

COMMONWEALTH OF KENTUCKY
Department of Education
Office of District Support Services
Bond of "Depository" for Public School Funds

The undersigned, South Central Bank of Glasgow, Kentucky, hereinafter referred to as the Depository, hereby acknowledges itself bound to the Commonwealth of Kentucky, and the Allen County Board of Education, in the penal sum of 103% of current daily balances * that it, as depository of the Board of Education, shall well and truly discharge the duties of said office according to law, account for, to the proper authorities, and pay over to all parties legally entitled thereto on proper warrants all funds that may come into its hands as Depository of the Board of Education aforesaid for a period not to exceed two (2) years, beginning July 1, 2020.

As collateral for this undertaking the undersigned hereby pledges obligations guaranteed by the U. S. Government, Kentucky School Revenue, and/or Federal Government Agency bonds (type of collateral **) in the principal sum of \$7,933,237.83*** deposited in escrow with the South Central Bank of Glasgow, Kentucky, hereinafter referred to as the Escrow Agent, evidenced by the safekeeping receipt filed in the offices of the local board of education, provided, however, that at no time shall the amount of collateral be reduced without the execution of a new bond which shall have prior approval by the Commissioner of Education.

The undersigned, the Depository, hereby reserves the right unto itself, (1) to detach and collect for its own use and benefit all coupons of said bonds as they mature; (2) to substitute for any of said bonds, other United States Government bonds and/or Kentucky School Revenue Bonds of the same face or par value; (3) to terminate all liability under this bond and escrow deposit by giving thirty (30) days notice, in writing, of its intention to do so to the chairperson of the Kentucky Board of Education, by registered mail, addressed to such chairperson at the Local Board of Education, and to the chairperson of the Kentucky Board of Education, by registered mail, addressed to such chairperson at Frankfort, Kentucky. Within the thirty days, the Depository shall make statements with the board, pay over all funds in its hand to the board, and exhibit to the Escrow Agent a copy of the settlement, duly receipted by the secretary and chairperson of the board. The Board of Education shall cancel this bond only by giving thirty (30) days notice in writing, of its intention to do so, to the Depository, by registered mail, and to the chairperson of the Kentucky Board of Education by registered mail.

It is further conditioned that liability of this bond is not to be effectual until Federal Deposit Insurance Corporation (FDIC) protection is exhausted.

IN WITNESS WHEREOF, the undersigned has caused its corporate name to be subscribed and its corporate seal to be affixed hereof, this 14 day of May, 2020.

Name of Bank South Central Bank, Inc

By (Bank Official) _____

Title CFO

We hereby certify to the Commissioner of Education that the bond appearing hereon is a true copy of the bond executed and delivered by the Depository of this Board of Education, and it was approved by the _____ Board of Education on _____, 20____.

Chairperson _____

Secretary _____

* Should agree with penal sum for either METHOD 1 or METHOD 2.

** This collateral shall consist of investments that conform to KRS 41.240 and KRS 66.480.

*** May not be less than penal sum.

TO BE RETAINED AT THE LOCAL SCHOOL BOARD OFFICE

BOND OF DEPOSITORY WORKSHEET - for Option #1 **Penal Sum Calculation**

DISTRICT NAME: Allen County, Kentucky

INSTRUCTIONS:

1. Copy this form - one copy for each financial institution where you have accounts.
2. List each account held at this bank. Make sure to include general, school activity, payroll, and school food services.
3. Use the **CURRENT DAILY BALANCES** for each account to complete this worksheet
4. Total the Current Daily Balances for each account, then subtract the FDIC Insured amount.
5. The bank should pledge 103% of this total amount calculated.
6. Retain the worksheet, signed and dated bond of depository form, listing of pledged collateral with current market value, and other legal documents at the district.
7. Track expiration dates of collateral, and secure new listing with renewals of expired collateral with this depository.

BANK NAME: South Central Bank, Inc.

ACCOUNT NAME	4700015913	4700015921	4700015939	4700015947	4700015955	4700015963	4700015971	
	T Hamby, A Anderson	Scottsville High School	Allen County Career/Tech	Bazzell Middle School	Allen Co Intermediate	Allen Co Primary Center	Family Resource Center	
Current Daily Balance	\$ 7,399,768.71	\$ 241,317.20	\$ 35,818.19	\$ 150,416.91	\$ 44,975.78	\$ 55,739.23	\$ 24,136.63	\$ 7,952,172.65

Total Highest Daily Balances	\$ 7,952,172.65
Subtract amount insured by FDIC	\$ (250,000.00)
PENAL SUM CALCULATION	\$ 7,702,172.65
103% of Penal Sum	\$ 7,933,237.83

NOTE: See example for Option #1 on next tab.



Pledge Report

South Central Bank, Inc.

Client #: 4320

5/14/2020 1:38:47 PM

Group	CUSIP	Description	Ticket	Mat. Date	Pig Amount	Factor	Mkt Price	Pledged Par	Pig Mkt Val	Pig Book Val
			Intention	Coupon	Location	Factor Date	Price Date			

3330 - ALLEN COUNTY BOARD OF EDUCATION :

MBS	3140X44A1		1217394	2044-10-01	365,000.00	0.8556533000	105.078003	312,313.45	328,172.74	317,514.65
	FNMA POOL #FM1716		AFS	3.00000	FTB	2020-05-01	2020-05-13			
3330 Totals					\$365,000.00			\$312,313.45	\$328,172.74	\$317,514.65



Pledge Report

South Central Bank of Bowling Green
Client #: 30174
5/14/2020 1:39:29 PM

Group	CUSIP	Description	Ticket	Mat. Date	Pig Amount	Factor	Mkt Price	Pledged Par	Pig Mkt Val	Pig Book Val
			Intention	Coupon	Location	Factor Date	Price Date			
3330 - Allen County Board of Education :										
AGY	3133EFNH6		997045	2026-11-06	500,000.00		111.552002	500,000.00	557,760.01	495,280.21
	FEDERAL FARM CREDIT BANK		AFS	2.75000	FTB		2020-05-13			
MBS	31418DND0		1228314	2040-04-01	3,300,000.00	0.9912098200	103.653000	3,270,992.41	3,390,481.76	3,312,027.30
	FNMA POOL #MA3987		AFS	2.50000	FTB	2020-05-01	2020-05-13			
3330 Totals					\$3,800,000.00			\$3,770,992.41	\$3,948,241.77	\$3,807,307.51



FHN FINANCIAL

Pledge Report

South Central Bank of Daviess County

Client #: 96799

5/14/2020 1:40:22 PM

Group	CUSIP	Ticket	Mat. Date	Pig Amount	Factor	Mkt Price	Pledged Par	Pig Mkt Val	Pig Book Val
	Description	Intention	Coupon	Location	Factor Date	Price Date			

3330 - ALLEN COUNTY BOARD OF EDUCATION :

MBS 831641FN0 1216856 2029-09-10 3,240,000.00 1.0000000000 102.624001 3,240,000.00 3,325,017.63 3,243,899.17

SBIC 2019-10B 1 AFS 2,28300 FTB 2020-03-01 2020-05-13 \$3,240,000.00 \$3,325,017.63 \$3,243,899.17

3330 Totals \$3,240,000.00 \$3,325,017.63 \$3,243,899.17



Pledge Report

South Central Bank of Monroe County
Client #: 62404
5/14/2020 1:41:11 PM

3330 - ALLEN COUNTY BOARD OF EDUCATION :

Group	CUSIP	Description	Ticket Intention	Mkt Date Coupon	Ply Amount Location	Factor Factor Date	Mkt Price Price Date	Pledged Par	Ply Mkt Val	Ply Book Val
AGY	31315PGY8	FARMER MAC	AFS	2020-12-07	500,000.00 FTB		100.096001 2020-05-13	500,000.00	500,480.01	500,000.00
AGY	3136G0X30	FED NATL MTG ASSN	AFS	2022-10-25	225,000.00 FTB		104.182999 2020-05-13	225,000.00	234,411.75	219,858.63
AGY	3136G36A8	FANNIE MAE	AFS	2024-09-27	1,000,000.00 FTB		100.190002 2020-05-13	1,000,000.00	1,001,900.02	1,000,000.00
3330 Totals					\$1,725,000.00			\$1,725,000.00	\$1,736,791.78	\$1,719,858.63