



Kenton County School District | It's about ALL kids.

**THE KENTON COUNTY BOARD OF EDUCATION**

1055 EATON DRIVE, FORT WRIGHT, KENTUCKY 41017

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Dr. Henry Webb, Superintendent of Schools

**KCSD ISSUE PAPER**

**DATE:**

2/20/2020

**AGENDA ITEM (ACTION ITEM):**

Consider/Approve A RESOLUTION OF THE BOARD OF EDUCATION OF THE KENTON COUNTY SCHOOL DISTRICT, CONFIRMING THE ACCEPTANCE OF AN OFFER OF ASSISTANCE FROM THE KENTUCKY SCHOOL FACILITIES CONSTRUCTION COMMISSION; AUTHORIZING AND APPROVING THE EXECUTION OF A PARTICIPATION AGREEMENT WITH SAID COMMISSION; AUTHORIZING AND APPROVING THE EXECUTION OF A LEASE AGREEMENT WITH THE KENTON COUNTY SCHOOL DISTRICT FINANCE CORPORATION AND ANY FURTHER NECESSARY INSTRUMENTS; APPROVING CERTAIN ARCHITECTS' PLANS FOR THE CONSTRUCTION OF CERTAIN SCHOOL BUILDING PROJECTS; APPROVING THE EXECUTION OF CONTINUING DISCLOSURE PROCEDURES, AND APPROVING THE PLAN OF FINANCING THE COST OF SAID PROJECT.

**APPLICABLE BOARD POLICY:**

01.1 Legal Status of the Board; 04.31 Authority to Encumber and Expend Funds; 702 KAR 3:020 Bonds; KRS Chapter 162

**HISTORY/BACKGROUND:**

The issuance of bonds is necessary to finance the District Wide Safety & Security Improvements Project.

**FISCAL/BUDGETARY IMPACT:**

Issuance of \$12,850,000.00 Bond Principal Amount which may be increased or decreased by the amount of \$1,285,000.00.

**RECOMMENDATION:**

Approve the bond resolution necessary to finance the District Wide Safety & Security Improvements Project and property acquisition.

**CONTACT PERSON:**

Rob Haney

\_\_\_\_\_  
Principal

  
\_\_\_\_\_  
District Administrator

  
\_\_\_\_\_  
Superintendent

Use this form to submit your request to the Superintendent for items to be added to the Board Meeting Agenda.

Principal –complete, print, sign and send to your Director. Director –if approved, sign and put in the Superintendent's mailbox.

**Kenton County Board of Education**

Board Members: Carl Wicklund, Chairperson Karen L. Collins, Vice Chairperson Carla Egan Shannon Herold Jessica Jehn

"The Kenton County Board of Education provides Equal Education & Employment Opportunities."

# KENTON COUNTY SCHOOL DISTRICT

## Plan of Financing

Date of Report: 2/18/2020

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**KENTON COUNTY SCHOOL DISTRICT**  
**OUTSTANDING NET LOCAL DEBT SERVICE**

|         | A               | B                  | C              | D                  | E                   | F              | G                    | H                    | I              | J                   | K              | L               | M              | N             |
|---------|-----------------|--------------------|----------------|--------------------|---------------------|----------------|----------------------|----------------------|----------------|---------------------|----------------|-----------------|----------------|---------------|
| FYE     | Series<br>2009C | Series<br>2010-REF | Series<br>2011 | Series<br>2012-REF | Series<br>2013-REF* | Series<br>2013 | Series<br>2015A-REF* | Series<br>2015B-REF* | Series<br>2015 | Series<br>2016-REF* | Series<br>2016 | Series<br>2017E | Series<br>2018 | Total         |
| 2020    | \$801,285       | \$2,135,144        | \$551,550      | \$3,983,692        | \$2,978,513         | \$406,104      | \$560,550            | \$909,135            | \$1,094,394    | \$1,483,203         | \$167,613      | \$24,771        | \$453,929      | \$15,549,862  |
| 2021    | \$804,220       | \$2,125,518        | \$552,350      | \$3,884,068        | \$2,985,513         | \$508,305      | \$553,650            | \$912,434            | \$1,094,143    | \$1,482,910         | \$165,813      | \$25,114        | \$453,428      | \$15,547,466  |
| 2022    |                 | \$2,129,893        | \$537,750      | \$3,874,319        | \$3,841,413         | \$508,305      | \$525,325            | \$911,009            | \$1,083,292    | \$1,490,689         | \$168,813      | \$25,237        | \$452,930      | \$15,548,974  |
| 2023    |                 |                    | \$363,350      | \$3,877,192        | \$5,200,013         | \$511,831      | \$530,350            | \$1,776,485          | \$1,087,143    | \$1,557,588         | \$165,363      | \$24,908        | \$452,366      | \$15,546,588  |
| 2024    |                 |                    | \$370,550      | \$3,877,317        | \$5,211,250         | \$504,362      | \$525,075            | \$1,767,709          | \$1,090,243    | \$1,557,788         | \$166,463      | \$29,120        | \$456,741      | \$15,556,618  |
| 2025    |                 |                    | \$997,350      |                    | \$5,108,800         | \$511,773      | \$938,275            | \$2,255,008          | \$1,087,594    | \$4,007,488         | \$161,963      | \$26,263        | \$455,992      | \$15,550,506  |
| 2026    |                 |                    | \$1,133,950    |                    |                     | \$713,024      | \$1,087,400          | \$2,420,458          | \$1,184,342    | \$4,212,789         | \$557,012      | \$82,829        | \$1,275,204    | \$12,667,009  |
| 2027    |                 |                    | \$1,137,856    |                    |                     | \$712,369      | \$1,083,525          | \$1,172,913          | \$1,182,494    | \$4,228,788         | \$559,613      | \$82,010        | \$1,274,704    | \$11,434,271  |
| 2028    |                 |                    | \$1,148,969    |                    |                     | \$715,388      | \$1,083,825          |                      | \$1,198,744    | \$4,465,888         | \$556,162      | \$85,445        | \$1,283,453    | \$10,537,874  |
| 2029    |                 |                    | \$1,131,750    |                    |                     | \$721,089      | \$1,093,075          |                      | \$1,187,863    | \$4,479,488         | \$556,813      | \$82,974        | \$1,286,154    | \$10,539,206  |
| 2030    |                 |                    | \$1,142,200    |                    |                     | \$725,889      | \$1,096,200          |                      | \$1,255,851    |                     | \$556,413      | \$84,737        | \$1,297,953    | \$8,159,243   |
| 2031    |                 |                    | \$1,165,175    |                    |                     | \$729,789      |                      |                      | \$1,247,875    |                     | \$559,963      | \$75,574        | \$1,303,555    | \$5,081,931   |
| 2032    |                 |                    |                |                    |                     | \$732,788      |                      |                      | \$1,188,851    |                     | \$562,313      | \$75,774        | \$1,308,103    | \$3,867,830   |
| 2033    |                 |                    |                |                    |                     | \$734,888      |                      |                      | \$1,180,526    |                     | \$563,463      | \$80,023        | \$1,310,291    | \$3,869,191   |
| 2034    |                 |                    |                |                    |                     |                |                      |                      | \$1,146,151    |                     | \$568,413      | \$72,721        | \$1,315,028    | \$3,102,313   |
| 2035    |                 |                    |                |                    |                     |                |                      |                      | \$1,135,188    |                     | \$580,267      | \$69,115        | \$1,315,655    | \$3,100,246   |
| 2036    |                 |                    |                |                    |                     |                |                      |                      |                |                     | \$588,651      | \$74,473        | \$1,319,880    | \$1,983,004   |
| 2037    |                 |                    |                |                    |                     |                |                      |                      |                |                     |                | \$77,935        | \$1,316,479    | \$1,394,414   |
| 2038    |                 |                    |                |                    |                     |                |                      |                      |                |                     |                |                 | \$1,311,280    | \$1,311,280   |
| Totals: | \$1,605,485     | \$6,390,555        | \$10,232,800   | \$19,496,587       | \$25,325,500        | \$8,735,905    | \$9,077,250          | \$12,125,152         | \$18,444,695   | \$28,966,618        | \$7,205,131    | \$1,099,023     | \$19,643,124   | \$168,347,824 |

## KENTON COUNTY SCHOOL DISTRICT SUMMARY OF FUNDS AVAILABLE

| A       | B               | C                       | D                       | E                          | F            | G              | H                       | I                           | J                           | K                     | L                           |
|---------|-----------------|-------------------------|-------------------------|----------------------------|--------------|----------------|-------------------------|-----------------------------|-----------------------------|-----------------------|-----------------------------|
| FYE     | Local<br>Nickel | 1st<br>Growth<br>Nickel | 2nd<br>Growth<br>Nickel | Capital<br>Outlay<br>@ 80% | FSPK         | Addtl.<br>FSPK | Total<br>Local<br>Funds | Less<br>Current<br>Payments | Local<br>Funds<br>Available | 2016<br>SFCC<br>Offer | Total<br>Funds<br>Available |
| 2020    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$15,549,862)              | \$811,050                   |                       | \$811,050                   |
| 2021    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$15,547,466)              | \$813,446                   | \$123,156             | \$936,602                   |
| 2022    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$15,548,974)              | \$811,939                   | \$123,156             | \$935,095                   |
| 2023    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$15,546,588)              | \$814,325                   | \$123,156             | \$937,481                   |
| 2024    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$15,556,618)              | \$804,294                   | \$123,156             | \$927,450                   |
| 2025    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$15,550,506)              | \$810,406                   | \$123,156             | \$933,562                   |
| 2026    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$12,667,009)              | \$3,693,904                 | \$123,156             | \$3,817,060                 |
| 2027    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$11,434,271)              | \$4,926,641                 | \$123,156             | \$5,049,797                 |
| 2028    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$10,537,874)              | \$5,823,038                 | \$123,156             | \$5,946,194                 |
| 2029    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$10,539,206)              | \$5,821,707                 | \$123,156             | \$5,944,863                 |
| 2030    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$6,159,243)               | \$10,201,670                | \$123,156             | \$10,324,826                |
| 2031    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$5,081,931)               | \$11,278,982                | \$123,156             | \$11,402,138                |
| 2032    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$3,867,830)               | \$12,493,083                | \$123,156             | \$12,616,239                |
| 2033    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$3,869,191)               | \$12,491,721                | \$123,156             | \$12,614,877                |
| 2034    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$3,102,313)               | \$13,258,600                | \$123,156             | \$13,381,756                |
| 2035    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$3,100,246)               | \$13,260,667                | \$123,156             | \$13,383,823                |
| 2036    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$1,983,004)               | \$14,377,909                | \$123,156             | \$14,501,065                |
| 2037    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$1,394,414)               | \$14,966,498                | \$123,156             | \$15,089,654                |
| 2038    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | (\$1,311,280)               | \$15,049,633                | \$123,156             | \$15,172,789                |
| 2039    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | \$0                         | \$16,360,912                | \$123,156             | \$16,484,068                |
| 2040    | \$4,687,677     | \$4,687,677             | \$4,687,677             | \$1,021,727                | \$638,077    | \$638,077      | \$16,360,912            | \$0                         | \$16,360,912                | \$123,156             | \$16,484,068                |
| Totals: | \$98,441,217    | \$98,441,217            | \$98,441,217            | \$21,456,275               | \$13,399,617 | \$13,399,617   | \$343,579,160           | (\$168,347,824)             | \$175,231,336               | \$2,463,120           | \$177,694,456               |

**NOTES:** Data based on assessments of \$9,022,807,779 and ADA of 12,925.62 (FY 2018-19)  
Data based on assessments of \$9,375,354,548 and ADA of 12,771.592 (FY 2019-20)

# KENTON COUNTY SCHOOL DISTRICT PROJECTED BOND ISSUE

| A                   | B             | C  | D      | E                    | F                 | G               | H                | I   | J                           | K  |
|---------------------|---------------|--|--------|----------------------|-------------------|-----------------|------------------|---|-----------------------------|--|
| Current<br>Payments | FY<br>June 30 | ----- Estimated New Bond Issue -----<br>Principal<br>Payment | Coupon | Interest<br>Payments | Total<br>Payments | SFCC<br>Portion | Local<br>Portion | Projected<br>All Local<br>Payments<br>Outstanding | Local<br>Funds<br>Available | Funds<br>Available<br>For Future<br>Projects |
| \$15,547,466        | 2021          | \$190,000  | 2.800% | \$744,595            | \$934,595         | \$123,156       | \$811,439        | \$16,358,905                                      | \$16,360,912                | \$2,007                                      |
| \$15,548,974        | 2022          | \$195,000  | 2.800% | \$739,845            | \$934,845         | \$123,156       | \$811,689        | \$16,360,663                                      | \$16,360,912                | \$250  |
| \$15,546,588        | 2023          | \$200,000  | 2.800% | \$734,970            | \$934,970         | \$123,156       | \$811,814        | \$16,358,402                                      | \$16,360,912                | \$2,511                                      |
| \$15,556,618        | 2024          | \$195,000  | 2.800% | \$729,970            | \$924,970         | \$123,156       | \$801,814        | \$16,358,432                                      | \$16,360,912                | \$2,480                                      |
| \$15,550,506        | 2025          | \$205,000  | 2.800% | \$724,900            | \$929,900         | \$123,156       | \$806,744        | \$16,357,250                                      | \$16,360,912                | \$3,662                                      |
| \$12,667,009        | 2026          | \$1,175,000  | 2.800% | \$719,365            | \$1,894,365       | \$123,156       | \$1,771,209      | \$14,438,218                                      | \$16,360,912                | \$1,922,695                                  |
| \$11,434,271        | 2027          | \$1,205,000  | 2.800% | \$686,465            | \$1,891,465       | \$123,156       | \$1,768,309      | \$13,202,580                                      | \$16,360,912                | \$3,158,332                                  |
| \$10,537,874        | 2028          | \$1,240,000  | 2.800% | \$651,520            | \$1,891,520       | \$123,156       | \$1,768,364      | \$12,306,238                                      | \$16,360,912                | \$4,054,674                                  |
| \$10,539,206        | 2029          | \$1,280,000  | 2.800% | \$614,320            | \$1,894,320       | \$123,156       | \$1,771,164      | \$12,310,370                                      | \$16,360,912                | \$4,050,543                                  |
| \$6,159,243         | 2030          | \$1,320,000  | 3.050% | \$574,640            | \$1,894,640       | \$123,156       | \$1,771,484      | \$7,930,727                                       | \$16,360,912                | \$8,430,186                                  |
| \$5,081,931         | 2031          | \$1,360,000  | 3.200% | \$533,720            | \$1,893,720       | \$123,156       | \$1,770,564      | \$6,852,495                                       | \$16,360,912                | \$9,508,418                                  |
| \$3,867,830         | 2032          | \$1,400,000  | 3.200% | \$490,200            | \$1,890,200       | \$123,156       | \$1,767,044      | \$5,634,874                                       | \$16,360,912                | \$10,726,039                                 |
| \$3,869,191         | 2033          | \$1,450,000  | 3.300% | \$444,000            | \$1,894,000       | \$123,156       | \$1,770,844      | \$5,640,035                                       | \$16,360,912                | \$10,720,877                                 |
| \$3,102,313         | 2034          | \$1,495,000  | 3.400% | \$396,150            | \$1,891,150       | \$123,156       | \$1,767,994      | \$4,870,307                                       | \$16,360,912                | \$11,490,606                                 |
| \$3,100,246         | 2035          | \$1,545,000  | 3.500% | \$346,815            | \$1,891,815       | \$123,156       | \$1,768,659      | \$4,868,905                                       | \$16,360,912                | \$11,492,008                                 |
| \$1,983,004         | 2036          | \$1,595,000  | 3.500% | \$295,830            | \$1,890,830       | \$123,156       | \$1,767,674      | \$3,750,678                                       | \$16,360,912                | \$12,610,235                                 |
| \$1,394,414         | 2037          | \$1,650,000  | 3.600% | \$241,600            | \$1,891,600       | \$123,156       | \$1,768,444      | \$3,162,858                                       | \$16,360,912                | \$13,198,054                                 |
| \$1,311,280         | 2038          | \$1,705,000  | 3.850% | \$185,500            | \$1,890,500       | \$123,156       | \$1,767,344      | \$3,078,624                                       | \$16,360,912                | \$13,282,289                                 |
| \$0                 | 2039          | \$1,765,000  | 3.850% | \$125,825            | \$1,890,825       | \$123,156       | \$1,767,669      | \$1,767,669                                       | \$16,360,912                | \$14,593,243                                 |
| \$0                 | 2040          | \$1,830,000  | 3.850% | \$64,050             | \$1,894,050       | \$123,156       | \$1,770,894      | \$1,770,894                                       | \$16,360,912                | \$14,590,018                                 |
| \$152,797,962       | Totals:       | \$23,000,000   |        | \$10,044,280         | \$33,044,280      | \$2,463,120     | \$30,581,160     | \$183,379,122                                     | \$327,218,247               | \$143,839,125                                |

## KENTON COUNTY SCHOOL DISTRICT Summary of Bonding Potential

Current Bonding Potential February 2020

|   |   |                      |
|---|---|----------------------|
| ❖ | Projected Local Bonding Potential                   | \$21,280,000         |
| ❖ | Projected SFCC Bonding Potential                    | <u>\$1,720,000</u>   |
| ❖ | Projected Total Bonding Potential                   | \$23,000,000         |
| ❖ | Current Project Security Vestibules & Land Purchase | <u>-\$12,850,000</u> |
| ❖ | Bonding Potential Remaining                         | \$10,150,000         |

# KENTON COUNTY SCHOOL DISTRICT

## Summary of Bonding Potential

July 1, 2020 With Normal Increase Based on Past Trends

|   |   |                      |
|---|---|----------------------|
| ❖ | Projected Local Bonding Potential                   | \$35,800,000         |
| ❖ | Projected SFCC Bonding Potential                    | <u>\$1,700,000</u>   |
| ❖ | Projected Total Bonding Potential                   | \$37,500,000         |
| ❖ | Current Project Security Vestibules & Land Purchase | <u>-\$12,850,000</u> |
| ❖ | Bonding Potential Remaining                         | \$24,650,000         |

# KENTON COUNTY SCHOOL DISTRICT

## Summary of Bonding Potential

July 1, 2020 Based on Governor's Proposed Budget

|   |   |                      |
|---|---|----------------------|
| ❖ | Projected Local Bonding Potential                   | \$51,550,000         |
| ❖ | Projected SFCC Bonding Potential                    | <u>\$1,700,000</u>   |
| ❖ | Projected Total Bonding Potential                   | \$53,250,000         |
| ❖ | Current Project Security Vestibules & Land Purchase | <u>-\$12,850,000</u> |
| ❖ | Bonding Potential Remaining                         | \$40,400,000         |



# KENTON COUNTY SCHOOL DISTRICT

## Summary of Bonding Potential

Normal Increase with Equalization of the Third Nickel

|   |   |                      |
|---|---|----------------------|
| ❖ | Projected Local Bonding Potential                   | \$44,500,000         |
| ❖ | Projected SFCC Bonding Potential                    | <u>\$1,700,000</u>   |
| ❖ | Projected Total Bonding Potential                   | \$46,200,000         |
| ❖ | Current Project Security Vestibules & Land Purchase | <u>-\$12,850,000</u> |
| ❖ | Bonding Potential Remaining                         | \$33,350,000         |