
Architect/Engineer:	Clotfelter Samokar

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:	\$610,960	\$494,040	\$1,105,000
% Share of total Bonds:	55%	45%	100%
Estimated average annual debt service:	43,059	41,758	84,817
Estimated debt service reserve:	-	-0-	-0-
Estimated Costs of Issuance (1):	-		
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	9,631	7,788	17,420
Special Tax Counsel	-	-0-	-0-
Number Verifications	-	-0-	-0-
Bond Rating	4,423	3,577	8,000
Underwriter's Discount	12,219	9,881	22,100
Paying Agent/Escrow Agent Bank	1,935	1,565	3,500
Total Cost of Issuance:	28,209	22,811	51,020

Anticipated Interest Rates:

5 Years: 2.790%	10 Years: 3.300%
15 Years: 3.630%	20 Years: 3.940%



April 16, 2018

Ms. Chelsey Bizzle
Schools Facilities Construction Commission
229 West Main Street, Ste. 102
Frankfort, Kentucky 40601

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

Dear Ms. Bizzle:

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

\$12,195,000 (est.)
Marshall County
School District Finance Corporation
School Building Revenue Bonds,
Series 2018B

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 502.588.1783.

Sincerely,

/s/ Logan Clevenger

Logan Clevenger
Analyst

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$12,195,000
Issue Name:	Marshall County School District Finance Corporation School Building Revenue Bonds, Series 2018B
Purpose:	Renovation to Marshall County High School
Projected Sale Date of Bonds:	June 2018
First Call Date:	2027
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "A1" – Moody's
Bond Counsel:	Rubin & Hays
Fiscal Agent:	J.J.B. Hilliard, W.L. Lyons, LLC
Construction Manager/General Contractor:	N/A
Architect/Engineer:	Sherman Carter Barnhart Architects

Date Received by SFCC:

/	/
---	---

To be filled in by SFCC

Date Scheduled for Committee Review:

/	/
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To be filled in by SFCC

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$307,102	\$11,887,898	\$12,195,000
% Share of total Bonds:	3%	97%	100%
Estimated average annual debt service:	21,263	950,534	971,797
Estimated debt service reserve:	-0-	-0-	-0-
Estimated Costs of Issuance (1):			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	1,556	60,224	61,780
Special Tax Counsel	-0-	-0-	-0-
Number Verifications	-0-	-0-	-0-
Bond Rating	604	23,396	24,000
Underwriter's Discount	6,142	237,758	243,900
Paying Agent/Escrow Agent Bank	101	3,899	4,000
Total Cost of Issuance:	8,403	325,277	333,680

Anticipated Interest Rates: 5 Years: 2.630% 10 Years: 3.080%
 15 Years: 3.490% 20 Years: 3.750%

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

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Walton-Verona Independent School District Series 2018
Date: April 23, 2018
cc: File

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

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

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$ 4,430,000
Issue Name:	Walton Verona Independent Schools District Finance Corporation School Building Revenue Bonds, Series 2018
Purpose:	Early Childhood Center- Phase 1
Projected Sale Date of Bond:	22-May-18
First Call Date:	6/1/28 @ 100
Method of Sale:	Competitive Bids
Place/time of sale:	SFCC, 267 Capitol Annex, Frankfort, Ky. / 11:00 A.M.
Bond Rating:	Moodys: "A1"
Bond Counsel:	Keating, Muething & Klekamp, PLL
Fiscal Agent:	Ross, Sinclair & Associates, Lexington, Kentucky
Date received by SFCC:	<div style="border: 1px solid black; width: 100px; height: 20px; display: inline-block;"></div> <i>To be filled in by SFCC</i>
Date scheduled for Committee review:	<div style="border: 1px solid black; width: 100px; height: 20px; display: inline-block;"></div> <i>To be filled in by SFCC</i>

Month Day Year

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

SFCC Portion	Local Portion	Total
\$ 245,507	\$ 4,184,493	\$ 4,430,000
5.54%	94.46%	
\$ 19,031	\$ 324,370	\$ 343,401
\$ 0	\$ 0	\$ 0

Estimated Cost of Issuance:

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

\$ 1,638	\$ 27,922	\$ 29,560
\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0
\$ 499	\$ 8,501	\$ 9,000
\$ 4,910	\$ 83,690	\$ 88,600
\$ 194	\$ 3,306	\$ 3,500
\$ 7,241	\$ 123,419	\$ 130,660

Anticipated Interest Rates:

5 Years: 2.000% 10 Years: 2.800% 15 Years: 3.600%
 20 Years: 4.000%

Note: No Local Tax increase is required.