



School Facilities Construction Commission

Finance and Administration Cabinet

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ROBERT E. TARVIN

Executive Director

December 15, 2009

Mr. James Palm, Superintendent
Southgate Independent Schools
William Blatt & Evergreen
Southgate, Kentucky 41071-3144

Dear Mr. Palm:

Pursuant to KRS 157.622, the School Facilities Construction Commission (SFCC) is hereby making an official Offer of Assistance to the Southgate Independent 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 amount of **\$22,618 annual debt service** on bonds to be sold for proposed construction or major renovation of facilities outlined in your most current approved facility plan. These funds or any of those escrowed for the purpose of receiving this offer must be used only on a Priority One Project of your district's facility plan. House Bill 406 of the 2008 session of the General Assembly states:

"Additional Offers of Assistance: Notwithstanding KRS 157.611 to 157.640, 157.650, 157.655, 157.660, or 157.665, the School Facilities Construction Commission is authorized to make an additional \$150,000,000 in offers of assistance during the 2008-2010 biennium in anticipation of debt service availability during the 2010-2012 biennium. No bonded indebtedness based on the above amount is to be incurred during the 2008-2010 biennium."

This means that while the Commission is making this offer now, no bonds may be sold prior to June 30, 2010, which assumes that funding is included in the 2010-2012 biennium. Regulations governing our agency can be found at <http://www.lrc.state.ky.us/kar/TITLE750.HTM> on the Internet.

In order for your district to be eligible to accept this offer, it will be necessary for you to verify, based on June 30, 2009 cash balances that your district has transferred to the SFCC escrow accounts the following amounts: **Cash Building Fund = 19,330** and **Cash Capital Outlay Fund = 2**, 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, and (2.) a copy of a General Ledger entry showing the transfer of your fund balances into the Building Fund and Capital Outlay Escrow 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,

Robert E. Tarvin
Executive Director



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