

**CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (I-Bank)
 INFRASTRUCTURE STATE REVOLVING FUND (ISRF) PROGRAM**

MODIFICATION TO I-BANK FINANCING AGREEMENT

MODIFICATION REQUEST NO. 4

The County of Kern (County) submitted a written request (Request) dated February 17, 2013, to prepay its August 2013 principal payment (Attachment 1).

BACKGROUND

Borrower	County of Kern
Project Name	Kern County Supervisorial District 5 Curb, Gutter, and Drainage Improvements Project (Project)
Original Use of Proceeds	Construction of approximately 52,715 linear feet of curbs, gutters, and drainage improvements plus title costs, project management, and I-Bank origination fee.
I-Bank Board Approval Date	October 24, 2006
I-Bank Board Resolution No.	06-40
Agreement Type	Facility Lease
Effective Date Original Agreement	March 1, 2007
Original Financing Amount	\$7,200,000
Interest Rate	2.66%
Term	20 years
Original Final Disbursement Deadline	November 14, 2008
Disbursement Status	Fully disbursed
Payment Made as Agreed	Yes
Last Fiscal Year Monitored	2011-12
In Compliance with Loan Agreement	Yes

Project Description

The Project consists of curb, gutter drainage improvements, and other street-related improvements in three low and moderate income residential areas currently lacking such improvements: East Bakersfield, Lamont, and Descanso Park. The Project will improve public safety for pedestrians and vehicles, control soil erosion, reduce dust and improve neighborhood appearance.

Prior Amendments

Modification No.	1
Agreement Amendment No.	1
Effective Date of Amendment	June 19, 2007
Description of Amendment	Modified Project description and Sources and Uses table. Added a fourth component area (La Loma) and added construction of sidewalks to all four Project component areas. Modified Sources and Uses table, increased County's contribution.
Modification No.	2
Agreement Amendment No.	2
Effective Date of Amendment	November 14, 2008
Description of Amendment	Extended final disbursement from November 14, 2008 to June 30, 2009 to accommodate Project delays due to: (1) adding sidewalks; (2) adding fourth project component.
Modification No.	3
Agreement Amendment No.	3
Effective Date of Amendment	November 1, 2009
Description of Amendment	Extended final disbursement to September 30, 2009 to allow give County time to submit final invoices. Reduce loan amount to \$7,156,602.78.

ANALYSIS OF PROPOSED MODIFICATION

The County explains in its Request that each year it receives an allocation of U.S. Department of Housing and Urban Development (HUD), Community Development Block Grant (CDBG) funds. HUD-eligible activities are identified, budgeted, and included in the County's Annual Action Plan, including activities for the "Reimbursement for pre-award costs." HUD has approved the use of a portion of its CDBG grant award (Grant) to reimburse the County General Fund for I-Bank loan payments, as a pre-award cost.

In connection with the approval of the original financing, the I-Bank's General Counsel determined that the County's use of Grant funds to reimburse its General Fund for I-Bank payments was not a prohibited activity.

The County disclosed the following in Sections 1(g) and (h) of its Resolution No. 2007-018, Exhibit C of the Facility Lease (Lease), (Attachment 2):

(g) Annually the County will include in its General Fund budget payments to California Infrastructure and Economic Development Bank; and

(h) Supervisorial District 5 Community Development Block Grant funds will reimburse the General Fund for payments to California Infrastructure and Economic Development Bank and other finance costs, if any.

Grant covenants require the County to spend down its HUD Letter of Credit balance to no more than 1.5 times its current Grant award, as measured on or about April 30 each year. To help meet this goal, the County requests to pay its August 1, 2013 I-Bank loan principal payment on March 27, 2013 (Prepayment) and to leave the amortization schedule after August 1, 2013 unchanged. The County agendaized a budget transfer request as a consent item at its March 19, 2013, Board of Supervisor's meeting (Attachment 3).

Section 5.05(a) of the Lease allows for Prepayment of the Lease.

SECTION 5.05. Prepayment of Base Rental Payments.

(a) Lessee may at any time request Lessor's approval for Lessee to prepay all or a portion of the principal component of Base Rental Payments. A request for reduction in the Project Amount is a request for a prepayment. The Lessor shall promptly respond to any such request, and shall make every effort to accommodate the request, subject to the prepayment restrictions of the Secured Bonds.

The effective date of the Lease is March 1, 2007, approximately 6 years ago. Section 5.05(b) of the Lease provides the following as to prepayment penalties:

(b) Notwithstanding subsection (a), Lessee shall be authorized to prepay all or a portion of the principal amount of Base Rental Payments, as follows: (i) If the prepayment date is on or after ten years after the Effective Date but prior to eleven years after the Effective Date, the prepayment amount shall be one hundred two percent (102%) of the outstanding principal amount; (ii) if the prepayment date is on or after eleven years after the Effective Date, but prior to twelve years after the Effective Date, the prepayment amount shall be one hundred one percent (101%) of the outstanding principal amount; and (iii) if the prepayment date is on or after twelve years after the Effective Date, the prepayment amount shall be one hundred percent (100%) of the outstanding principal amount, without premium. Lessee shall notify the Lessor at least sixty (60) days prior the date fixed for any prepayment made pursuant to this subsection (b).

Section 5.05(d) requires an additional prepayment notification to the I-Bank at least forty-five (45) days prior to any repayment or prepayment of the Lease.

It has been the I-Bank's practice to date to accommodate borrower prepayment requests. Staff recommends that, for this one prepayment only, the notification and prepayment requirements be waived.

The County's scheduled payments are due February 1 and August 1 of each year until the final payment is received on August 1, 2026. Interest payments are due each February 1 and August 1; principal and additional rental payments (Annual Fee) are due each August 1. The Annual Fee is calculated on the outstanding principal balance as of July 1, the first day of the month prior to the month in which the scheduled principal payment is due.

If the Request is approved, the County will make its scheduled August 1, 2013 principal payment approximately four months early, which requires adjusting the semi-annual interest payment as well as the annual additional rental payment. Interest accrued on the current principal balance of \$5,601,363.43 from February 1, 2013 through March 26, 2013 (56 days) is \$23,177.20. The County has agreed to pay this amount in addition to the Prepayment on March 27, 2013.

Interest from March 27, 2013 through July 31, 2013 (124 days) on the then outstanding principal balance of \$5,265,912.98 is \$48,247.46. Since the Annual Fee is calculated on the outstanding principal balance as of July 1, and the principal balance will be reduced as a result of the Prepayment; the Annual Fee will also be reduced from the scheduled \$16,804.09 to \$15,797.74 (Adjusted Annual Fee). The County will pay the interest accrued from March 27, 2013 through July 31, 2013 and the Adjusted Annual Fee on August 1, 2013.

These adjustments reduce the total amount of interest the County will pay on the Lease by \$3,073.47, and the total amount of additional rental payment by \$1,006.35; for a total reduction of revenue to the I-Bank in the amount of \$4,079.82, all incurred in the current accounting cycle. The following table demonstrates the calculations discussed above:

		Interest Rate	Days	Interest	Additional Rental Payment	
Scheduled 1-Aug-2013				\$74,498.13	\$16,804.09	
Current Principal Balance	\$5,601,363.43	2.66%	56	\$23,177.20		
Principal Balance After March 27, 2013 Payment	\$5,265,912.98	2.66%	124	\$48,247.46	\$15,797.74	
Revenue Lost to I-Bank				\$3,073.47	\$1,006.35	\$4,079.82

Granting the Request will help the County meet its Grant spend-down covenant. During a telephone conversation, County staff stated that they expect such a request to be a one-time event.

To accommodate the Prepayment, staff has prepared the County's Revised Amortization Schedule (Attachment 4) and a 2008 Series Revised Coverage Table (Attachment 5).

Project and Cost Eligibility

Not applicable.

Project and Cost Eligibility

Not applicable. The Project is complete.

Tax-Exempt Status

No impact.

Loan Underwriting Criteria

Not applicable.

Other Funding Sources/Project Financial Feasibility

Not applicable.

Compliance with Series 2008 ISRF Bonds

The Agreement is pledged to the Series Indenture for the 2008 ISRF Revenue Bonds. Section 607, Release, Addition and Amendment of 2008 Pledged Obligations, subsection (b) of the Indenture states that the I-Bank (Issuer) may amend the payment provisions of any 2008 Agreement if, prior to such amendment, the Issuer delivers to the Trustee and each Rating Agency an Officer's Certificate that demonstrates compliance with the Coverage Test after taking into effect the amendment. As long as the Issuer complies with the immediately preceding sentence, the Issuer may amend any of the other provisions of any 2008 Agreement in its discretion.

The proposed modification will impact the payment provisions. Pursuant to the 2008 Series Revised Coverage Table, the coverage test is met; therefore, this modification is allowable. An Officer's Certificate will be sent to the Trustee and each Rating Agency.

California Environmental Quality Act (CEQA)

Not applicable.

LEGAL ISSUES

Legal Agreement Modifications

The proposed modification will result in the Fourth Amendment (Amendment) to the Facility Lease and will include: (1) a waiver of the prepayment requirements set forth in Section 5.05(b) of the Facility Lease, (2) a waiver of Sections 5.05(b) and 5.05(d) of the Facility Lease requiring the County to notify the I-Bank 45-60 days before making any prepayment, and (3) a revised amortization schedule to reflect the Prepayment. The Amendment will not be recorded.

BORROWER'S AUTHORIZATION

A new County resolution is not required for this modification.

OTHER ISSUES

None.

APPROVAL AUTHORIZATION

Pursuant to Resolution 12-08 adopted by the I-Bank Board on October 9, 2012, the I-Bank's Executive Director has been delegated the authority to amend or modify financing documents associated with the ISRF Program Loans so long as such proposed amendment (A) is consistent with the intent of the Board resolution that approved the initial ISRF Program Loan; (B) is approved by counsel to the I-Bank and (C) does not involve any of the following: (1) any increase in the principal amount of the ISRF Program Loan; (2) any extension of the final maturity date; (3) any change in the security pledged to repay the ISRF Program Loan; (4) any change in the interest rate. The proposed waivers and modifications recommended herein fall within the Executive Director's approval authority pursuant to Resolution 12-08.

As assignee of the Executive Director, the Assistant Executive Director has the authority to grant the proposed waivers and modifications pursuant to an Executive Director Assignment dated December 12, 2012.

STAFF RECOMMENDATION

Staff determined that the Request is reasonable, is consistent with current ISRF Program Criteria, Priorities and Guidelines, and recommends approval of the Request discussed herein.

ATTACHMENTS

- Attachment 1 County's Request
- Attachment 2 County's Resolution 2007-018
- Attachment 3 County's March 19, 2013 Consent Item
- Attachment 4 County's Revised Amortization Schedule
- Attachment 5 2008 Series Revised Coverage Table

Prepared by:  3/26/13
John Belmont, ISRF Program Municipal Finance Officer Date

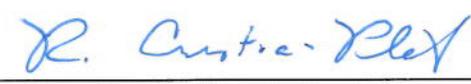
Reviewed by:  3/26/13
Diane Cummings, ISRF Support Unit Manager Date
 Modified Amortization Schedule Approved, if applicable
Comments:

Reviewed by:  3/26/13
Carlos Nakata, ISRF Program Manager Date
 Modified Amortization Schedule Approved, if applicable
Comments:

Reviewed by:  3/26/13
Tom Tengan, Sr. Staff Counsel Date
Comments:

Reviewed for Delegation by:  3/26/13
Marilyn Munoz, General Counsel Date
 The modification request falls within the authority delegated to the Executive Director. I-Bank Board consideration and approval is not required.
 The modification request does not fall within the delegated authority of the I-Bank Executive Director, and Board consideration and approval of the request is required.
Comments:

As to Delegation only

Reviewed by:  3/26/13
Roma Cristia-Plant, Asst. Executive Director, *as* Date
Comments: *assignee for the Executive Director*

Attachment 1 County's Request

From: Paul Sippel [mailto:paul@co.kern.ca.us]
Sent: Sunday, February 17, 2013 6:00 PM
To: Cummings, Diane
Cc: Bob Poteet; DJ Whipple; Belmont, John
Subject: Re: Early Payment

Diane,

Out of its General Fund, the County budgets and appropriates Base Rental Payments and Additional Rental Payments each year as is required by the Facility Lease (CIEDB B05-074). Each February 1 and August 1 the General Fund pays I-Bank for amounts then due.

Also each year, the County applies for, and historically has received, an allocation of U.S. Department of Housing and Urban Development (HUD), Community Development Block Grant (CDBG) funds. HUD-eligible activities are identified, budgeted, and included in the County's Annual Action Plan including activities for the "Reimbursement for pre-award costs." HUD has approved the County to use a portion of its CDBG grant award to reimburse the County General Fund for I-Bank "loan payments" made – a pre-award cost. This is also described in Exhibit C of the Facility Lease, County Resolution No. 2007-018, Section 1 (g) and (h).

For the CDBG Program, the County is required to reduce its HUD Letter of Credit balance to no more than 1.5 times its current grant award. This is measured on or about April 30 of each year. The County's current FY 2012-2013 CDBG grant award is \$4,515,076. As of February 13, 2013, the County's Letter of Credit balance is \$7,892,270.31 which is 1.748 times the current grant award ($\$7,892,270.31/\$4,515,076$).

To help reduce the County's Letter of Credit balance, it is the County's desire to increase the General Fund appropriation for the I-Bank "loan payment" and advance to I-Bank the August 1, 2013, payment using General Fund monies on or about April 15, 2013, (earlier if possible). Ideally the amount of this payment would be for the Principal Component (\$335,450.45) of the amount due pursuant to Section 5.05 of the Facility Lease; however, interest and/or additional rental payment can be included (\$91,302.22) if necessary.

If I-Bank will allow the early payment (about 3.5 months prior to the actual due date), and the County thereafter draws down its CDBG funds to reimburse the General Fund expenditure, the County's HUD Letter of Credit balance will be reduced to \$7,556,819.86 which is 1.67 times the current grant award. By April 30, 2013, the County estimates that it will draw down \$929,001 of the HUD Letter of Credit as a result of 24 other HUD-funded projects that are undergoing design and/or construction. By drawing down the Letter of Credit by this amount plus an amount equal to the August 1, I-Bank loan payment, the County expects to reduce its Letter of Credit balance to \$6,627,818.86 ($\$7,892,270.31 - \$335,450.45 - \$929,001.00$) which is 1.46 times the current grant award and is safely below HUD's requirement that this amount not exceed 1.5.

Without the early, General Fund payment of the August 1, 2013, I-Bank loan amount due, and the subsequent and separate event thereafter of drawing down CDBG funds in this same amount, the County will not achieve its 1.5 draw down as required by HUD.

Reimbursement of the County's General Fund is not the only project where the County expects to draw down CDBG funds. There are 24 other CDBG projects, and staff is diligently pushing them for CDBG draw down. The responsible entity for overseeing a CDBG project's design or construction is a city, County department, utility district, or nonprofit corporation. Additionally, many projects involve retrofit construction where it is not uncommon to experience delay because of discoveries made during construction (e.g., an unmapped gas line discovered in an old County park during excavation for a children's water spray park). Furthermore, the County's annual CDBG grant has been reduced in the last three consecutive years. The mathematical effect of this is to increase the amount of CDBG funds that must be spent during the period to achieve the 1.5 or less draw down ratio.

Steps taken by staff to help address these problems include: 1) encouraging the Kern County Board of Supervisors and the County's six Co-operative Agreement Cities to choose projects that can be implemented relatively quickly, and 2) regularly following up on existing projects through monthly meetings and other means. It is our hope that this request to I-Bank for an early "loan payment" will be the only time that the County makes such a request. We believe that our current approach to choosing projects and managing them will better ensure sufficient draw down of CDBG funds in the future; however, we are aware that we may be further challenged should future CDBG grant awards be reduced yet again. Any reduction in the County's CDBG grant award in the future will have no bearing on payments due I-Bank. All "loan payments" due I-Bank have been and continue to be paid from the County's General Fund.

Our objective is to pay the County's August 1, 2013, obligation (all or part) through the County's General Fund on or about April 15, 2013 (earlier if possible), and continue with the remainder of the amortization schedule as is.

We very much appreciate your consideration of our request. Please advise us if you have any further questions.

I will be out of the office on Tuesday, February 19, but will return on Wednesday, February 20.

Thanks,

Paul

Paul Sippel, Planner III
County of Kern
Planning and Community Development
2700 "M" Street, Suite 250
Bakersfield, CA 93301
661-862-5029
FAX 661-862-5052
paul@co.kern.ca.us

**Attachment 2
County's Resolution 2007-018
and Exhibit C of the Facility Lease**

BEFORE THE BOARD OF SUPERVISORS

COUNTY OF KERN, STATE OF CALIFORNIA

In the matter of:

Resolution No. 2007-018

REQUEST TO ADOPT RESOLUTION APPROVING FINANCING
DOCUMENTS AND AUTHORIZING THEIR EXECUTION FOR
SUPERVISORIAL DISTRICT 5 CURB, GUTTER, AND DRAINAGE
IMPROVEMENTS PROJECT

I, DENISE PENNELL, Clerk of the Board of Supervisors of the County of Kern, State of California, hereby certify that the following resolution, on motion of Supervisor Rubio, seconded by Supervisor Watson, was duly and regularly adopted by the Board of Supervisors of the County of Kern at an official meeting thereof on the 23rd day of January, 2007, by the following vote and that a copy of the resolution has been delivered to the Chairman of the Board of Supervisors.

AYES: McQuiston, Mahen, Maggard, Watson, Rubio

NOES: None

ABSENT: None



DENISE PENNELL,
Clerk of the Board of Supervisors
County of Kern, State of California

Judy A. Peterson
Deputy Clerk

RESOLUTION

Section 1. WHEREAS:

(a) On October 24, 2006, the California Infrastructure and Economic Development Bank approved Infrastructure State Revolving Fund program financing not to exceed \$7.2 million for the County of Kern; and

(b) Loan proceeds will be used to finance the construction of approximately ten (10) miles of curb, gutter, and drainage improvements in three (3), unincorporated, noncontiguous neighborhoods within Supervisorial District 5; and

(c) Terms and conditions of I-Bank's financing are included in the Site Lease ("Site Lease") and Facility Lease ("Facility Lease") by and between the County of Kern and the California Infrastructure and Economic Development Bank; and

2007-018

(d) The Site Lease provides for the lease of the County's Fire Administration and Shop buildings located at 5642 Victor Street, Bakersfield, to California Infrastructure and Economic Development Bank for one dollar; and

(e) The Facility Lease provides for the County to lease back these properties for annual payments comprising principal, interest, and "additional rental payment" for a period of twenty (20) years and includes other financing terms and conditions; and

(f) Roads Department will draw down loan proceeds during the course of construction of the improvements; and

(g) Annually the County will include in its General Fund budget payments to California Infrastructure and Economic Development Bank; and

(h) Supervisorial District 5 Community Development Block Grant funds will reimburse the General Fund for payments to California Infrastructure and Economic Development Bank and other finance costs, if any.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Supervisors of the County of Kern, State of California, as follows:

1. The Chairman of the Board of Supervisors is authorized and directed to execute and deliver the Facility Lease (the "Facility Lease") and the Site Lease (the "Site Lease") proposed to be entered into by the County of Kern and the California Infrastructure and Economic Development Bank, for and on behalf of the County of Kern. As executed and delivered, such documents shall be in substantially the form presented at this meeting, with such minor additions thereto or minor changes therein as the officers executing such document shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

2. The County Administrative Officer, Road Commissioner, County Counsel, Clerk of the Board of Supervisors, and Director of Community and Economic Development are hereby each authorized and directed, in the name and on behalf of the County of Kern, to take any and all steps and to execute and deliver any and all certificates, contracts and other documents which they deem necessary or appropriate in order to consummate the delivery of the Facility Lease and the Site Lease and otherwise to effectuate the purposes of this resolution, including the execution of a tax certificate, and such actions previously taken by the employees of the Lessee are hereby ratified and confirmed.

3. This resolution shall take effect from and after its passage, approval and adoption.

4. The Clerk of the Board of Supervisors is directed to provide copies of this Resolution to the following County officers:

(a) County Administrative Officer

Attachment 3
County's March 19, 2013 Consent Item

From: Paul Sippel [<mailto:paul@co.kern.ca.us>]
Sent: Thursday, March 14, 2013 2:59 PM
To: Cummings, Diane
Subject: CIEDB B05-074

Diane,

Attached below is the budget transfer request for Board of Supervisors approval on Tuesday, March 19, 2013. It is a Consent Agenda item meaning that it is non-controversial. There is no expectation that this request will not be approved.

As previously discussed, we would like a DATE CERTAIN of March 27, 2013, for early payment.

Please advise us as to the actual amount that will be due and payable on March 27, 2013.

We very much appreciate the help and assistance with this special request by you and other I-Bank staff.

Paul

Paul Sippel, Planner III
County of Kern
Planning and Community Development
2700 "M" Street, Suite 250
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661-862-5029
FAX 661-862-5052
paul@co.kern.ca.us

Kern County Administrative Office



County Administrative Center

1115 Truxtun Avenue, Fifth Floor • Bakersfield, CA 93301-4639
Telephone 661-868-3198 • FAX 661-868-3190 • TTY Relay 800-735-2929

JOHN NILON
County Administrative Officer

March 19, 2013

Board of Supervisors
Kern County Administrative Center
1115 Truxtun Avenue
Bakersfield, CA 93301

**REQUEST TO APPROPRIATE UNANTICIPATED REVENUE FROM THE COMMUNITY
DEVELOPMENT BLOCK GRANT FOR LEASE FINANCE PAYMENT TO THE CALIFORNIA
INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK**

Fiscal Impact: \$409,949; CDBG; Not Budgeted; Discretionary

On March 1, 2007, your Board authorized an agreement, as amended with the California Infrastructure and Economic Development Bank (I-Bank) to finance the cost of the Supervisorial District 5 curb, gutters and drainage improvement project. The I-Bank loan was structured as a financing lease. The County leased its Fire Administration and Shop building located at 5642 Victor Street, Bakersfield, to I-Bank; the County leases back these properties for payments of principal and interest of approximately \$550,000 annually. Payments are made to I-Bank through the County General Fund and reimbursement is then obtained from Community Development Block Grant funds.

The Planning and Community Development Department has informed the County Administrative Office of \$409,949 available from U.S. Department of Housing and Urban Development Community Development Grant allocated to Supervisorial District 5 that must be spent prior to April 15, 2013, which can be used to prepay the August 1, 2013 payment on the lease. In order to process the payment, it is necessary to appropriate the unanticipated revenue in budget unit 8120, in the amounts of \$335,450 and \$74,499 to accounts 7991 and 7993 respectively. The revenue estimate should be established in revenue account 5497.

Therefore, IT IS RECOMMENDED that your Board approve the appropriation of unanticipated revenue in the amount of \$409,949 from the Community Development Block Grant and authorize the Auditor-Controller to process the specified budgetary adjustments and accounting transactions.

Sincerely,

A handwritten signature in black ink, appearing to read "John Nilon".

John Nilon
County Administrative Officer

IN/EM/BUDEFIS IBank Unanticipated Rev.doc
Attachment

cc: Auditor-Controller-County Clerk
Planning and Community Development Department

Attachment 4 County's Revised Amortization Schedule

Payment Date	Principal Balance	Principal Component	Interest Component	Base Rental Payment	Additional Rental Payment	Total Payment	Total Payment Fiscal Year Ending 30-Jun
1-Mar-2007	\$7,200,000.00						
1-Aug-2007			\$79,800.00	\$79,800.00	\$21,600.00	\$101,400.00	
1-Feb-2008			\$95,760.00	\$95,760.00		\$95,760.00	\$197,160.00
1-Aug-2008	\$6,903,866.73	\$296,133.27	\$95,760.00	\$391,893.27	\$21,600.00	\$413,493.27	
1-Feb-2009			\$91,821.43	\$91,821.43		\$91,821.43	\$505,314.70
1-Aug-2009	\$6,599,856.32	\$304,010.41	\$91,821.43	\$395,831.84	\$20,711.60	\$416,543.44	
1-Nov-2009	\$6,556,459.10					\$0.00	
1-Feb-2010			\$87,489.50	\$87,489.50		\$87,489.50	\$504,032.95
1-Aug-2010	\$6,246,414.20	\$310,044.90	\$87,200.91	\$397,245.81	\$19,669.38	\$416,915.19	
1-Feb-2011			\$83,077.31	\$83,077.31		\$83,077.31	\$499,992.50
1-Aug-2011	\$5,928,122.10	\$318,292.10	\$83,077.31	\$401,369.41	\$18,739.24	\$420,108.65	
1-Feb-2012			\$78,844.02	\$78,844.02		\$78,844.02	\$498,952.67
1-Aug-2012	\$5,601,363.43	\$326,758.67	\$78,844.02	\$405,602.69	\$17,784.37	\$423,387.06	
1-Feb-2013			\$74,498.13	\$74,498.13		\$74,498.13	
27-Mar-2013	\$5,265,912.98	\$335,450.45	\$23,177.20	\$358,627.65		\$358,627.65	\$856,512.84
1-Aug-2013			\$48,247.46	\$48,247.46	\$15,797.74	\$64,045.20	
1-Feb-2014			\$70,036.64	\$70,036.64		\$70,036.64	\$134,081.85
1-Aug-2014	\$4,921,539.55	\$344,373.43	\$70,036.64	\$414,410.07	\$15,797.74	\$430,207.81	
1-Feb-2015			\$65,456.48	\$65,456.48		\$65,456.48	\$495,664.29
1-Aug-2015	\$4,568,005.79	\$353,533.76	\$65,456.48	\$418,990.24	\$14,764.62	\$433,754.86	
1-Feb-2016			\$60,754.48	\$60,754.48		\$60,754.48	\$494,509.34
1-Aug-2016	\$4,205,068.02	\$362,937.76	\$60,754.48	\$423,692.24	\$13,704.02	\$437,396.26	
1-Feb-2017			\$55,927.40	\$55,927.40		\$55,927.40	\$493,323.66
1-Aug-2017	\$3,832,476.12	\$372,591.91	\$55,927.40	\$428,519.31	\$12,615.20	\$441,134.52	
1-Feb-2018			\$50,971.93	\$50,971.93		\$50,971.93	\$492,106.45
1-Aug-2018	\$3,449,973.26	\$382,502.85	\$50,971.93	\$433,474.78	\$11,497.43	\$444,972.21	
1-Feb-2019			\$45,884.64	\$45,884.64		\$45,884.64	\$490,856.86
1-Aug-2019	\$3,057,295.84	\$392,677.43	\$45,884.64	\$438,562.07	\$10,349.92	\$448,911.99	
1-Feb-2020			\$40,662.03	\$40,662.03		\$40,662.03	\$489,574.03
1-Aug-2020	\$2,654,173.19	\$403,122.65	\$40,662.03	\$443,784.68	\$9,171.89	\$452,956.57	
1-Feb-2021			\$35,300.50	\$35,300.50		\$35,300.50	\$488,257.07
1-Aug-2021	\$2,240,327.48	\$413,845.71	\$35,300.50	\$449,146.21	\$7,962.52	\$457,108.73	
1-Feb-2022			\$29,796.36	\$29,796.36		\$29,796.36	\$486,905.09
1-Aug-2022	\$1,815,473.48	\$424,854.01	\$29,796.36	\$454,650.36	\$6,720.98	\$461,371.34	
1-Feb-2023			\$24,145.80	\$24,145.80		\$24,145.80	\$485,517.14
1-Aug-2023	\$1,379,318.35	\$436,155.12	\$24,145.80	\$460,300.92	\$5,446.42	\$465,747.34	
1-Feb-2024			\$18,344.93	\$18,344.93		\$18,344.93	\$484,092.27
1-Aug-2024	\$931,561.51	\$447,756.85	\$18,344.93	\$466,101.78	\$4,137.96	\$470,239.74	
1-Feb-2025			\$12,389.77	\$12,389.77		\$12,389.77	\$482,629.51
1-Aug-2025	\$471,894.33	\$459,667.18	\$12,389.77	\$472,056.95	\$2,794.68	\$474,851.63	
1-Feb-2026			\$6,276.19	\$6,276.19		\$6,276.19	\$481,127.83
1-Aug-2026	\$0.00	\$471,894.33	\$6,276.19	\$478,170.52	\$1,415.68	\$479,586.20	\$479,586.20
	Total Payments:	\$7,156,602.79	\$2,131,313.05	\$9,287,915.84	\$252,281.38	\$9,540,197.22	\$9,540,197.22

Attachment 5 2008 Series Revised Coverage Table

CASH FLOW SCHEDULE FOR SERIES 2008 BONDS AS OF MARCH 27, 2013							
Infrastructure State Revolving Fund Revenue Bonds, Series 2008							
Date (as of October 1)	2008 Pledged Obligation Repayments	2008 Reserve Account Earnings(1)	Principal	Interest	Annual Debt Service	Debt Service Coverage from 2008 Pledged Obligations(2)	2008 Bonds Coverage Amount(3)(4)
2013	5,192,199	14,876	2,300,000	1,721,004	4,021,004	1.29	1,186,071
2014	5,195,082	14,496	2,360,000	1,661,204	4,021,204	1.30	1,188,374
2015	5,194,886	14,081	2,455,000	1,566,804	4,021,804	1.30	1,187,162
2016	5,194,683	13,626	1,595,000	1,494,381	3,089,381	1.69	2,118,928
2017	5,194,474	13,400	1,655,000	1,430,581	3,085,581	1.69	2,122,293
2018	5,194,259	13,151	1,725,000	1,364,381	3,089,381	1.69	2,118,029
2019	5,194,036	12,873	1,790,000	1,295,381	3,085,381	1.69	2,121,528
2020	5,193,807	12,564	1,880,000	1,205,881	3,085,881	1.69	2,120,490
2021	5,009,338	12,217	1,820,000	1,130,681	2,950,681	1.70	2,070,874
2022	4,859,465	11,875	1,780,000	1,057,881	2,837,881	1.72	2,033,459
2023	4,693,973	11,533	1,730,000	982,231	2,712,231	1.73	1,993,275
2024	4,196,299	11,194	1,815,000	895,731	2,710,731	1.55	1,496,762
2025	4,196,031	10,800	1,895,000	816,325	2,711,325	1.55	1,495,506
2026	4,040,818	10,333	1,865,000	731,050	2,596,050	1.56	1,455,102
2027	3,556,149	9,842	1,580,000	647,125	2,227,125	1.60	1,338,865
2028	3,366,926	9,481	1,510,000	576,025	2,086,025	1.62	1,290,382
2029	3,366,688	9,135	1,580,000	505,163	2,085,163	1.62	1,290,660
2030	3,366,443	8,689	1,540,000	430,113	1,970,113	1.71	1,405,019
2031	3,366,189	8,209	1,615,000	356,963	1,971,963	1.71	1,402,435
2032	2,806,596	7,286	1,270,000	280,250	1,550,250	1.82	1,263,632
2033	2,635,297	6,682	1,205,000	216,750	1,421,750	1.86	1,220,229
2034	2,635,062	5,953	1,110,000	156,500	1,266,500	2.09	1,374,514
2035	2,129,884	5,108	985,000	101,000	1,086,000	1.97	1,048,991
2036	<u>1,616,972</u>	<u>1,091,858</u>	<u>1,035,000</u>	<u>51,750</u>	<u>1,086,750</u>	2.49	<u>1,622,080</u>
TOTAL	97,395,555	1,339,261	40,095,000	20,675,155	60,770,155		37,964,661

(1)Assumes 2008 Reserve Account earnings at 0.47% per annum. The 2008 Reserve Account earnings include liquidation of the 2008 Reserve Account at maturity, and account for reductions in the amounts invested in the 2008 Reserve Account over time due to changes in the Reserve Requirement. As of 8/31/12, the 2008 Reserve Account was principally invested in U.S. Treasury Notes.

(2)Debt service coverage calculations include estimated earnings from the 2008 Reserve Account.

(3)Available for transfer to the Cross Collateral Account under the Master Indenture, after replenishment of reserves, payment of administrative expenses and rebate amounts.

(4)Totals may not add due to rounding.