

**WOODFORD COUNTY BOARD OF EDUCATION
AGENDA ITEM**

ITEM #: 14F **DATE:** January 7, 2020

TOPIC/TITLE: Accept SFCC Offer of Debt Assistance

PRESENTER: Amy M. Smith

ORIGIN:

- ☐ TOPIC PRESENTED FOR INFORMATION ONLY (No board action required.)
- ☒ ACTION REQUESTED AT THIS MEETING
- ☐ ITEM IS ON THE CONSENT AGENDA FOR APPROVAL
- ☐ ACTION REQUESTED AT FUTURE MEETING: (DATE)
- ☐ BOARD REVIEW REQUIRED BY

- ☒ STATE OR FEDERAL LAW OR REGULATION
- ☐ BOARD OF EDUCATION POLICY
- ☐ OTHER:

PREVIOUS REVIEW, DISCUSSION OR ACTION:

- ☒ NO PREVIOUS BOARD REVIEW, DISCUSSION OR ACTION
- ☐ PREVIOUS REVIEW OR ACTION

- ☐ DATE:
- ☐ ACTION:

BACKGROUND INFORMATION:

Pursuant KRS 157.622, SFCC offers of debt assistance must be accepted by the Local Board of Education.

SUMMARY OF MAJOR ELEMENTS:

We have been offered debt assistance of \$13,497 from the SFCC, see attached. These funds may be used on new debt between July 1, 2020 and June 20, 2028 for Priority One Projects listed on our District Facility Plan. Approval is requested.

IMPACT ON RESOURCES: Increases bonding potential.

TIMETABLE FOR FURTHER REVIEW OR ACTION: NA

SUPERINTENDENT'S RECOMMENDATION: ☒ Recommended

☐ Not Recommended



School Facilities Construction Commission

Finance and Administration Cabinet
700 Louisville Road - Carriage House
Frankfort, Kentucky 40601
(502) 564-5582
www.sfcc.ky.gov

January 6, 2020

Mr. Scott Hawkins, Superintendent
Woodford County Schools
330 Pisgah Pike
Versailles, KY 40383

Dear Mr. Hawkins:

Pursuant to KRS 157.622, the School Facilities Construction Commission (SFCC) is hereby making an official Offer of Assistance to the Woodford County Schools Board of Education. Acceptance of this Offer of Assistance commits the school district to adhere to the statutes and regulations governing this program. This Offer of Assistance is in the annual debt service amount of \$13,497 to be used towards proposed construction or major renovation of facilities outlined in your most current approved facility plan. House Bill 200 of the 2018 Regular Session of the General Assembly states:

“Notwithstanding KRS 157.611 to 157.665, the School Facilities Construction Commission is authorized to make an additional \$58,000,000 in offers of assistance during the 2018-2020 biennium in anticipation of debt service availability during the 2020-2022 biennium. No bonded indebtedness based on the above amount is to be incurred during the 2018-2020 biennium.”

This means that while the Commission is making this offer now, no bonds may be sold prior to June 30, 2020, which assumes that funding is included in the 2020-2022 biennium. In order for your district to be eligible to accept this offer, it will be necessary for you to verify that your district has transferred to the **SFCC Escrow – Current Offer (Code 8738)** the fund balances remaining in both the **Building Fund** and **Capital Outlay Fund** as of June 30, 2019, plus interest accumulated on these funds.

In responding to this Offer of Assistance, you must provide this office with (1) an excerpt of your Board Minutes either accepting or rejecting the offer within **thirty (30) days** of receipt of this offer, (2) the page from your District's 2019 Audit verifying the remaining fund balances in both the Building Fund and the Capital Outlay Fund (3) a copy of a General Ledger entry showing the transfer of your fund balances into the Building Fund and Capital Outlay SFCC Escrow Current Accounts, as stated in the preceding paragraph. We look forward to working with you and trust this assistance will be an integral part of a quality educational program in your school district.

Sincerely,

Chelsey Bizzle
Executive Director

WOODFORD COUNTY PUBLIC SCHOOLS
Combining Balance Sheet
Non-Major Governmental Funds
30-Jun-19

					Total
	District Activity Fund	Capital Outlay Fund	Building Fund	Debt Service Fund	Governmental Funds
Assets					
Cash and cash equivalents	\$ 486,068	\$ -	\$ -	\$ -	\$ 486,068
Accounts receivable	36,324	-	-	-	36,324
Total assets	<u>\$ 522,392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 522,392</u>
Liabilities					
Accounts payable	\$ 14,012	\$ -	\$ -	\$ -	\$ 14,012
Total liabilities	<u>14,012</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,012</u>
Fund Balances					
Restricted	-	-	-	-	\$ -
Committed	508,379	-	-	-	508,379
Total fund balances	<u>508,379</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>508,379</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 522,392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 522,392</u>