

**State of Kansas
Department of Health and Environment**

Notice of Hearing on Proposed Administrative Regulations

The Kansas Department of Health and Environment (KDHE), Division of Environment, Bureau of Water, Public Water Supply Section, will conduct a public hearing at 10:00 a.m. Thursday, January 16, 2020, in the Azure Conference Room, fourth floor, Curtis State Office Building, 1000 SW Jackson, Topeka, Kansas, to consider the adoption of proposed amended regulations K.A.R. 28-15-52 and 28-15-53 regarding the public water supply loan fund.

A summary of the proposed regulations and the estimated economic impact follows:

Summary of Regulations:

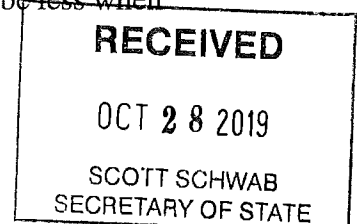
K.A.R. 28-15-52. Interest rate. Revises language to allow the loan interest rate calculation to vary according to the length of the loan repayment period.

K.A.R. 28-15-53. Repayment of loans. Deletes the requirement that loan repayments must begin within two years of the first loan disbursement. Revises language to allow municipalities to choose loan repayment terms for up to 40 years under certain conditions.

Economic Impact

Cost to the agency: The proposed regulations will not result in increased costs to the agency.

Cost to the public and regulated community: These proposed regulations provide flexibility to municipalities and other public water supply systems. This is a voluntary loan program and municipalities and other public water supply systems are not obligated to finance water infrastructure projects through the Kansas Public Water Supply Loan Fund. The annual cost of debt service for municipalities obtaining a 30-year loan or 40-year loan would be less when

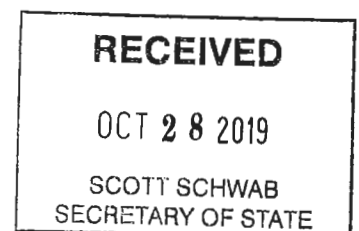


compared to a 20-year loan, which is the current maximum loan repayment term. However, the overall debt service cost measured for the life of the loan would be greater for a 30-year loan or 40-year loan compared to a 20-year loan. Under these changes to the regulations, municipalities and public water supply systems that use this loan program can choose which loan repayment term length they would like to utilize based on their economic needs.

Cost to other governmental agencies or units: The proposed regulations only affect municipalities and other public water supply systems as described in the previous paragraph. To the extent that a governmental agency or unit operates a public water supply system, it should reference that information.

A detailed economic impact is provided in the economic impact statement that is available from the agency contact person or at the KDHE Public Water Supply Section Regulations website, as listed below.

The time period between the publication of this notice and the scheduled hearing constitutes a 60-day public comment period for the purpose of receiving written public comments on the proposed regulations. All interested parties may submit written comments prior to 5:00 p.m. on the day of the hearing to William J. Carr, Kansas Department of Health and Environment, Bureau of Water, Public Water Supply Section, 1000 SW Jackson, Suite 420 Topeka, KS 66612, by email to William.J.Carr@ks.gov, or by fax to 785-559-4258. During the hearing, all interested parties will be given a reasonable opportunity to present their views orally on the proposed regulations as well as an opportunity to submit their written comments. It is requested that each individual giving oral comments also provide a written copy for the record. In order to give each individual an opportunity to present their views, it may be necessary for the



hearing officer to request that each presenter limit an oral presentation to an appropriate time frame.

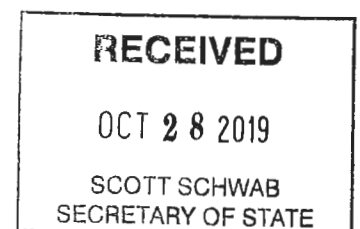
Complete copies of the proposed regulations and the corresponding economic impact statement and environmental benefit statement may be obtained from the KDHE Public Water Supply Section Regulations website at <http://www.kdheks.gov/pws/drinkingregulations.html> or by contacting William J. Carr at the address above, 785-296-0735 or fax 785-559-4258.

Questions pertaining to the proposed regulations should be directed to William J. Carr at the contact information above.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations, economic impact statement, and environmental benefit statement in an accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting William J. Carr.

Lee A. Norman, M.D.

Secretary



28-15-52. Interest rate. (a) Each loan shall ~~bear~~ accrue interest for the entire life of the loan at a fixed rate set by the secretary. This fixed rate shall be calculated as ~~described~~ specified in subsection (b). Fees for servicing the loans may also be set by the secretary.

(b) The interest rate shall be calculated as a percentage, as ~~set forth~~ specified in the intended use plan, of three months' average of the ~~"bond buyers 20 bond index."~~ bond buyer's weekly 20-bond GO (general obligation) index. ~~The average is determined using rates published on Monday of each week of the immediately preceding three months.~~ The loan interest rate as calculated shall include any loan ~~service fees~~ servicing fee.

(c) The interest rate and loan servicing fee ~~shall be the same for all loan applicants~~ may vary depending on the loan repayment period. (Authorized by K.S.A. 1996 Supp. 65-163f; implementing K.S.A. 1996 Supp. 65-163d, as amended by 1997 S.B. 40, sec. 1, 65-163f and K.S.A. 1996 Supp. 65-163e through 65-163u 2019 Supp. 65-163i; effective Oct. 10, 1997; amended P-_____.)

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28-15-53. Repayment of loans. (a) All principal and interest shall be repaid in accordance with the terms and conditions of the executed loan agreement. Repayments shall begin no later than two years after receipt of the first loan disbursement, and in no case later than one year following project completion of the project. Repayment of the loan shall not exceed a 20-year 30-year repayment period as agreed upon in the loan agreement, except for a loan to a disadvantaged community. Any loan to a disadvantaged community may exceed a 30-year repayment period if both of the following conditions are met:

(1) Repayment of the loan does not exceed a 40-year repayment period.

(2) The repayment period does not exceed the expected design life of the project.

(b) Prepayment of the principal in whole or part may be made, in accordance with the terms and conditions of the executed loan agreement. (Authorized by K.S.A. 1996 Supp. 65-163f; implementing K.S.A. 1996 Supp. 65-163d, as amended by 1997 S.B. 40, sec. 1, 65-163f and K.S.A. 1996 Supp. 65-163e through 65-163u 2019 Supp. 65-163i; effective Oct. 10, 1997; amended P-_____.)

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**Kansas Administrative Regulations
Economic Impact Statement
For the Kansas Division of the Budget**

Kansas Department of Health and Environment
Agency

Susan Vogel
Agency Contact

296-1291
Contact Phone Number

28-15-52 and 28-15-53
K.A.R. Number(s)

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to: Division of the Budget
900 SW Jackson, Room 504-N
Topeka, KS 66612

I. Brief description of the proposed rule(s) and regulation(s).

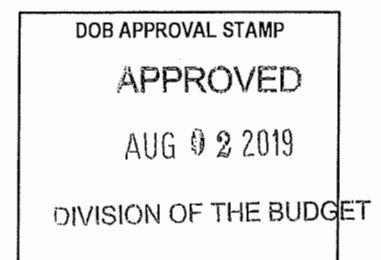
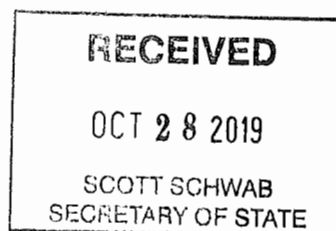
These proposed regulations allow loans made from the public water supply loan fund to have a repayment term up to 40 years. K.S.A. 65-163i was recently amended to increase the maximum loan repayment term from 20 years to 40 years to mirror federal changes made to the Safe Drinking Water Act on October 23, 2018. These regulations will provide the public water supply loan fund the ability to set different interest rates for loans based on the repayment period and establishes criteria to determine if the maximum repayment length is 30 years or 40 years.

II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)

These regulation changes are not mandated by the federal government. They do however take advantage of flexibility provided by federal law.

Nebraska has recently also changed state law to allow loans up to 40 years. Regulations have not received final approval from the Governor's office, but they hope to have the ability to make these types of loans by July 1. Oklahoma did not require a statute change to allow loans for more than 20 years so they are already offering loans to drinking water systems for 30 years, at this time they do not intend to issue loans for 40 years. Colorado recently changed its statute to allow loans for more than 20 years and intends to allow 30 year loans to systems in June 2019. Missouri did not require a statute change to allow loans for more than 20 years and their regulations incorporate the federal statute by reference. Missouri will offer loans up to 30 years but does not plan to offer loans for a 40 year term.

III. Agency analysis specifically addressing following:



A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

These regulations will neither enhance or restrict business growth. The public water supply loan fund can only make loans to municipalities. The only impact to businesses would be through the user rates the municipality establishes. The annual cost of debt service for 30 or 40 year loan is less than the annual debt service for a 20 year loan which is the current regulatory maximum loan repayment length. If water rates had to be increased due to the cost of financing for water infrastructure through the public water supply loan fund, the increased amounts would be lower if a 30 or 40 year loan were used compared to a 20 year loan.

B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;

The economic effect to municipalities obtaining a 30 year or 40 year loan would be positive compared to effect of obtaining a 20 year loan. The annual debt service cost of a 30 year or 40 year loan will be less than the annual debt service cost of a 20 year loan. Municipalities establish utility rates based on many factors. Assuming the annual cost of debt service is one of those factors, the need to increase rates would be lower with a 30 year or 40 year loan than it would be for a 20 year loan.

Although the annual debt service cost for 30 and 40 year loans is lower than it would be for a 20 year loan, the overall debt service cost measured for the life of the loan (over 20, 30, and 40 years) would be greater.

C. Businesses that would be directly affected by the proposed rule and regulation;

No businesses would be directly affected by the proposed regulation.

D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

The benefit of these proposed regulations is the reduction in annual debt service costs for municipalities that borrow from the public water supply loan fund using the extended loan terms.

E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

The proposed regulation change itself reduces annual debt service costs for municipalities that borrow funds at 30 years and 40 years compared to 20 years.

F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

There would actually be an annual savings of \$13,700 (for a 30 year loan) and 18,700 (for a 40 year loan) for every \$1,000,000 borrowed by a municipality compared to a 20 year loan.

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An estimate, expressed as a total dollar figure, of the total implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

\$220,000 (for a 30 year loan) and \$516,000 for a (40 year loan) for every \$1,000,000 borrowed. These are the estimated differences in debt service costs for the life of each loan compared to a 20 year loan.

Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?

YES NO

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

Loan repayment schedule spreadsheets were created that assumed a \$1,000,000 loan amount for a 20 year loan at 2.41% (the current interest rate for the program which is 60% of market rates), a 30 year loan at 2.81% (70% of the market rate) and a 40 year loan at 3.21% (80% of the market rate). Annual debt service costs were compared for the annual implementation cost calculation and debt service costs over the life of each loan were compared for the total implementation cost calculation. The repayment schedules for these loans and a comparison table are attached.

Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.

YES NO

The total implementation costs will not exceed \$3M over any 2 year period, therefore a public hearing was not held at the time of submittal.

G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

When the notice of hearing for these regulations is published in the *Kansas Register*, standard agency procedure will be followed, and the three above-listed organizations will be contacted electronically for comment with attached copies of the regulations, economic impact statement and published notice of hearing.

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H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

Three municipalities specifically asked for loans that exceed the current 20 year repayment period, these municipalities were the City of Wichita, the City of Frontenac, and Miami County Rural Water District #2. Prior to the 2019 legislative session and email announcement that a legislative change was being pursued to allow loans with a repayment period that exceed 20 years was sent to associations that included the Kansas League of Municipalities, Kansas Municipal Utilities, Kansas Rural Water Association, Kansas Section of the American Water Works Association, Kansas Water Office, and the American Council of Engineering Companies of Kansas. There were no comments received regarding that notification.

I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

Not Applicable.

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	Total Debt Service for Life of Loan	Total Debt Service for Life of Loan compared to 20 Year Loan	Total Debt Service for Life of Loan compared to 30 Year Loan	Total Debt Service for Life of Loan compared to 40 Year Loan
20 Year Loan	\$1,266,184.32	\$ -	(\$220,457.28)	(\$516,567.68)
30 Year Loan	\$1,486,641.60	\$220,457.28	\$ -	(\$296,110.40)
40 Year Loan	\$1,782,752.00	\$516,567.68	\$296,110.40	\$ -

	Annual Payments	Annual Payments Compared to 20 Year Loan	Annual Payments Compared to 30 Year Loan	Annual Payments Compared to 40 Year Loan
20 Year Loan	\$63,309.22	\$ -	\$13,754.50	\$18,740.42
30 Year Loan	\$49,554.72	(\$13,754.50)	\$ -	\$4,985.92
40 Year Loan	\$44,568.80	(\$18,740.42)	(\$4,985.92)	\$ -

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20 Year Payment Example

Gross Interest Rate (60% of Market) 2.41%
Service Fee Rate: 0.35%
Loan Interest Rate: 2.06%

Gross Loan Costs: 1,000,000

Number of Payments: 40

Payment Number	Payment Date	Beginning Balance	Interest Payment	Principal Payment	Service Fee	Total Payment	Ending Balance
1	Feb Year 1	1,000,000.00	10,300.00	19,604.61	1,750.00	31,654.61	980,395.39
2	Aug Year 1	980,395.39	10,098.07	19,840.85	1,715.69	31,654.61	960,554.54
3	Feb Year 2	960,554.54	9,893.71	20,079.93	1,680.97	31,654.61	940,474.61
4	Aug Year 2	940,474.61	9,686.89	20,321.89	1,645.83	31,654.61	920,152.72
5	Feb Year 3	920,152.72	9,477.57	20,566.77	1,610.27	31,654.61	899,585.95
6	Aug Year 3	899,585.95	9,265.74	20,814.59	1,574.28	31,654.61	878,771.36
7	Feb Year 4	878,771.36	9,051.35	21,065.41	1,537.85	31,654.61	857,705.95
8	Aug Year 4	857,705.95	8,834.37	21,319.25	1,500.99	31,654.61	836,386.70
9	Feb Year 5	836,386.70	8,614.78	21,576.15	1,463.68	31,654.61	814,810.55
10	Aug Year 5	814,810.55	8,392.55	21,836.14	1,425.92	31,654.61	792,974.41
11	Feb Year 6	792,974.41	8,167.64	22,099.26	1,387.71	31,654.61	770,875.15
12	Aug Year 6	770,875.15	7,940.01	22,365.57	1,349.03	31,654.61	748,509.58
13	Feb Year 7	748,509.58	7,709.65	22,635.07	1,309.89	31,654.61	725,874.51
14	Aug Year 7	725,874.51	7,476.51	22,907.82	1,270.28	31,654.61	702,966.69
15	Feb Year 8	702,966.69	7,240.56	23,183.86	1,230.19	31,654.61	679,782.83
16	Aug Year 8	679,782.83	7,001.76	23,463.23	1,189.62	31,654.61	656,319.60
17	Feb Year 9	656,319.60	6,760.09	23,745.96	1,148.56	31,654.61	632,573.64
18	Aug Year 9	632,573.64	6,515.51	24,032.10	1,107.00	31,654.61	608,541.54
19	Feb Year 10	608,541.54	6,267.98	24,321.68	1,064.95	31,654.61	584,219.86
20	Aug Year 10	584,219.86	6,017.46	24,614.77	1,022.38	31,654.61	559,605.09
21	Feb Year 11	559,605.09	5,763.93	24,911.37	979.31	31,654.61	534,693.72
22	Aug Year 11	534,693.72	5,507.35	25,211.55	935.71	31,654.61	509,482.17
23	Feb Year 12	509,482.17	5,247.67	25,515.35	891.59	31,654.61	483,966.82
24	Aug Year 12	483,966.82	4,984.86	25,822.81	846.94	31,654.61	458,144.01
25	Feb Year 13	458,144.01	4,718.88	26,133.98	801.75	31,654.61	432,010.03
26	Aug Year 13	432,010.03	4,449.70	26,448.89	756.02	31,654.61	405,561.14
27	Feb Year 14	405,561.14	4,177.28	26,767.60	709.73	31,654.61	378,793.54
28	Aug Year 14	378,793.54	3,901.57	27,090.15	662.89	31,654.61	351,703.39
29	Feb Year 15	351,703.39	3,622.54	27,416.59	615.48	31,654.61	324,286.80
30	Aug Year 15	324,286.80	3,340.15	27,746.96	567.50	31,654.61	296,539.84
31	Feb Year 16	296,539.84	3,054.36	28,081.31	518.94	31,654.61	268,458.53
32	Aug Year 16	268,458.53	2,765.12	28,419.69	469.80	31,654.61	240,038.84
33	Feb Year 17	240,038.84	2,472.40	28,762.14	420.07	31,654.61	211,276.70
34	Aug Year 17	211,276.70	2,176.15	29,108.73	369.73	31,654.61	182,167.97
35	Feb Year 18	182,167.97	1,876.33	29,459.49	318.79	31,654.61	152,708.48
36	Aug Year 18	152,708.48	1,572.90	29,814.47	267.24	31,654.61	122,894.01
37	Feb Year 19	122,894.01	1,265.81	30,173.74	215.06	31,654.61	92,720.27
38	Aug Year 19	92,720.27	955.02	30,537.33	162.26	31,654.61	62,182.94
39	Feb Year 20	62,182.94	640.48	30,905.31	108.82	31,654.61	31,277.63
40	Aug Year 20	31,277.63	322.16	31,277.63	54.74	31,654.53	0.00

Totals	Interest	Principal	Service Fee	Total Debt Service
	227,526.86	1,000,000.00	38,657.46	1,266,184.32

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30 Year Payment Example

Project Principal: 1,000,000.00
 Interest During Const.:
 Service Fee During Const.:
 Loan Origination Fee:
 Loan Reserve Account:
 Financial Integrity Assurance Contract:
 Gross Loan Costs: 1,000,000
 1st Payment Date:
 Number of Payments: 60

Gross Interest Rate (70% of Market) 2.81%
 Service Fee Rate: 0.35%
 Loan Interest Rate: 2.46%

Payment Number	Payment Date	Beginning Balance	Interest Payment	Principal Payment	Service Fee	Total Payment	Ending Balance
1	Feb Year 1	1,000,000.00	12,300.00	10,727.36	1,750.00	24,777.36	989,272.64
2	Aug Year 1	989,272.64	12,168.05	10,878.08	1,731.23	24,777.36	978,394.56
3	Feb Year 2	978,394.56	12,034.25	11,030.92	1,712.19	24,777.36	967,363.64
4	Aug Year 2	967,363.64	11,898.57	11,185.90	1,692.89	24,777.36	956,177.74
5	Feb Year 3	956,177.74	11,760.99	11,343.06	1,673.31	24,777.36	944,834.68
6	Aug Year 3	944,834.68	11,621.47	11,502.43	1,653.46	24,777.36	933,332.25
7	Feb Year 4	933,332.25	11,479.99	11,664.04	1,633.33	24,777.36	921,668.21
8	Aug Year 4	921,668.21	11,336.52	11,827.92	1,612.92	24,777.36	909,840.29
9	Feb Year 5	909,840.29	11,191.04	11,994.10	1,592.22	24,777.36	897,846.19
10	Aug Year 5	897,846.19	11,043.51	12,162.62	1,571.23	24,777.36	885,683.57
11	Feb Year 6	885,683.57	10,893.91	12,333.50	1,549.95	24,777.36	873,350.07
12	Aug Year 6	873,350.07	10,742.21	12,506.79	1,528.36	24,777.36	860,843.28
13	Feb Year 7	860,843.28	10,588.37	12,682.51	1,506.48	24,777.36	848,160.77
14	Aug Year 7	848,160.77	10,432.38	12,860.70	1,484.28	24,777.36	835,300.07
15	Feb Year 8	835,300.07	10,274.19	13,041.39	1,461.78	24,777.36	822,258.68
16	Aug Year 8	822,258.68	10,113.78	13,224.63	1,438.95	24,777.36	809,034.05
17	Feb Year 9	809,034.05	9,951.12	13,410.43	1,415.81	24,777.36	795,623.62
18	Aug Year 9	795,623.62	9,786.17	13,598.85	1,392.34	24,777.36	782,024.77
19	Feb Year 10	782,024.77	9,618.90	13,789.92	1,368.54	24,777.36	768,234.85
20	Aug Year 10	768,234.85	9,449.29	13,983.66	1,344.41	24,777.36	754,251.19
21	Feb Year 11	754,251.19	9,277.29	14,180.13	1,319.94	24,777.36	740,071.06
22	Aug Year 11	740,071.06	9,102.87	14,379.37	1,295.12	24,777.36	725,691.69
23	Feb Year 12	725,691.69	8,926.01	14,581.39	1,269.96	24,777.36	711,110.30
24	Aug Year 12	711,110.30	8,746.66	14,786.26	1,244.44	24,777.36	696,324.04
25	Feb Year 13	696,324.04	8,564.79	14,994.00	1,218.57	24,777.36	681,330.04
26	Aug Year 13	681,330.04	8,380.36	15,204.67	1,192.33	24,777.36	666,125.37
27	Feb Year 14	666,125.37	8,193.34	15,418.30	1,165.72	24,777.36	650,707.07
28	Aug Year 14	650,707.07	8,003.70	15,634.92	1,138.74	24,777.36	635,072.15
29	Feb Year 15	635,072.15	7,811.39	15,854.59	1,111.38	24,777.36	619,217.56
30	Aug Year 15	619,217.56	7,616.38	16,077.35	1,083.63	24,777.36	603,140.21
31	Feb Year 16	603,140.21	7,418.62	16,303.24	1,055.50	24,777.36	586,836.97
32	Aug Year 16	586,836.97	7,218.09	16,532.31	1,026.96	24,777.36	570,304.66
33	Feb Year 17	570,304.66	7,014.75	16,764.58	998.03	24,777.36	553,540.08
34	Aug Year 17	553,540.08	6,808.54	17,000.12	968.70	24,777.36	536,539.96
35	Feb Year 18	536,539.96	6,599.44	17,238.98	938.94	24,777.36	519,300.98
36	Aug Year 18	519,300.98	6,387.40	17,481.18	908.78	24,777.36	501,819.80
37	Feb Year 19	501,819.80	6,172.38	17,726.80	878.18	24,777.36	484,093.00
38	Aug Year 19	484,093.00	5,954.34	17,975.86	847.16	24,777.36	466,117.14
39	Feb Year 20	466,117.14	5,733.24	18,228.42	815.70	24,777.36	447,888.72
40	Aug Year 20	447,888.72	5,509.03	18,484.52	783.81	24,777.36	429,404.20
41	Feb Year 21	429,404.20	5,281.67	18,744.23	751.46	24,777.36	410,659.97
42	Aug Year 21	410,659.97	5,051.12	19,007.59	718.65	24,777.36	391,652.38
43	Feb Year 22	391,652.38	4,817.32	19,274.65	685.39	24,777.36	372,377.73

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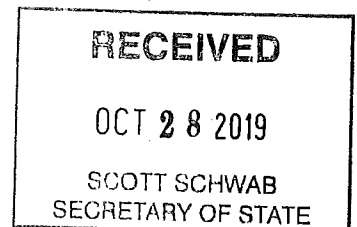
44	Aug Year 22	372,377.73	4,580.25	19,545.45	651.66	24,777.36	352,832.28
45	Feb Year 23	352,832.28	4,339.84	19,820.06	617.46	24,777.36	333,012.22
46	Aug Year 23	333,012.22	4,096.05	20,098.54	582.77	24,777.36	312,913.68
47	Feb Year 24	312,913.68	3,848.84	20,380.92	547.60	24,777.36	292,532.76
48	Aug Year 24	292,532.76	3,598.15	20,667.28	511.93	24,777.36	271,865.48
49	Feb Year 25	271,865.48	3,343.95	20,957.65	475.76	24,777.36	250,907.83
50	Aug Year 25	250,907.83	3,086.17	21,252.10	439.09	24,777.36	229,655.73
51	Feb Year 26	229,655.73	2,824.77	21,550.69	401.90	24,777.36	208,105.04
52	Aug Year 26	208,105.04	2,559.69	21,853.49	364.18	24,777.36	186,251.55
53	Feb Year 27	186,251.55	2,290.89	22,160.53	325.94	24,777.36	164,091.02
54	Aug Year 27	164,091.02	2,018.32	22,471.88	287.16	24,777.36	141,619.14
55	Feb Year 28	141,619.14	1,741.92	22,787.61	247.83	24,777.36	118,831.53
56	Aug Year 28	118,831.53	1,461.63	23,107.77	207.96	24,777.36	95,723.76
57	Feb Year 29	95,723.76	1,177.40	23,432.44	167.52	24,777.36	72,291.32
58	Aug Year 29	72,291.32	889.18	23,761.67	126.51	24,777.36	48,529.65
59	Feb Year 30	48,529.65	596.91	24,095.52	84.93	24,777.36	24,434.13
60	Aug Year 30	24,434.13	300.47	24,434.13	42.76	24,777.36	0.00

Totals	Interest	Principal	Service Fee	Total Debt Service
	426,027.87	1,000,000.00	60,613.73	1,486,641.60

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DIVISION OF THE BUDGET



RECEIVED

OCT 28 2019

SCOTT SCHWAB
SECRETARY OF STATE

Proposed

40 Year Payment Example

Project Principal: 1,000,000.00
 Interest During Const.:
 Service Fee During Const.:
 Loan Origination Fee:
 Loan Reserve Account:
 Financial Integrity Assurance Contract:
 Gross Loan Costs: 1,000,000

Gross Interest Rate (80% of Market) 3.21%
 Service Fee Rate: 0.35%
 Loan Interest Rate: 2.86%

1st Payment Date:
 Number of Payments: 80

Payment Number	Payment Date	Beginning Balance	Interest Payment	Principal Payment	Service Fee	Total Payment	Ending Balance
1	Feb Year 1	1,000,000.00	14,300.00	6,234.40	1,750.00	22,284.40	993,765.60
2	Aug Year 1	993,765.60	14,210.85	6,334.46	1,739.09	22,284.40	987,431.14
3	Feb Year 2	987,431.14	14,120.27	6,436.13	1,728.00	22,284.40	980,995.01
4	Aug Year 2	980,995.01	14,028.23	6,539.43	1,716.74	22,284.40	974,455.58
5	Feb Year 3	974,455.58	13,934.71	6,644.39	1,705.30	22,284.40	967,811.19
6	Aug Year 3	967,811.19	13,839.70	6,751.03	1,693.67	22,284.40	961,060.16
7	Feb Year 4	961,060.16	13,743.16	6,859.38	1,681.86	22,284.40	954,200.78
8	Aug Year 4	954,200.78	13,645.07	6,969.48	1,669.85	22,284.40	947,231.30
9	Feb Year 5	947,231.30	13,545.41	7,081.34	1,657.65	22,284.40	940,149.96
10	Aug Year 5	940,149.96	13,444.14	7,195.00	1,645.26	22,284.40	932,954.96
11	Feb Year 6	932,954.96	13,341.26	7,310.47	1,632.67	22,284.40	925,644.49
12	Aug Year 6	925,644.49	13,236.72	7,427.80	1,619.88	22,284.40	918,216.69
13	Feb Year 7	918,216.69	13,130.50	7,547.02	1,606.88	22,284.40	910,669.67
14	Aug Year 7	910,669.67	13,022.58	7,668.15	1,593.67	22,284.40	903,001.52
15	Feb Year 8	903,001.52	12,912.92	7,791.23	1,580.25	22,284.40	895,210.29
16	Aug Year 8	895,210.29	12,801.51	7,916.27	1,566.62	22,284.40	887,294.02
17	Feb Year 9	887,294.02	12,688.30	8,043.34	1,552.76	22,284.40	879,250.68
18	Aug Year 9	879,250.68	12,573.28	8,172.43	1,538.69	22,284.40	871,078.25
19	Feb Year 10	871,078.25	12,456.42	8,303.59	1,524.39	22,284.40	862,774.66
20	Aug Year 10	862,774.66	12,337.68	8,436.86	1,509.86	22,284.40	854,337.80
21	Feb Year 11	854,337.80	12,217.03	8,572.28	1,495.09	22,284.40	845,765.52
22	Aug Year 11	845,765.52	12,094.45	8,709.86	1,480.09	22,284.40	837,055.66
23	Feb Year 12	837,055.66	11,969.90	8,849.65	1,464.85	22,284.40	828,206.01
24	Aug Year 12	828,206.01	11,843.35	8,991.69	1,449.36	22,284.40	819,214.32
25	Feb Year 13	819,214.32	11,714.76	9,136.01	1,433.63	22,284.40	810,078.31
26	Aug Year 13	810,078.31	11,584.12	9,282.64	1,417.64	22,284.40	800,795.67
27	Feb Year 14	800,795.67	11,451.38	9,431.63	1,401.39	22,284.40	791,364.04
28	Aug Year 14	791,364.04	11,316.51	9,583.00	1,384.89	22,284.40	781,781.04
29	Feb Year 15	781,781.04	11,179.47	9,736.81	1,368.12	22,284.40	772,044.23
30	Aug Year 15	772,044.23	11,040.23	9,893.09	1,351.08	22,284.40	762,151.14
31	Feb Year 16	762,151.14	10,898.76	10,051.88	1,333.76	22,284.40	752,099.26
32	Aug Year 16	752,099.26	10,755.02	10,213.21	1,316.17	22,284.40	741,886.05
33	Feb Year 17	741,886.05	10,608.97	10,377.13	1,298.30	22,284.40	731,508.92
34	Aug Year 17	731,508.92	10,460.58	10,543.68	1,280.14	22,284.40	720,965.24
35	Feb Year 18	720,965.24	10,309.80	10,712.91	1,261.69	22,284.40	710,252.33
36	Aug Year 18	710,252.33	10,156.61	10,884.85	1,242.94	22,284.40	699,367.48
37	Feb Year 19	699,367.48	10,000.95	11,059.56	1,223.89	22,284.40	688,307.92
38	Aug Year 19	688,307.92	9,842.80	11,237.06	1,204.54	22,284.40	677,070.86
39	Feb Year 20	677,070.86	9,682.11	11,417.42	1,184.87	22,284.40	665,653.44
40	Aug Year 20	665,653.44	9,518.84	11,600.67	1,164.89	22,284.40	654,052.77
41	Feb Year 21	654,052.77	9,352.95	11,786.86	1,144.59	22,284.40	642,265.91
42	Aug Year 21	642,265.91	9,184.40	11,976.03	1,123.97	22,284.40	630,289.88
43	Feb Year 22	630,289.88	9,013.15	12,168.24	1,103.01	22,284.40	618,121.64
44	Aug Year 22	618,121.64	8,839.14	12,363.55	1,081.71	22,284.40	605,758.09

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AUG 02 2019

45	Feb Year 23	605,758.09	8,662.34	12,561.98	1,060.08	22,284.40	593,196.11
46	Aug Year 23	593,196.11	8,482.70	12,763.61	1,038.09	22,284.40	580,432.50
47	Feb Year 24	580,432.50	8,300.18	12,968.46	1,015.76	22,284.40	567,464.04
48	Aug Year 24	567,464.04	8,114.74	13,176.60	993.06	22,284.40	554,287.44
49	Feb Year 25	554,287.44	7,926.31	13,388.09	970.00	22,284.40	540,899.35
50	Aug Year 25	540,899.35	7,734.86	13,602.97	946.57	22,284.40	527,296.38
51	Feb Year 26	527,296.38	7,540.34	13,821.29	922.77	22,284.40	513,475.09
52	Aug Year 26	513,475.09	7,342.69	14,043.13	898.58	22,284.40	499,431.96
53	Feb Year 27	499,431.96	7,141.88	14,268.51	874.01	22,284.40	485,163.45
54	Aug Year 27	485,163.45	6,937.84	14,497.52	849.04	22,284.40	470,665.93
55	Feb Year 28	470,665.93	6,730.52	14,730.21	823.67	22,284.40	455,935.72
56	Aug Year 28	455,935.72	6,519.88	14,966.63	797.89	22,284.40	440,969.09
57	Feb Year 29	440,969.09	6,305.86	15,206.84	771.70	22,284.40	425,762.25
58	Aug Year 29	425,762.25	6,088.40	15,450.92	745.08	22,284.40	410,311.33
59	Feb Year 30	410,311.33	5,867.45	15,698.91	718.04	22,284.40	394,612.42
60	Aug Year 30	394,612.42	5,642.96	15,950.87	690.57	22,284.40	378,661.55
61	Feb Year 31	378,661.55	5,414.86	16,206.88	662.66	22,284.40	362,454.67
62	Aug Year 31	362,454.67	5,183.10	16,467.00	634.30	22,284.40	345,987.67
63	Feb Year 32	345,987.67	4,947.62	16,731.30	605.48	22,284.40	329,256.37
64	Aug Year 32	329,256.37	4,708.37	16,999.83	576.20	22,284.40	312,256.54
65	Feb Year 33	312,256.54	4,465.27	17,272.68	546.45	22,284.40	294,983.86
66	Aug Year 33	294,983.86	4,218.27	17,549.91	516.22	22,284.40	277,433.95
67	Feb Year 34	277,433.95	3,967.31	17,831.58	485.51	22,284.40	259,602.37
68	Aug Year 34	259,602.37	3,712.31	18,117.79	454.30	22,284.40	241,484.58
69	Feb Year 35	241,484.58	3,453.23	18,408.57	422.60	22,284.40	223,076.01
70	Aug Year 35	223,076.01	3,189.99	18,704.03	390.38	22,284.40	204,371.98
71	Feb Year 36	204,371.98	2,922.52	19,004.23	357.65	22,284.40	185,367.75
72	Aug Year 36	185,367.75	2,650.76	19,309.25	324.39	22,284.40	166,058.50
73	Feb Year 37	166,058.50	2,374.64	19,619.16	290.60	22,284.40	146,439.34
74	Aug Year 37	146,439.34	2,094.08	19,934.05	256.27	22,284.40	126,505.29
75	Feb Year 38	126,505.29	1,809.03	20,253.99	221.38	22,284.40	106,251.30
76	Aug Year 38	106,251.30	1,519.39	20,579.07	185.94	22,284.40	85,672.23
77	Feb Year 39	85,672.23	1,225.11	20,909.36	149.93	22,284.40	64,762.87
78	Aug Year 39	64,762.87	926.11	21,244.95	113.34	22,284.40	43,517.92
79	Feb Year 40	43,517.92	622.31	21,585.93	76.16	22,284.40	21,931.99
80	Aug Year 40	21,931.99	314.03	21,931.99	38.38	22,284.40	0.00

Totals	Interest	Principal	Service Fee	Total Debt Service
	697,405.25	1,000,000.00	85,346.75	1,782,752.00

APPROVED

AUG 02 2019

DIVISION OF THE BUDGET

