


THIS IS A DECISION PAPER

TO: Members of the Nelson County Board of Education

FROM:  Tim Hockensmith, Executive Director of Administrative Services

CC: Janice O. Lantz, Superintendent

DATE: January 19, 2010

RE: 2010 SFCC Construction offer of Assistance

ISSUE: Every two years the School Facilities Construction Commission issues offers of assistance to school districts in the area of construction. These funds are used to increase our ability to bond the top priorities on our facility plan. The current offer is \$123,775 and will bond approximately 1.5 million additional dollars.

RECOMMENDATION: I recommend the Nelson County Board of Education accept the offer of assistance.

RECOMMENDED MOTION: I move that the Nelson County Board of Education accept the SFCC offer of assistance of \$123,775.



School Facilities Construction Commission

Finance and Administration Cabinet

229 W. Main Street, Suite 102

Frankfort, Kentucky 40601

(502) 564-5582

(502) 564-3412 Fax

STEVE BESHEAR

Governor

JONATHAN MILLER

Secretary

BERNARD J. SANDFOSS

Chairman

ROBERT E. TARVIN

Executive Director

December 15, 2009

Dr. Janice O. Lantz, Superintendent
Nelson County Schools
200 Wildcat Ln
Bardstown, Kentucky 40004-9075

Dear Dr. Lantz:

Pursuant to KRS 157.622, the School Facilities Construction Commission (SFCC) is hereby making an official Offer of Assistance to the Nelson 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 amount of **\$123,775 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 =None** and **Cash Capital Outlay Fund = None**, 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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Hockensmith, Tim

From: Tarvin, Bob (Finance SFCC) [Bob.Tarvin@ky.gov]
Sent: Monday, December 21, 2009 10:49 AM
To: Hockensmith, Tim
Cc: Collins, Lisa D (Finance SFCC)
Subject: RE: Nelson Co Offer

Dear Mr. Hockensmith:

In accordance with 750 KAR 1:010, section (5) your district is granted a thirty day extension to accept your construction offer of assistance.

Please respond to our office as quickly as possible following your January Board of Education meeting.

Merry Christmas!

Bob

Robert E. Tarvin
Executive Director, SFCC
229 W. Main ST., STE 102
Frankfort, KY 40601
502 564-5582 Voice
502 564-3412 Fax

From: Hockensmith, Tim [mailto:Tim.Hockensmith@Nelson.kyschools.us]
Sent: Monday, December 21, 2009 10:23 AM
To: Tarvin, Bob (Finance SFCC)
Cc: Lantz, Janice - Superintendent; Joe Nance; Thompson, Chuck
Subject: Nelson Co Offer

Dr. Tarvin, we received our offer of assistance in your letter dated December 15, 2009. Please consider this request for an extension so our board can consider this offer when they meet again on January 19, 2010.

Tim Hockensmith
Director of Administrative Services
Nelson Co Schools
(502) 331-4310 Phone
(502) 331-4311 Fax
Tim.Hockensmith@nelson.kyschools.us
"Quality Education Now - Learning For Life"

12/21/2009