

Henderson County Schools

1805 Second Street, Henderson, Kentucky 42420

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www.henderson.kyschools.us

Dr. Bob Lawson, Superintendent



TO: Dr. Bob Lawson, Superintendent and Members of the Board
FROM: Cindy Cloutier *Cloutier*
DATE: June 20, 2022
SUBJECT: Bond of Depository/Pledge of Collateral Agreement

Per [KRS 160.570](#) each board of education shall appoint a bank, trust company, or savings and loan association to serve as its depository. According to the administrative regulation, by July 1 of each year the depository selected shall, before entering upon its duties, execute bond for the faithful performance of its duties, to be approved by the local board of education and the Commissioner of Education. Security for the bond shall be deposited with an escrow agent in an amount equal to the penal sum of the bond.

The method used for Henderson County Board of Education to determine the Penal Sum of the Bond of Depository is the method requiring the penal sum of the depository bond to be at least equal to 103 percent of the current daily balances in each account as they may fluctuate throughout the life of the bond. With this method the bank is **NOT** required to submit a new bond of depository for a period of 2 years, but will need to provide the district with a new listing of Pledged Collateral with current market values every year.

Attached you will find the Bond of Depository/Pledge of Collateral Agreement for Public School Funds, effective from July 1, 2022 through June, 2024 along with the new listing of Pledged Collateral.

COMMONWEALTH OF KENTUCKY
Department of Education
Office of District Support Services

Pledge of Collateral Agreement for Public School Funds

The undersigned, Independence Bank of Owensboro, Kentucky, hereinafter referred to as the Depository, hereby acknowledges itself bound to the Commonwealth of Kentucky, and the Henderson County Board of Education, 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, 2022 .

As collateral for this undertaking, the undersigned hereby pledges obligations guaranteed by the U. S. Government, Kentucky School Revenue, and/or Federal Government Agency for surety bonds or other securitized collateral (type of collateral *) in the principal sum of \$60,328,811.27 * deposited in escrow with TIB, The Independent Bankers Bank of Dallas, Texas, 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 a thirty (30) day notice, in writing, of its intention to do so to the chairperson of the Henderson County 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 a thirty (30) day 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 7th day of June, 2022

Name of Bank Independence Bank

By (Bank Official) Goddard P. B. Title Investment Officer

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 _____

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

FORM TO BE RETAINED AT THE LOCAL SCHOOL BOARD OFFICE

Investment Portfolio Pledged Securities
INDEPENDENCE BANK
OWENSBORO, KY

InTrader (pledged)
Last : 04/30/2022
As-of: 05/31/2022
1OWE 1021195

Sec ID Loc	Ticket	Security Description Line 1 Security Description Line 2	Safekeeping Agent Rate	Maturity	Grp	Original Face S & P Par/Curr Face Moody	Priced Pledged	Book Value Market Value
PLEDGED TO: hcboe HENDERSON CO BOARD/EDUCATION								
3133EL5B6		FFCB CALLABLE	THE INDEPENDENT BANKERSBANK			5,000,000.00	05/26/2022	4,994,068.20
TIB	245033831		2	08/27/2040	200	5,000,000.00 Aaa	11/16/2020	3,888,515.00
3133EMCV2		FFCB CALLABLE	THE INDEPENDENT BANKERSBANK			5,000,000.00	05/26/2022	5,000,000.00
TIB	163012847		2	10/15/2040	200	5,000,000.00 Aaa	11/16/2020	3,772,775.00
3138ERL24		FNMA #AL9344 ARM	THE INDEPENDENT BANKERSBANK			4,776,560.00	05/26/2022	1,963,654.54
TIB	204069542		3.57	01/01/2031	350	1,871,105.13	11/07/2016	1,897,112.69
3138L5QH6		FNMA #AM4955	THE INDEPENDENT BANKERSBANK			2,215,000.00	05/26/2022	1,991,635.48
TIB	203027038		4.36	08/01/2027	350	1,966,384.13	11/07/2016	1,975,869.42
3138LFQV3		FNMA #AN3167	THE INDEPENDENT BANKERSBANK			3,556,000.00	05/26/2022	3,606,920.23
TIB	204069423		3.04	01/01/2030	350	3,556,000.00	11/07/2016	3,514,191.01
017563HY6		ALLEN CNTY KY SCH DIST FIN COR	THE INDEPENDENT BANKERSBANK			650,000.00	05/26/2022	641,409.42
TIB	204071057	REV BDS 2016	3	11/01/2033	400	650,000.00 A1	01/12/2017	639,314.00
044289LD6		ASHLAND KY INDPT SCH DIST FIN	THE INDEPENDENT BANKERSBANK			925,000.00	05/26/2022	920,675.98
TIB	204071068	REV BDS 2016	3.25	11/01/2034	400	925,000.00 A1	01/12/2017	933,066.00
271069CV6		EAST BERNSTADT KY ISD BQ	THE INDEPENDENT BANKERSBANK			295,000.00	05/26/2022	291,696.25
TIB	218001200	REV	3.375	12/01/2034	400	295,000.00 A1	01/15/2015	297,374.75
276552DN3		ESTRN KY UNIV GEN RECPTS	THE INDEPENDENT BANKERSBANK			955,000.00	05/26/2022	950,897.69
TIB	164041315	REV CALLABLE	3.5	04/01/2034	400	955,000.00 A1	03/24/2016	959,478.95
339162LF4		FLEMING CO KY SD FIN CORP CALL	THE INDEPENDENT BANKERSBANK			1,145,000.00	05/26/2022	1,135,510.08
TIB	204064002	REV	3	05/01/2036	400	1,145,000.00 A1	06/07/2016	1,065,044.65
366373AV0		GARRARD CNTY KY SCH DIST FIN	THE INDEPENDENT BANKERSBANK			800,000.00	05/26/2022	791,045.72
TIB	164047758	REV BDS 2018	3.5	03/01/2038	400	800,000.00 A1	05/24/2018	803,480.00
478799SM2		JOHNSON CO KY SCH DIST FIN COR	THE INDEPENDENT BANKERSBANK			715,000.00	05/26/2022	715,000.00
TIB	204053780	REV	3.25	12/01/2035	400	715,000.00 A1	11/07/2016	717,187.90
499463ML8		KNOX CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK			795,000.00	05/26/2022	795,000.00
TIB	203023448	REV	3.85	06/01/2033	400	795,000.00 A1	01/22/2015	801,678.00
528906LA6		LEXINGTON-FAYETTE KY URBAN CO	THE INDEPENDENT BANKERSBANK			2,045,000.00	05/26/2022	1,987,642.01
TIB	204069165	REV	2.625	10/01/2031	400	2,045,000.00 A1	11/07/2016	1,928,353.20
575100JZ6		MASON CO KY SD FIN CORP	THE INDEPENDENT BANKERSBANK			535,000.00	05/26/2022	535,000.00
TIB	204064691	REV	3	06/01/2036	400	535,000.00 A1	11/23/2016	508,854.55
583030PH8		MEADE CO KY SD FIN CORP	THE INDEPENDENT BANKERSBANK			2,770,000.00	05/26/2022	2,740,402.81
TIB	204068414	REV	3	11/01/2036	400	2,770,000.00 A1	11/14/2016	2,557,956.50
691026LZ9		OWENSBORO KY ISD REV CALL	THE INDEPENDENT BANKERSBANK			800,000.00	05/26/2022	791,245.52
TIB	245045777	FIN CORP	2.125	05/01/2040	400	800,000.00 A1	08/26/2021	601,216.00
691033AV6		OWENSBORO KY INDPT SCH DIST	THE INDEPENDENT BANKERSBANK			2,000,000.00	05/26/2022	1,993,555.87
TIB	248005034	BDS 2020	3.375	04/01/2040	400	2,000,000.00 A1	06/18/2020	1,902,060.00
699667AN1		PARIS KY ISD FIN CORP	THE INDEPENDENT BANKERSBANK			675,000.00	05/26/2022	675,000.00
TIB	204065422	REV	2.25	06/01/2029	400	675,000.00 A1	11/14/2016	638,327.25
714559RF0		PERRY CO KY SD FIN CORP CALL	THE INDEPENDENT BANKERSBANK			1,000,000.00	05/26/2022	992,445.25
TIB	204059245	REV	3.125	02/01/2036	400	1,000,000.00 A1	04/07/2016	947,420.00



Investment Portfolio Pledged Securities
INDEPENDENCE BANK
OWENSBORO, KY

InTrader (pledged)
Last : 04/30/2022
As-of: 05/31/2022
LOWE 1021195

Sec ID Loc	Ticket	Security Description Line 1 Security Description Line 2	Safekeeping Agent Rate	Maturity	Grp	Original Face S & P Par/Curr Face Moody	Priced Pledged	Book Value Market Value
739094MG2		POWELL CO KY SD FIN CORP	THE INDEPENDENT BANKERSBANK			775,000.00	05/26/2022	775,000.00
TIB	204065380	REV	2.25	08/01/2029	400	775,000.00 A1	11/14/2016	731,313.25
779446MH3		ROWAN CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK			650,000.00	05/26/2022	643,186.44
TIB	204056311	REV	2.75	02/01/2031	400	650,000.00 A1	05/17/2016	636,759.50
779446MJ9		ROWAN CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK			665,000.00	05/26/2022	665,000.00
TIB	204056312	REV	3	02/01/2032	400	665,000.00 A1	05/17/2016	659,028.30
779446MK6		ROWAN CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK			690,000.00	05/26/2022	687,140.66
TIB	204056314	REV	3	02/01/2033	400	690,000.00 A1	05/17/2016	678,207.90
935007YK4		WARREN CO KY SD FIN CORP	THE INDEPENDENT BANKERSBANK			2,175,000.00	05/26/2022	2,153,168.49
TIB	204061629	REV	3.25	04/01/2036	400	2,175,000.00 A1	05/17/2016	2,112,773.25
9585194J6		WESTERN KY UNIV CALL	THE INDEPENDENT BANKERSBANK			520,000.00	05/26/2022	517,683.98
TIB	204069087	REV	3	09/01/2031	400	520,000.00 A1	11/23/2016	509,496.00
170704NG1		CHRISTIAN CO KY SD FIN CORP	THE INDEPENDENT BANKERSBANK			850,000.00	05/26/2022	850,000.00
TIB	204065946	TAXABLE REV	5.375	05/01/2027	500	850,000.00 A1	11/14/2016	851,351.50
170704NG1		CHRISTIAN CO KY SD FIN CORP	THE INDEPENDENT BANKERSBANK			500,000.00	05/26/2022	500,000.00
TIB	204068348	TAXABLE REV	5.375	05/01/2027	500	500,000.00 A1	11/23/2016	500,795.00
3136AEFH5		FNR 2013-53 WS ARM	THE INDEPENDENT BANKERSBANK			2,000,000.00	05/26/2022	175,992.00
TIB	223000318		5.317	06/25/2043	800	175,992.00	11/07/2013	114,890.89
3136AU2X8		FNR 2016-101 BK	THE INDEPENDENT BANKERSBANK			3,289,000.00	05/26/2022	224,806.65
TIB	204072833		3	01/25/2047	800	226,899.20	02/23/2017	219,577.66
3136AUTP6		FNR 2016-88 QK	THE INDEPENDENT BANKERSBANK			2,000,000.00	05/26/2022	69,317.37
TIB	204071486		3	12/25/2046	800	68,773.06	12/15/2016	67,899.24
3136BGK67		FNR 2021-56 MS ARM	THE INDEPENDENT BANKERSBANK			6,000,000.00	05/26/2022	4,560,720.90
TIB	256001844		3.147	09/25/2051	800	4,560,720.90	11/10/2021	3,676,422.66
3137A6DK5		FHR 3815 DS ARM	THE INDEPENDENT BANKERSBANK			3,300,000.00	05/26/2022	285,461.63
TIB	204011258		12.287	02/15/2041	800	268,689.04	05/31/2012	233,915.25
3137B1WT5		FHR 4204 AW	THE INDEPENDENT BANKERSBANK			5,000,000.00	05/26/2022	931,489.35
TIB	203023128		3	05/15/2043	800	931,489.35	11/07/2013	744,499.10
3137F7P25		FHR 5050 GH	THE INDEPENDENT BANKERSBANK			1,000,000.00	05/26/2022	564,809.07
TIB	248012387		2	12/25/2050	800	567,505.03	02/18/2021	504,882.89
3137F7P41		FHR 5050 GJ	THE INDEPENDENT BANKERSBANK			2,000,000.00	05/26/2022	1,130,966.49
TIB	245038616		2	12/25/2050	800	1,135,010.06	12/10/2020	1,009,765.79
3137F7P41		FHR 5050 GJ	THE INDEPENDENT BANKERSBANK			4,000,000.00	05/26/2022	2,261,932.97
TIB	245038616		2	12/25/2050	800	2,270,020.12	12/22/2020	2,019,531.57
3137F9NV9		FHR 5071 CS	THE INDEPENDENT BANKERSBANK			4,000,000.00	05/26/2022	2,613,977.74
TIB	245041931		3.147	02/25/2051	800	2,611,638.60	02/25/2021	2,014,123.89
3137F9Q95		FHR 5071 GS	THE INDEPENDENT BANKERSBANK			1,200,000.00	05/26/2022	969,719.72
TIB	245041930		3.047	02/25/2051	800	971,460.11	05/20/2021	777,848.98
3137FFU21		FHR 5083 YH	THE INDEPENDENT BANKERSBANK			3,000,000.00	05/26/2022	2,017,732.42
TIB	245043564		2	03/25/2051	800	2,026,224.69	03/25/2021	1,804,435.96



Investment Portfolio Pledged Securities

 INDEPENDENCE BANK
 OWENSBORO, KY

 InTrader (pledged)
 Last : 04/30/2022
 As-of: 05/31/2022
 LOWE 1021195

Sec ID Loc	Ticket	Security Description Line 1 Security Description Line 2	Safekeeping Agent Rate	Maturity	Grp	Original Face S & P Par/Curr Face Moody	Priced Pledged	Book Value Market Value
3137FYT55		FHR 5096 SA	THE INDEPENDENT BANKERSBANK			1,000,000.00	05/26/2022	953,921.81
TIB	245045281		3.147	03/25/2051	800	962,007.66	04/22/2021	849,847.86
3137FYT55		FHR 5096 SA	THE INDEPENDENT BANKERSBANK			2,000,000.00	05/26/2022	1,907,843.62
TIB	245045281		3.147	03/25/2051	800	1,924,015.32	04/22/2021	1,699,695.72
3137H0T24		FHR 5119 SQ ARM	THE INDEPENDENT BANKERSBANK			1,000,000.00	05/26/2022	925,577.60
TIB	245048175		3.047	06/25/2051	800	932,335.68	08/20/2021	677,229.25
3137H2KN3		FHR 5138 LW	THE INDEPENDENT BANKERSBANK			1,500,000.00	05/26/2022	1,351,998.13
TIB	247005958		2	05/25/2051	800	1,351,998.14	09/21/2021	1,108,238.55
31394U6E7		FNR 2005-99 SA	THE INDEPENDENT BANKERSBANK			4,158,000.00	05/26/2022	80,718.30
TIB	160002515		22.117	11/25/2035	800	75,941.25	06/17/2011	86,491.75
31396YC83		FNR 2008-15 BS FLOATER	THE INDEPENDENT BANKERSBANK			5,000,000.00	05/26/2022	283,101.76
TIB	203006025		15.488	03/25/2038	800	237,937.50	11/17/2011	257,639.99
31398P5S4		FNR 2010-49 SX FLOATER	THE INDEPENDENT BANKERSBANK			4,600,000.00	05/26/2022	44,911.51
TIB	161031443		13.583	03/25/2040	800	44,158.99	06/17/2011	56,513.96
38382X2E4		GNR 2021-158 GU	THE INDEPENDENT BANKERSBANK			7,639,607.00	05/26/2022	6,042,316.88
TIB	163014707		2	09/20/2051	800	6,086,953.52	11/10/2021	5,376,360.74
TOTAL FOR PLEDGE ID hcboe								
		Pledged: 48	Orig Face: 107,164,167.00	Current Face: 67,753,259.48		Market: 60,328,811.27	Book: 67,701,300.54	

