

## INVESTMENT GRADE RATINGS

Ratings reflect a credit rating agency’s opinion of a state’s creditworthiness relative to other borrowers in the financial markets. Ratings below Baa3/BBB-/BBB-/BBB- are considered speculative credits (“junk bonds”).

The rating agencies also assign “positive,” “stable,” and “negative” outlooks to their ratings to indicate the direction the rating is likely to move over an intermediate time period. The outlooks represent trends affecting a credit which have not reached a level warranting a change in a state’s credit rating, but may if continued. A negative outlook indicates a higher likelihood of a downgrade in a state’s credit rating while a positive outlook indicates a higher likelihood of an upgrade in a state’s credit rating.

Moody’s*		Standard and Poor’s*		Fitch*		Kroll*		Description
Long-Term	Short-Term**	Long-Term	Short-Term	Long-Term	Short-Term	Long-Term	Short-Term	
Aaa	MIG 1	AAA	A-1+	AAA	F1+	AAA	K1+	Prime
Aa1		AA+		AA+		AA+		
Aa2		AA		AA***		AA		
Aa3***		AA-		AA-****		AA-***		
A1****		A+	A-1	A+	F1/F1+	A+****	K1/K1+	Upper
A2	MIG 2	A***	A-2	A	F1/F1+	A	K1	Medium
A3		A-****		A-	F2/F1	A-	K2/K1	Grade
Baa1		BBB+		BBB+	F2/F1	BBB+	K2	Lower
Baa2	MIG 3	BBB	A-3	BBB	F3/F2	BBB	K3/K2	Medium
Baa3		BBB-		BBB-	F3	BBB-	K3	Grade

\*Outlooks are Stable/Stable/Stable/Stable

\*\*MIG is Moody’s acronym for Municipal Investment Grade

\*\*\*Commonwealth’s issuer credit/default ratings (ICRs/IDRs)/implied general obligation ratings (effectively what the Commonwealth’s general obligation ratings would be if it were to issue general obligation debt)

\*\*\*\*Commonwealth’s lease appropriation rating for general fund supported debt

State Investor Relations and Debt Calendar websites are <https://bonds.ky.gov> and <https://finance.ky.gov/office-of-the-controller/office-of-financial-management/Documents/CurrentBondCalendar.pdf>.

## Preliminary New Bond Issue Report

**Issue:** **The Turnpike Authority of Kentucky**  
Economic Development Road Revenue Refunding Bonds (Revitalization Projects) 2024 Series A with a principal amount not to exceed \$133,000,000

**Purpose of Issue:** To (i) refund certain outstanding Build America Bonds to reduce risk of future sequestration or subsidy elimination and for present value savings, and (ii) pay cost of issuance.

**Proposed Date of Sale:** June 6, 2024  
**Proposed Date of Delivery:** June 27, 2024

**Ratings:**  
Moody's TBD  
Kroll TBD

<b>Sources:</b>	<b>2024 Series A</b>
Par amount of bonds:	\$128,180,000.00
Premium:	\$7,286,006.25
<b>Total Sources:</b>	<b>\$135,466,006.25</b>

<b>Uses:</b>	
Refunding Escrow Deposit	\$134,760,655.71
Costs of Issuance:	\$705,350.54
<b>Total Uses:</b>	<b>\$135,466,006.25</b>

All-in True Interest Cost: 3.216%  
Final Maturity Date: 7/1/2030  
Average Annual Debt Service: \$24,640,446.40  
Total Debt Service: \$148,116,461.11  
Average Life (years): 3.11

### **Refunding Summary:**

Bond Issue Being Refinanced:	See Summary of Bonds Refunded (attached)
Par Amount of Refunded Bonds:	\$130,630,000.00
Net PV Savings:	\$570,125.05
Percentage Savings of Refunded Bonds:	0.436%

**Method of Sale:** Negotiated  
**Bond Counsel:** Dinsmore & Shohl, LLP  
**Underwriter:** JP Morgan  
**Underwriters' Counsel:** Stites and Harbison  
**Trustee:** The Bank of New York Mellon Trust Company  
**Financial Advisor:** Office of Financial Management

Preliminary cashflows as of 5/6/2024  
*Preliminary Subject to Change*

## BOND DEBT SERVICE

Turnpike Authority of Kentucky  
 Tax-Exempt Refunding of 2010B (Taxable BABs) at ERP  
 Includes 5.7% Yearly Sequestration Rate Reduction  
 \*\*\*Preliminary\*\*\*  
 Rates as of May 6, 2024

Period Ending	Principal	Coupon	Interest	Debt Service
07/01/2024	19,085,000	5.000%	71,211.11	19,156,211.11
07/01/2025	16,040,000	5.000%	5,454,750.00	21,494,750.00
07/01/2026	16,840,000	5.000%	4,652,750.00	21,492,750.00
07/01/2027	17,690,000	5.000%	3,810,750.00	21,500,750.00
07/01/2028	18,570,000	5.000%	2,926,250.00	21,496,250.00
07/01/2029	19,495,000	5.000%	1,997,750.00	21,492,750.00
07/01/2030	20,460,000	5.000%	1,023,000.00	21,483,000.00
	128,180,000		19,936,461.11	148,116,461.11

## SAVINGS

Turnpike Authority of Kentucky  
 Tax-Exempt Refunding of 2010B (Taxable BABs) at ERP  
 Includes 5.7% Yearly Sequestration Rate Reduction  
 \*\*\*Preliminary\*\*\*  
 Rates as of May 6, 2024

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 06/27/2024 @ 3.0336674%
07/01/2024	19,159,372.28	19,156,211.11	3,161.17	3,160.11
07/01/2025	21,606,685.86	21,494,750.00	111,935.86	100,170.25
07/01/2026	21,604,074.84	21,492,750.00	111,324.84	98,011.72
07/01/2027	21,612,886.58	21,500,750.00	112,136.58	96,925.35
07/01/2028	21,605,055.84	21,496,250.00	108,805.84	92,252.55
07/01/2029	21,600,199.22	21,492,750.00	107,449.22	89,580.04
07/01/2030	21,592,166.74	21,483,000.00	109,166.74	89,664.49
	148,780,441.36	148,116,461.11	663,980.25	569,764.51

### Savings Summary

PV of savings from cash flow	569,764.51
Plus: Refunding funds on hand	360.54
Net PV Savings	570,125.05

## SUMMARY OF BONDS REFUNDED

Turnpike Authority of Kentucky  
 Tax-Exempt Refunding of 2010B (Taxable BABs) at ERP  
 Includes 5.7% Yearly Sequestration Rate Reduction  
 \*\*\*Preliminary\*\*\*  
 Rates as of May 6, 2024

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2010B: Econ Dev Road Rev (BABs) for Tender, TERM:					
	07/01/2025	5.244%	16,710,000		
	07/01/2025	5.244%	<u>17,295,000</u>	07/29/2024	100.000
			34,005,000		
Series 2010B: Econ Dev Road Rev (BABs) for Tender, TERM02:					
	07/01/2030	5.722%	96,625,000	07/29/2024	100.544
			<u>130,630,000</u>		



**Andy Beshear**  
GOVERNOR

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

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

**Holly M. Johnson**  
SECRETARY

**L. Joe McDaniel**  
CONTROLLER

**Ryan Barrow**  
EXECUTIVE DIRECTOR

April 25, 2024

Mr. Chris Calvert, Vice President of Administration & Finance/CFO  
Northern Kentucky University  
Lucas Admin Center  
Highland Heights, KY 41099

Dear Mr. Calvert,

Pursuant to KRS 42.420, the Office of Financial Management is required to review and approve the issuance of debt by all state agencies. The attached constitutes the review and approval of the recent Northern Kentucky University debt issuance of the \$24,890,000 General Receipts Refunding Bonds, 2024 Series A.

Sincerely,

A handwritten signature in cursive script that reads "Ryan Barrow".

Ryan Barrow  
Executive Director

Attachments

**FINAL BOND ISSUE REPORT**

OFM APPROVAL PURSUANT TO KRS 42.420

Northern Kentucky University

\$24,890,000

General Receipts Refunding Bonds, 2024 Series A

**DESCRIPTION:**

Bond proceeds will be used to: 1) refund certain outstanding Northern Kentucky University General Receipts Bond, 2014 Series A for present value savings; and 2) pay costs of issuance.

**BOND SUMMARY STATISTICS:**

Par Amount:	\$24,890,000.00
Pricing Date:	April 4, 2024
Closing Date:	April 25, 2024
Dated Date:	April 25, 2024
Final Maturity:	September 1, 2033
Arbitrage Yield:	3.066%
TIC:	3.162%
NIC:	3.357%
All-In TIC:	3.231%
Benchmark (BBWK20GO April 4, 2024):	3.680%

**RATINGS:**

Moody's Enhanced/ Underlying:	A1/A2
-------------------------------	-------

**SOURCES AND USES OF FUNDS:**

	<b>Series 2024 A</b>
<b>SOURCES OF FUNDS:</b>	
Par amount of bonds:	\$24,890,000.00
Premium:	2,449,879.00
<b>TOTAL SOURCES</b>	<b>\$27,339,879.00</b>
<b>USES OF FUNDS:</b>	
Refunding Escrow Deposit	\$27,115,901.73
Cost of Issuance:	94,549.27
Underwriter's Discount:	129,428.00
<b>TOTAL USES</b>	<b>\$27,339,879.00</b>
Average Annual Debt Service:	\$3,417,280.75
Total Debt Service:	\$31,951,575.00
Average Life (years):	5.674

## FINAL BOND ISSUE REPORT

### **REFUNDING:**

Par Amount of Refunded Bonds:	\$26,950,000.00
Net Present Value Savings:	\$2,154,691.01
Percent Savings of Refunded Bonds	7.995%

Method of Sale:	Competitive
Purchaser:	KeyBanc Capital Markets

Final Cashflows as of April 4, 2024

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

### **PROFESSIONAL SERVICES:**

<u>Firm</u>	<u>Service</u>	<u>Fee</u>
Dinsmore & Shohl	Bond Counsel	\$23,645.50
Dinsmore & Shohl	Out-of-Pockets	410.40
Baird	Financial Advisor	20,000.00
US Bank	Trustee	2,000.00
OFM	Financial Advisor	6,222.50
Moody's	Rating Agency	35,000.00
Miscellaneous		<u>5,000.00</u>
		<u><u>\$92,278.40</u></u>

### **ATTACHMENTS:**

- Official Statement Cover
- Debt Service Schedule
- Savings
- Summary of Bonds Refunded



**NEW ISSUE  
Book-Entry-Only  
Not Bank-Qualified**

**RATINGS: Moody's: "A1" (enhanced)  
"A2" (underlying)  
(See "Ratings" herein)**

*In the opinion of Bond Counsel for the 2024 Series A Bonds (defined below), based upon an analysis of laws, regulations, rulings, and court decisions, and assuming continuing compliance with certain covenants made by the University, and subject to the conditions and limitations set forth herein under the caption "TAX EXEMPTION," interest on the 2024 Series A Bonds is excludable from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Interest on the 2024 Series A Bonds is exempt from Kentucky income tax and the 2024 Series A Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See "TAX EXEMPTION" herein.*

**\$24,890,000**  
**NORTHERN KENTUCKY UNIVERSITY**  
**GENERAL RECEIPTS REFUNDING BONDS, 2024 SERIES A**

**Dated: Date of delivery**

**Due: September 1, as shown on the inside cover page**

Interest on each of the Northern Kentucky University General Receipts Refunding Bonds, 2024 Series A (the "2024 Series A Bonds"), will be payable from their dated date, on each March 1 and September 1, commencing September 1, 2024 and the 2024 Series A Bonds mature on the dates, bear interest at the yields, and have the CUSIP numbers, as shown on the inside cover page.

The 2024 Series A Bonds are issuable only as fully registered bonds in denominations of \$5,000 or any integral multiple thereof and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the 2024 Series A Bonds. Purchases of the 2024 Series A Bonds will be made only in book-entry form and purchasers will not receive certificates representing their interest in the 2024 Series A Bonds. So long as Cede & Co. is the Bondholder, as nominee of DTC, references herein to the Bondholders or registered owners shall mean Cede & Co. and shall not mean the Beneficial Owners (as defined herein) of the 2024 Series A Bonds. See "THE 2024 SERIES A BONDS-Book-Entry-Only System" and "APPENDIX F - BOOK-ENTRY-ONLY SYSTEM," attached hereto. The payment at maturity of principal of and semiannual interest on the 2024 Series A Bonds will be made by U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). So long as DTC or its nominee, Cede & Co., is the Bondholder, such payments will be made directly to such Bondholder as more fully described herein. Disbursement of such payments to the DTC Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants as described herein.

The 2024 Series A Bonds constitute special and limited obligations of Northern Kentucky University (the "University") and do not constitute debt, liabilities, or obligations of the Commonwealth of Kentucky or a pledge of the full faith and credit of the Commonwealth of Kentucky. The 2024 Series A Bonds constitute "obligations" under the Trust Agreement dated as of May 1, 2007, by and between the University and the Trustee, as amended and supplemented (the "Trust Agreement"), and the payment of the principal of, premium, if any, and interest on 2024 Series A Bonds is secured by a pledge of the "General Receipts" of the University, as defined in the Trust Agreement. See "SECURITY FOR THE 2024 SERIES A BONDS."

The 2024 Series A Bonds are not subject to optional redemption before their respective maturities.

The 2024 Series A Bonds are issued subject to the approval of legality by Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel. Delivery of the 2024 Series A Bonds is expected on April 25, 2024, in New York, New York, through the facilities of DTC.



Dated: April 4, 2024

**BOND DEBT SERVICE**



Northern Kentucky University  
 General Receipts Refunding Bonds, 2024 Series A  
 \*\*\*FINAL NUMBERS\*\*\*

Dated Date            04/25/2024  
 Delivery Date        04/25/2024

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>	<b>Bond Balance</b>	<b>Total Bond Value</b>
04/25/2024	-	-	-	-	-	24,890,000	24,890,000
09/01/2024	-	-	435,575	435,575	-	24,890,000	24,890,000
03/01/2025	-	-	622,250	622,250	-	24,890,000	24,890,000
06/30/2025	-	-	-	-	1,057,825	24,890,000	24,890,000
09/01/2025	2,260,000	5.000%	622,250	2,882,250	-	22,630,000	22,630,000
03/01/2026	-	-	565,750	565,750	-	22,630,000	22,630,000
06/30/2026	-	-	-	-	3,448,000	22,630,000	22,630,000
09/01/2026	2,375,000	5.000%	565,750	2,940,750	-	20,255,000	20,255,000
03/01/2027	-	-	506,375	506,375	-	20,255,000	20,255,000
06/30/2027	-	-	-	-	3,447,125	20,255,000	20,255,000
09/01/2027	2,495,000	5.000%	506,375	3,001,375	-	17,760,000	17,760,000
03/01/2028	-	-	444,000	444,000	-	17,760,000	17,760,000
06/30/2028	-	-	-	-	3,445,375	17,760,000	17,760,000
09/01/2028	2,600,000	5.000%	444,000	3,044,000	-	15,160,000	15,160,000
03/01/2029	-	-	379,000	379,000	-	15,160,000	15,160,000
06/30/2029	-	-	-	-	3,423,000	15,160,000	15,160,000
09/01/2029	2,740,000	5.000%	379,000	3,119,000	-	12,420,000	12,420,000
03/01/2030	-	-	310,500	310,500	-	12,420,000	12,420,000
06/30/2030	-	-	-	-	3,429,500	12,420,000	12,420,000
09/01/2030	2,875,000	5.000%	310,500	3,185,500	-	9,545,000	9,545,000
03/01/2031	-	-	238,625	238,625	-	9,545,000	9,545,000
06/30/2031	-	-	-	-	3,424,125	9,545,000	9,545,000
09/01/2031	3,025,000	5.000%	238,625	3,263,625	-	6,520,000	6,520,000
03/01/2032	-	-	163,000	163,000	-	6,520,000	6,520,000
06/30/2032	-	-	-	-	3,426,625	6,520,000	6,520,000
09/01/2032	3,180,000	5.000%	163,000	3,343,000	-	3,340,000	3,340,000
03/01/2033	-	-	83,500	83,500	-	3,340,000	3,340,000
06/30/2033	-	-	-	-	3,426,500	3,340,000	3,340,000
09/01/2033	3,340,000	5.000%	83,500	3,423,500	-	-	-
06/30/2034	-	-	-	-	3,423,500	-	-
	24,890,000		7,061,575	31,951,575	31,951,575		

**SAVINGS**



Northern Kentucky University  
 General Receipts Refunding Bonds, 2024 Series A  
 \*\*\*FINAL NUMBERS\*\*\*

<b>Date</b>	<b>Prior Debt Service</b>	<b>Refunding Cash Flow</b>	<b>Savings</b>	<b>Present Value to 04/25/2024 @ 3.0660549%</b>
06/30/2025	3,698,025.00	3,456,325.00	241,700.00	238,728.60
06/30/2026	3,698,025.00	3,448,000.00	250,025.00	239,636.41
06/30/2027	3,696,900.00	3,447,125.00	249,775.00	232,295.64
06/30/2028	3,694,400.00	3,445,375.00	249,025.00	224,731.50
06/30/2029	3,674,312.50	3,423,000.00	251,312.50	220,029.55
06/30/2030	3,676,562.50	3,429,500.00	247,062.50	209,849.97
06/30/2031	3,672,162.50	3,424,125.00	248,037.50	204,389.27
06/30/2032	3,675,756.25	3,426,625.00	249,131.25	199,161.52
06/30/2033	3,676,868.75	3,426,500.00	250,368.75	194,174.17
06/30/2034	3,675,262.50	3,423,500.00	251,762.50	189,423.50
	<b>36,838,275.00</b>	<b>34,350,075.00</b>	<b>2,488,200.00</b>	<b>2,152,420.14</b>

Savings Summary

Dated Date	04/25/2024
Delivery Date	04/25/2024
PV of savings from cash flow	2,152,420.14
Plus: Refunding funds on hand	2,270.87
<b>Net PV Savings</b>	<b>2,154,691.01</b>

**SUMMARY OF BONDS REFUNDED**



Northern Kentucky University  
 General Receipts Refunding Bonds, 2024 Series A  
 \*\*\*FINAL NUMBERS\*\*\*

<b>Bond</b>	<b>Maturity Date</b>	<b>CUSIP</b>	<b>Interest Rate</b>	<b>Par Amount</b>	<b>Call Date</b>	<b>Call Price</b>
General Receipts Bonds, 2014 Series A, 2014A:						
BOND	09/01/2025	665304EM9	5.000%	2,460,000	06/20/2024	100.000
	09/01/2026	665304EN7	5.000%	2,585,000	06/20/2024	100.000
	09/01/2027	665304EP2	5.000%	2,715,000	06/20/2024	100.000
	09/01/2028	665304EQ0	4.750%	2,830,000	06/20/2024	100.000
	09/01/2029	665304ER8	4.750%	2,970,000	06/20/2024	100.000
	09/01/2030	665304ES6	4.750%	3,110,000	06/20/2024	100.000
	09/01/2031	665304ET4	4.750%	3,265,000	06/20/2024	100.000
	09/01/2032	665304EU1	4.750%	3,425,000	06/20/2024	100.000
	09/01/2033	665304EV9	4.750%	3,590,000	06/20/2024	100.000
				26,950,000		