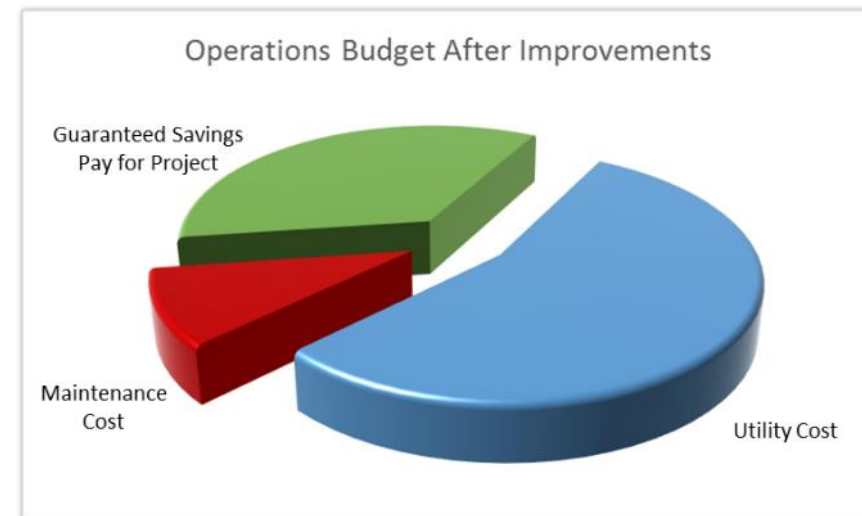
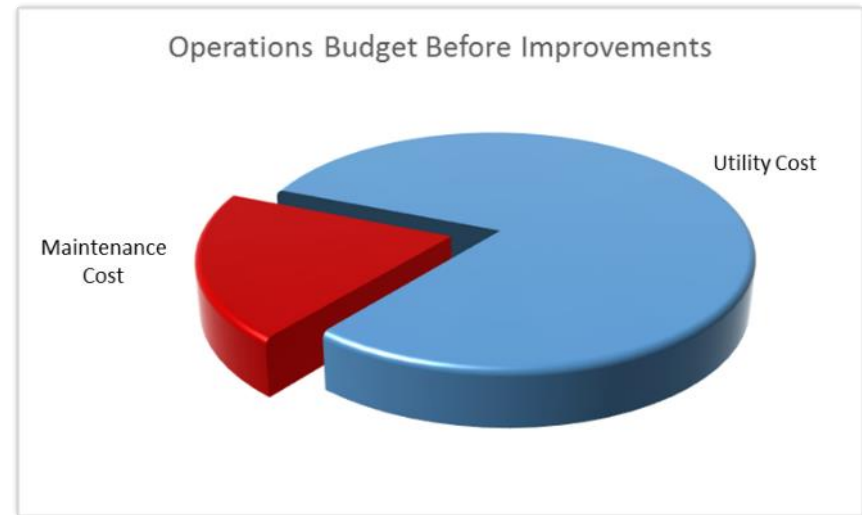




Guaranteed Energy Savings Contract Annual Savings Reconciliation – Year 5

What is a Guaranteed Energy Savings Contract?

- KRS 45A.352 gives school districts statutory authority to upgrade facilities through GESC.
- Savings guaranteed by Qualified Provider provide cash flow to fund debt service. Annual savings reconciliation required.
- Typical upgrades include HVAC, controls systems, lighting, water conservation, building envelope improvements, etc.
- Popular funding mechanism for school districts that have facility needs in excess of their bonding potential.



GESC Project at a Glance

Scope of Work Highlights:

- HVAC and Lighting Renovations at:
 - Knight Academy (Formerly Lebanon Middle School)
- HVAC Controls Upgrades
- Miscellaneous LED Lighting Upgrades District Wide
- Water Conservation at Marion Co. HS and Lebanon ES



34.7 in FY20



37.8 in FY17

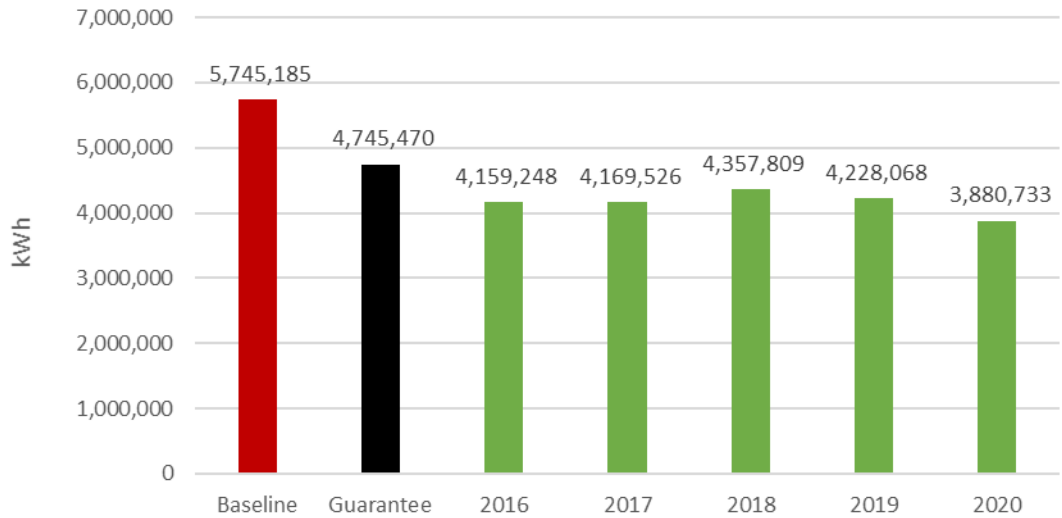


Rank	District	2017 EUI	2010 EUI	Rank	District	2017 EUI	2010 EUI	Rank	District	2017 EUI	2010 EUI	Rank	District	2017 EUI	2010 EUI
1	Owen	33.2	62.5	45	McCreary	43.2	94.8	89	Danville	48.8	64.6	133	Bardstown	55.2	72.9
2	Butler	33.5	42.8	46	Gallatin	43.3	60.0	90	Bracken	49.0	55.0	134	Anchorage	55.3	73.8
3	Nelson	33.6	51.5	47	Meade	43.4	48.7	91	Paducah	49.4	73.9	135	Pikeville	55.6	81.9
4	Walton-Verona	34.2	44.6	48	Hardin	43.4	54.3	92	Boyd	49.4	81.2	136	Rowan	55.6	72.3
5	Scott	35.4	53.3	49	Allen	43.7	57.1	93	Madison	49.5	56.4	137	Ashland	55.6	75.1
6	Oldham	35.8	45.7	50	West Point	44.2	dnr	94	Fleming	49.6	69.8	138	Harrison	55.7	61.9
7	Jackson County	36.7	55.2	51	Clark	44.2	74.7	95	Bell	49.8	81.5	139	Webster	55.7	75.5
8	Bullitt	37.0	53.7	52	Murray	44.3	47.2	96	Mayfield	49.8	60.9	140	Rockcastle	56.6	59.9
9	Newport	37.2	44.5	53	Clinton	44.3	53.5	97	Lincoln	49.8	70.7	141	Bath	57.0	87.8
10	East Bernstadt	37.3	dnr	54	Cloverport	44.4	72.7	98	Calloway	50.0	56.2	142	Boyle	57.3	65.9
11	Christian	37.4	70.1	55	Logan	44.5	54.5	99	Glasgow	50.0	62.6	143	Johnson	57.3	78.2
12	Marion	37.8	60.3	56	Carter	44.5	59.3	100	Mason	50.1	59.2	144	Hickman	57.4	67.6
13	Fulton County	37.9	69.4	57	Martin	44.8	dnr	101	Caverna	50.2	84.2	145	Dayton	58.4	67.4
14	Jessamine	37.9	50.3	58	Floyd	44.9	52.0	102	Russellville	50.2	52.5	146	Adair	58.5	71.1
15	Corbin	38.2	51.6	59	Spencer	45.0	dnr	103	Lyon	50.3	53.7	147	Bowling Green	58.5	73.6
16	Warren	38.2	50.7	60	Daviess	45.1	53.9	104	Pike County	50.5	64.9	148	Bellevue	58.9	68.4
17	Pineville	38.6	58.5	61	Barren	45.3	49.8	105	Breathitt	50.8	64.0	149	Breckinridge	58.9	72.1
18	Lee	38.8	78.3	62	Ohio	45.4	64.4	106	Bourbon	50.8	65.0	150	Laurel	59.1	dnr
19	Anderson	39.1	52.3	63	Dawson Springs	45.6	61.0	107	Pulaski	50.9	60.9	151	Ballard	59.7	80.1
20	Shelby	39.4	71.6	64	Knox	45.6	64.8	108	Fulton Ind	51.3	69.0	152	Barbourville	60.7	76.8
21	Robertson	39.9	114.5	65	Estill	45.7	53.4	109	Beechwood	51.4	68.8	153	Cumberland	61.5	71.1
22	Greenup	40.4	64.1	66	Silver Grove	45.8	69.2	110	Harlan County	51.6	55.7	154	Henderson	62.1	74.1
23	Woodford	40.6	63.5	67	Williamstown	45.9	63.3	111	Fort Thomas	51.9	72.2	155	Fayette	62.8	78.2
24	Elliott	40.8	dnr	68	Kenton	45.9	64.9	112	Muhlenberg	52.1	68.5	156	Fairview	62.9	79.7
25	Erlanger	41.0	56.9	69	Jenkins	45.9	dnr	113	Graves	52.3	dnr	157	Powell	63.0	97.0
26	Williamsburg	41.1	54.9	70	Ludlow	46.4	107.9	114	LaRue	52.3	55.1	158	Elizabethtown	63.5	76.9
27	Harlan Ind	41.2	52.3	71	Caldwell	46.5	60.7	115	Livingston	52.5	56.9	159	Montgomery	63.8	70.2
28	Hancock	41.2	57.8	72	Edmonson	46.6	58.7	116	Garrard	52.6	51.5	160	Berea	64.2	75.7
29	Trigg	41.2	60.2	73	Monroe	46.6	54.7	117	McCracken	52.9	62.7	161	Boone	65.5	74.0
30	Hazard	41.3	87.2	74	Paintsville	46.8	53.3	118	Perry	53.0	67.0	162	Campbell	65.6	70.2
31	Southgate	41.7	47.2	75	Henry	47.1	67.9	119	Knott	53.0	dnr	163	Mercer	66.0	78.3
32	Owensboro	41.9	70.1	76	Magoffin	47.1	64.7	120	Clay	53.0	63.3	164	Somerset	66.2	89.8
33	Middlesboro	41.9	97.2	77	Campbellsville	47.1	76.4	121	Hopkins	53.0	71.7	165	Marshall	66.4	70.9
34	Paris	41.9	59.6	78	Lawrence	47.4	68.6	122	Washington	53.0	83.5	166	Eminence	67.1	85.3
35	Morgan	42.0	116.8	79	Leslie	47.4	69.4	123	Raceland-Worthington	53.1	67.0	167	Hart	67.5	73.5
36	McLean	42.0	45.9	80	Owsley	47.4	dnr	124	Letcher	53.5	62.9	168	Simpson	68.6	73.6
37	Whitley	42.3	57.7	81	Russell Ind	47.5	70.3	125	Lewis	54.2	65.6	169	Green	69.7	88.2
38	Augusta	42.3	55.6	82	Science Hill	47.5	56.5	126	Franklin	54.4	87.3	170	Menifee	71.1	90.4
39	Trimble	42.4	53.7	83	Wayne	47.8	64.2	127	Carroll	54.5	82.9	171	Covington Ind.	72.7	80.5
40	Wolfe	42.4	dnr	84	Union	47.9	69.1	128	Todd	54.7	70.0	172	Nicholas	73.5	80.7
41	Crittenden	42.4	57.1	85	Taylor	47.9	64.7	129	Russell County	54.7	80.5	173	Jackson Ind	100.1	117.6
42	Metcalfe	42.8	60.9	86	Burgin	48.0	60.5	130	Grant	54.9	72.7	174	Franklin Ind	72.7	80.5
43	Casey	42.9	49.5	87	Pendleton	48.1	55.9	131	Jefferson	55.1	62.2	175	Franklin Ind	72.7	80.5
44	Frankfort	43.1	80.7	88	Grayson	48.6	60.0	132	Carlisle	55.2	46.9	176	Franklin Ind	72.7	80.5

2014, 55.0



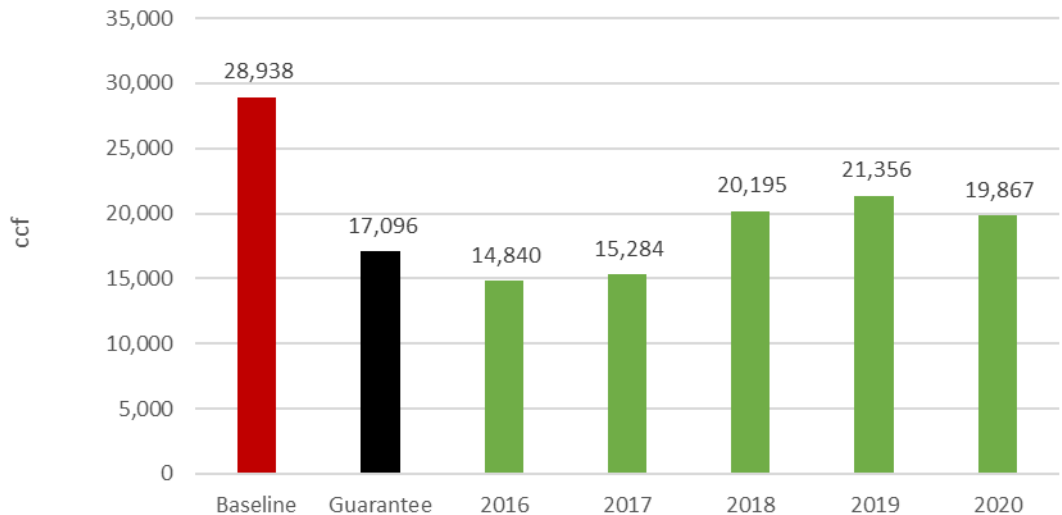
Marion County Public Schools - Electrical Consumption



- 17% Electricity Reduction Guaranteed
- 5YR avg Reduction = 28%

- 41% Gas Reduction Guaranteed
- 5YR avg Reduction = 37%

Marion County Public Schools - Natural Gas Consumption



Facility	Utility Cost Savings			
	Electric	Demand	Gas	Water
	kWh	kW	ccf	kgal
Lebanon Middle	\$ 67,032	\$ -	\$ -	\$ -
MCHS	\$ 23,380	\$ -	\$ -	\$ 1,366
St. Charles Middle	\$ 15,609	\$ -	\$ -	\$ -
Glasscock Elementary	\$ 13,890	\$ -	\$ -	\$ -
Lebanon Elementary	\$ 10,781	\$ -	\$ 4,147	\$ 2,160
Calvary Elementary	\$ 5,321	\$ -	\$ (140)	\$ -
West Marion Elementary	\$ 15,652	\$ -	\$ -	\$ -
Central Office	\$ 1,238	\$ -	\$ 66	\$ -
Bus Garage	\$ 5,358	\$ -	\$ 3,188	\$ -
Fitness Center	\$ 5,746	\$ -	\$ 813	\$ -
Total Utility Cost Savings	\$ 175,607			
Guaranteed Utility Cost Savings	\$ 124,309			
% Relative to Guarantee	41.3%			

Savings Summary	
Utility Cost Savings	\$ 175,607
Operations & Maintenance Cost Savings	\$ 19,000
Total General Fund Savings	\$ 194,607
YR5 Total Guaranteed Cost Savings	\$ 143,309
YR5 General Fund Excess Savings	\$ 51,298
YR5 % Excess Savings	35.8%

Marion County Schools Proposed Project Financial Pro-Forma

Cost Inputs			Savings Inputs		
Project Cost	\$	3,545,537	Year 1 Guaranteed Energy Savings (GES)	\$	104,241
Bond Issuance Cost	3.1%	\$ 114,463	Year 1 O&M Savings	\$	17,213
Total Bond Issue		\$ 3,660,000	Annual Energy Escalation Rate		4.50%
Interest Rate		3.08%	Annual O&M Rate Escalation		2.50%
Financing Term (Years)		20	Restricted Funds Requirement	\$	935,747
Year 2 Additional Maintenance/M&V	\$	3,000	Rebate ¹	\$	25,000

Year	Bond Payment	M&V	Total Cost	Energy Savings	O&M Savings	Total Savings	Yearly Cashflow	Cumulative Cashflow
2016	\$ 201,336	\$ -	\$ 201,336	\$ 104,241	\$ 42,213	\$ 146,454	\$ (54,882)	\$ (54,882)
2017	\$ 180,706	\$ 3,000	\$ 183,706	\$ 108,932	\$ 17,643	\$ 126,575	\$ (57,131)	\$ (112,013)
2018	\$ 184,941	\$ 3,075	\$ 188,016	\$ 113,834	\$ 18,084	\$ 131,918	\$ (56,098)	\$ (168,111)
2019	\$ 198,861	\$ 3,152	\$ 202,013	\$ 118,956	\$ 18,537	\$ 137,493	\$ (64,520)	\$ (232,632)
2020	\$ 192,391	\$ 3,231	\$ 195,622	\$ 124,309	\$ 19,000	\$ 143,309	\$ (52,313)	\$ (284,944)

$$\begin{array}{r}
 \boxed{\$175,607} \\
 + \quad \boxed{\$19,000} \\
 = \quad \boxed{\$194,607} \\
 \hline
 = \quad \boxed{\text{YR5 Excess Savings} = \$51,298}
 \end{array}$$

