

Approved March 22, 1988
Date

MINUTES OF THE Senate COMMITTEE ON Local Government

The meeting was called to order by Senator Don Montgomery at
Chairperson

9:11 a.m./p.m. on March 15, 1988 in room 531-N of the Capitol.

All members were present except:

Committee staff present: Mike Heim, Emalene Correll, Theresa Kiernan and Lila
McClaflin

Conferees appearing before the committee:

Senator Dan Thiessen
Dave Malone, Big Hill Public Wholesale Water Supply District #4 and Mid-
Continent Investments, Inc., Wichita, Ks.

The Chairman announced the hearing on H.B. 2718 had been cancelled at the request of Representative Anthony Hensley and Mayor Doug Wright. They had asked for a delay in order to have time to work out some differences that developed between the city of Topeka and the Airport Authority.

The Chairman opened the hearing on S.B. 709 relating to a public wholesale water supply district; authorizing the district to issue refunding general obligation bonds. The Chairman called on Senator Thiessen.

Senator Thiessen stated he had requested this legislation so that Big Hill Public Wholesale Water Supply District could refinance their outstanding debt and save 2.6 million to 4.7 million.

Dave Malone, representing Big Hill Water District #4 and Mid-Continent Investments, Inc., of Wichita, Ks., supported the legislation and presented written testimony outlining their refinancing proposal. This legislation would only affect this particular water district. He stated this legislation would be very advantageous for the water district. (Attachment I)

Mr. Malone responded to questions concerning the sale of the bonds; what the interest rate was at the present time; when the bonds were originally sold; and if the county commissioners of the counties involved supported this legislation.

Staff suggested some clarification was necessary. The statute being amended applies only to this one particular wholesale water supply district; as it is written it gives them the power to issue G.O. bonds, but this special law for them does not give them the power to tax to pay for the bonds. If they have the power to issue G.O. bonds they have the power to tax, but this has never been challenged. This should be clarified; do you want to give them the power to tax, it's a policy issue.

Mr. Malone asked that an amendment be drafted to give Big Hill the capability and authority to levy taxes, if that was necessary to get the lower interest rate.

Staff was instructed to draft an amendment and check with the water district offices and with the county commissioners to see if they opposed giving Big Hill this taxing authority.

A handout was distributed from Bill Curtis, Kansas Association of School Boards, giving a progress report on the insurance pool legislation passed last session (Attachment II).

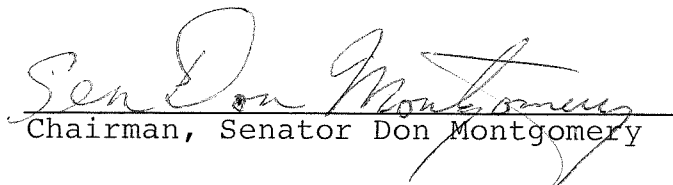
CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Local Government

room 531-N Statehouse, at 9:11 a.m./~~p.m.~~ on March 15, 1988.

Senator Allen moved to adopt the minutes of March 1-4, 1988. The motion was seconded by Senator Mulich. Motion carried.

The next meeting will be March 16, 1988. The Chairman adjourned the meeting at 9:48 a.m.


Chairman, Senator Don Montgomery

REFINANCING PROPOSAL
TO
BIG HILL PUBLIC WHOLESale WATER
SUPPLY DISTRICT NO. 4,
LABETTE COUNTY, KANSAS

MID-CONTINENT INVESTMENTS, INC.

COLUMBIAN SECURITIES CORP.

January 26, 1988

(Attachment I) Local Go 3/15/88

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 WATER REVENUE BONDS, SERIES 1985
 DEBT SERVICE SCHEDULE

DATED DATE: 08/01/87
 DELIVERY DATE: 04/05/88

DATE	PRINCIPAL	RATE	INTEREST	TOTAL	FISCAL TOTAL
08/01/88			292,918.00	292,918.00	292,918.00
08/01/89	5,000.00	8.625	292,918.00	297,918.00	297,918.00
08/01/90	10,000.00	8.625	292,486.75	302,486.75	302,486.75
08/01/91	10,000.00	8.625	291,624.25	301,624.25	301,624.25
08/01/92	10,000.00	8.625	290,761.75	300,761.75	300,761.75
08/01/93	10,000.00	8.625	289,899.25	299,899.25	299,899.25
08/01/94	10,000.00	8.625	289,036.75	299,036.75	299,036.75
08/01/95	15,000.00	8.625	288,174.25	303,174.25	303,174.25
08/01/96	15,000.00	8.625	286,880.50	301,880.50	301,880.50
08/01/97	15,000.00	8.625	285,586.75	300,586.75	300,586.75
08/01/98	20,000.00	8.625	284,293.00	304,293.00	304,293.00
08/01/99	20,000.00	8.625	282,568.00	302,568.00	302,568.00
08/01/00	25,000.00	8.625	280,843.00	305,843.00	305,843.00
08/01/01	25,000.00	8.625	278,686.75	303,686.75	303,686.75
08/01/02	30,000.00	8.625	276,530.50	306,530.50	306,530.50
08/01/03	35,000.00	8.625	273,943.00	308,943.00	308,943.00
08/01/04	35,000.00	8.625	270,924.25	305,924.25	305,924.25
08/01/05	40,000.00	8.625	267,905.50	307,905.50	307,905.50
08/01/06	45,000.00	8.625	264,455.50	309,455.50	309,455.50
08/01/07	50,000.00	8.625	260,574.25	310,574.25	310,574.25
08/01/08	55,000.00	8.625	256,261.75	311,261.75	311,261.75
08/01/09	65,000.00	8.625	251,518.00	316,518.00	316,518.00
08/01/10	70,000.00	8.625	245,911.75	315,911.75	315,911.75
08/01/11	80,000.00	8.625	239,874.25	319,874.25	319,874.25
08/01/12	90,000.00	8.625	232,974.25	322,974.25	322,974.25
08/01/13	100,000.00	8.625	225,211.75	325,211.75	325,211.75
08/01/14	110,000.00	8.625	216,586.75	326,586.75	326,586.75
08/01/15	125,000.00	8.625	207,099.25	332,099.25	332,099.25
08/01/16	135,000.00	8.625	196,318.00	331,318.00	331,318.00
08/01/17	155,000.00	8.625	184,674.25	339,674.25	339,674.25
08/01/18	170,000.00	8.625	171,305.50	341,305.50	341,305.50
08/01/19	190,000.00	8.625	156,643.00	346,643.00	346,643.00
08/01/20	215,000.00	8.625	140,255.50	355,255.50	355,255.50
08/01/21	240,000.00	8.625	121,711.75	361,711.75	361,711.75
08/01/22	265,000.00	8.625	101,011.75	366,011.75	366,011.75
08/01/23	295,000.00	8.625	78,155.50	373,155.50	373,155.50
08/01/24	330,000.00	8.625	52,711.75	382,711.75	382,711.75
08/01/25	281,150.68	8.625	24,249.25	305,399.93	305,399.93
TOTAL	3,396,150.68		8,743,484.00	12,139,634.68	

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 SAVINGS REPORT

DATED DATE: 04/01/88
 DELIVERY DATE: 04/05/88

DATE	PRINCIPAL	RATE	INTEREST	FISCAL TOTAL	PRIOR DEBT SERVICE	FISCAL SAVINGS
08/01/88	10,000.00	5.500	85,802.50	95,802.50	292,918.00	197,115.50
02/01/89			128,428.75			
08/01/89	65,000.00	5.750	128,428.75	321,857.50	297,918.00	23,939.50
02/01/90			126,560.00			
08/01/90	75,000.00	6.000	126,560.00	328,120.00	302,486.75	25,633.25
02/01/91			124,310.00			
08/01/91	80,000.00	6.200	124,310.00	328,620.00	301,624.25	26,995.75
02/01/92			121,830.00			
08/01/92	90,000.00	6.400	121,830.00	333,660.00	300,761.75	32,898.25
02/01/93			118,950.00			
08/01/93	100,000.00	6.600	118,950.00	337,900.00	299,899.25	38,000.75
02/01/94			115,650.00			
08/01/94	110,000.00	6.700	115,650.00	341,300.00	299,036.75	42,263.25
02/01/95			111,965.00			
08/01/95	120,000.00	6.800	111,965.00	343,930.00	303,174.25	40,755.75
02/01/96			107,885.00			
08/01/96	125,000.00	6.900	107,885.00	340,770.00	301,880.50	38,889.50
02/01/97			103,572.50			
08/01/97	140,000.00	7.000	103,572.50	347,145.00	300,586.75	46,558.25
02/01/98			98,672.50			
08/01/98	150,000.00	7.100	98,672.50	347,345.00	304,293.00	43,052.00
02/01/99			93,347.50			
08/01/99	160,000.00	7.200	93,347.50	346,695.00	302,568.00	44,127.00
02/01/00			87,587.50			
08/01/00	170,000.00	7.300	87,587.50	345,175.00	305,843.00	39,332.00
02/01/01			81,382.50			
08/01/01	185,000.00	7.400	81,382.50	347,765.00	303,686.75	44,078.25
02/01/02			74,537.50			
08/01/02	220,000.00	7.500	74,537.50	369,075.00	306,530.50	62,544.50
02/01/03			66,287.50			
08/01/03	235,000.00	7.600	66,287.50	367,575.00	308,943.00	58,632.00
02/01/04			57,357.50			
08/01/04	250,000.00	7.700	57,357.50	364,715.00	305,924.25	58,790.75
02/01/05			47,732.50			
08/01/05	270,000.00	7.750	47,732.50	365,465.00	307,905.50	57,559.50
02/01/06			37,270.00			
08/01/06	285,000.00	7.800	37,270.00	359,540.00	309,455.50	50,084.50
02/01/07			26,155.00			
08/01/07	320,000.00	7.900	26,155.00	372,310.00	310,574.25	61,735.75
02/01/08			13,515.00			
08/01/08	340,000.00	7.950	13,515.00	367,030.00	311,261.75	55,768.25
08/01/09					316,518.00	316,518.00
08/01/10					315,911.75	315,911.75
08/01/11					319,874.25	319,874.25

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 SAVINGS REPORT

DATED DATE: 04/01/88
 DELIVERY DATE: 04/05/88

DATE	PROPOSED DEBT SERVICE			PRIOR DEBT SERVICE	FISCAL SAVINGS
	PRINCIPAL	RATE	INTEREST			FISCAL TOTAL
08/01/12				322,974.25	322,974.25
08/01/13				325,211.75	325,211.75
08/01/14				326,586.75	326,586.75
08/01/15				332,099.25	332,099.25
08/01/16				331,318.00	331,318.00
08/01/17				339,674.25	339,674.25
08/01/18				341,305.50	341,305.50
08/01/19				346,643.00	346,643.00
08/01/20				355,255.50	355,255.50
08/01/21				361,711.75	361,711.75
08/01/22				366,011.75	366,011.75
08/01/23				373,155.50	373,155.50
08/01/24				382,711.75	382,711.75
08/01/25				305,399.93	305,399.93
TOTAL	3,500,000.00		3,571,795.00	7,071,795.00	12,139,634.68
ACCRUED			2,860.08	2,860.08	2,860.08
NET COST	3,500,000.00		3,568,934.92	7,068,934.92	12,139,634.68
CASH FROM ISSUER					(283,933.99)
NET SAVINGS (COST)					4,786,765.77

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 PRESENT VALUE SAVINGS REPORT

PRESENT VALUE DATE: 04/05/88

ACTUARIAL YIELD: 6.00000000%

DATE	SAVINGS AMOUNT	PV FACTOR	PV AMOUNT
08/01/88	197,115.50	.9811312799	193,396.18
02/01/89 (	128,428.75)	.9525546406 (	122,335.40)
08/01/89	104,489.25	.9248103307	96,632.74
02/01/90 (	126,560.00)	.8978741075 (	113,634.95)
08/01/90	100,926.75	.8717224345	87,980.11
02/01/91 (	124,310.00)	.8463324606 (	105,207.59)
08/01/91	97,314.25	.8216820006	79,961.37
02/01/92 (	121,830.00)	.7977495152 (	97,189.82)
08/01/92	88,931.75	.7745140924	68,878.89
02/01/93 (	118,950.00)	.7519554295 (	89,445.10)
08/01/93	80,949.25	.7300538151	59,097.31
02/01/94 (	115,650.00)	.7087901117 (	81,971.58)
08/01/94	73,386.75	.6881457395	50,500.78
02/01/95 (	111,965.00)	.6681026597 (	74,804.11)
08/01/95	71,209.25	.6486433590	46,189.41
02/01/96 (	107,885.00)	.6297508339 (	67,940.67)
08/01/96	68,995.50	.6114085766	42,184.44
02/01/97 (	103,572.50)	.5936005598 (	61,480.69)
08/01/97	57,014.25	.5763112231	32,857.95
02/01/98 (	98,672.50)	.5595254594 (	55,209.78)
08/01/98	55,620.50	.5432286013	30,214.65
02/01/99 (	93,347.50)	.5274064091 (	49,232.07)
08/01/99	49,220.50	.5120450573	25,203.11
02/01/00 (	87,587.50)	.4971311236 (	43,542.47)
08/01/00	48,255.50	.4826515763	23,290.59
02/01/01 (	81,382.50)	.46885937634 (	38,135.33)
08/01/01	37,304.25	.4549454014	16,971.40
02/01/02 (	74,537.50)	.4416945645 (	32,922.81)
08/01/02	11,993.00	.4288296742	5,142.95
02/01/03 (	66,287.50)	.4163394895 (	27,598.10)
08/01/03	7,655.50	.4042130966	3,094.45
02/01/04 (	57,357.50)	.3924398997 (	22,509.37)
08/01/04 (	1,433.25)	.3810096113 (	546.08)
02/01/05 (	47,732.50)	.3699122440 (	17,656.84)
08/01/05 (	9,827.00)	.3591381010 (	3,529.25)
02/01/06 (	37,270.00)	.3486777679 (	12,995.22)
08/01/06 (	12,814.50)	.3385221048 (	4,337.99)
02/01/07 (	26,155.00)	.3286622377 (	8,596.16)
08/01/07 (	35,580.75)	.3190895511 (	11,353.45)
02/01/08 (	13,515.00)	.3097956807 (	4,186.89)
08/01/08 (	42,253.25)	.3007725055 (	12,708.62)
08/01/09	516,518.00	.2835069333	89,735.05
08/01/10	515,911.75	.2672324755	84,421.88
08/01/11	319,874.25	.2518922382	80,573.84

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 PRESENT VALUE SAVINGS REPORT

PRESENT VALUE DATE: 04/05/88

ACTUARIAL YIELD: 6.0000000%

DATE	SAVINGS AMOUNT	PV FACTOR	PV AMOUNT
08/01/12	322,974.25	.2374325933	76,684.61
08/01/13	325,211.75	.2238029911	72,783.36
08/01/14	326,586.75	.2109557839	68,895.36
08/01/15	332,099.25	.1988460589	66,036.63
08/01/16	331,318.00	.1874314817	62,099.42
08/01/17	339,674.25	.1766721479	60,010.98
08/01/18	341,305.50	.1665304438	56,837.76
08/01/19	346,643.00	.1569709151	54,412.87
08/01/20	355,255.50	.1479601424	52,563.65
08/01/21	361,711.75	.1394666250	50,446.72
08/01/22	366,011.75	.1314606702	48,116.15
08/01/23	373,155.50	.1239142899	46,239.30
08/01/24	382,711.75	.1168011027	44,701.15
08/01/25	305,399.93	.1100962416	33,623.38
TOTAL	5,067,839.68		750,708.12
ACCRUED	2,860.08		2,860.08
CASH (	283,933.99)		(283,933.99)
NET TOTAL	4,786,765.77		469,634.21

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 SAVINGS REPORT

DATED DATE: 04/01/88
 DELIVERY DATE: 04/05/88

DATE	PRINCIPAL	RATE	INTEREST	FISCAL TOTAL	PRIOR DEBT SERVICE	FISCAL SAVINGS
08/01/88	10,000.00	5.500	88,722.50	98,722.50	292,918.00	194,195.50
02/01/89			132,808.75			
08/01/89	40,000.00	5.750	132,808.75	305,617.50	297,918.00 (	7,699.50)
02/01/90			131,658.75			
08/01/90	45,000.00	6.000	131,658.75	308,317.50	302,486.75 (	5,830.75)
02/01/91			130,308.75			
08/01/91	50,000.00	6.200	130,308.75	310,617.50	301,624.25 (	8,993.25)
02/01/92			128,758.75			
08/01/92	55,000.00	6.400	128,758.75	312,517.50	300,761.75 (	11,755.75)
02/01/93			126,998.75			
08/01/93	60,000.00	6.600	126,998.75	313,997.50	299,899.25 (	14,098.25)
02/01/94			125,018.75			
08/01/94	65,000.00	6.700	125,018.75	315,037.50	299,036.75 (	16,000.75)
02/01/95			122,841.25			
08/01/95	75,000.00	6.800	122,841.25	320,682.50	303,174.25 (	17,508.25)
02/01/96			120,291.25			
08/01/96	75,000.00	6.900	120,291.25	315,582.50	301,880.50 (	13,702.00)
02/01/97			117,703.75			
08/01/97	80,000.00	7.000	117,703.75	315,407.50	300,586.75 (	14,820.75)
02/01/98			114,903.75			
08/01/98	90,000.00	7.100	114,903.75	319,807.50	304,293.00 (	15,514.50)
02/01/99			111,708.75			
08/01/99	100,000.00	7.200	111,708.75	323,417.50	302,568.00 (	20,849.50)
02/01/00			108,108.75			
08/01/00	110,000.00	7.300	108,108.75	326,217.50	305,843.00 (	20,374.50)
02/01/01			104,093.75			
08/01/01	115,000.00	7.400	104,093.75	323,187.50	303,686.75 (	19,500.75)
02/01/02			99,838.75			
08/01/02	130,000.00	7.500	99,838.75	329,677.50	306,530.50 (	23,147.00)
02/01/03			94,963.75			
08/01/03	140,000.00	7.600	94,963.75	329,927.50	308,943.00 (	20,984.50)
02/01/04			89,643.75			
08/01/04	150,000.00	7.700	89,643.75	329,287.50	305,924.25 (	23,363.25)
02/01/05			83,868.75			
08/01/05	165,000.00	7.750	83,868.75	332,737.50	307,905.50 (	24,832.00)
02/01/06			77,475.00			
08/01/06	175,000.00	7.800	77,475.00	329,950.00	309,455.50 (	20,494.50)
02/01/07			70,650.00			
08/01/07	195,000.00	7.900	70,650.00	336,300.00	310,574.25 (	25,725.75)
02/01/08			62,947.50			
08/01/08	210,000.00	7.950	62,947.50	335,895.00	311,261.75 (	24,633.25)
02/01/09			54,600.00			
08/01/09	230,000.00	8.000	54,600.00	339,200.00	316,518.00 (	22,682.00)
02/01/10			45,400.00			

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 SAVINGS REPORT

DATED DATE: 04/01/88
 DELIVERY DATE: 04/05/88

DATE	PROPOSED DEBT SERVICE			FISCAL TOTAL	PRIOR DEBT SERVICE	FISCAL SAVINGS
	PRINCIPAL	RATE	INTEREST			
08/01/10	250,000.00	8.000	45,400.00	340,800.00	315,911.75 (	24,888.25)
02/01/11			35,400.00			
08/01/11	270,000.00	8.000	35,400.00	340,800.00	319,874.25 (	20,925.75)
02/01/12			24,600.00			
08/01/12	295,000.00	8.000	24,600.00	344,200.00	322,974.25 (	21,225.75)
02/01/13			12,800.00			
08/01/13	320,000.00	8.000	12,800.00	345,600.00	325,211.75 (	20,388.25)
08/01/14					326,586.75	326,586.75
08/01/15					332,099.25	332,099.25
08/01/16					331,318.00	331,318.00
08/01/17					339,674.25	339,674.25
08/01/18					341,305.50	341,305.50
08/01/19					346,643.00	346,643.00
08/01/20					355,255.50	355,255.50
08/01/21					361,711.75	361,711.75
08/01/22					366,011.75	366,011.75
08/01/23					373,155.50	373,155.50
08/01/24					382,711.75	382,711.75
08/01/25					305,399.93	305,399.93
TOTAL	3,500,000.00		4,743,505.00	8,243,505.00	12,139,634.68	3,896,129.68
ACCRUED			2,957.42	2,957.42		2,957.42
NET COST	3,500,000.00		4,740,547.58	8,240,547.58	12,139,634.68	3,899,087.10
CASH FROM ISSUER						(283,933.99)
NET SAVINGS (COST)						3,615,153.11

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 PRESENT VALUE SAVINGS REPORT

PRESENT VALUE DATE: 04/05/88

ACTUARIAL YIELD: 6.000000005

DATE	SAVINGS AMOUNT	FV FACTOR	FV AMOUNT
08/01/88	194,195.50	.9811312799	190,531.28
02/01/89 (	132,808.75)	.9525546406 (	126,507.59)
08/01/89	125,109.25	.9248103307	115,702.33
02/01/90 (	131,658.75)	.8978741075 (	118,212.98)
08/01/90	125,828.00	.8717224345	109,687.09
02/01/91 (	130,308.75)	.8463324606 (	110,284.53)
08/01/91	121,315.50	.8216820006	99,682.76
02/01/92 (	128,758.75)	.7977495152 (	102,717.23)
08/01/92	117,003.00	.7745140924	90,620.47
02/01/93 (	126,998.75)	.7519554295 (	95,497.40)
08/01/93	112,900.50	.7300538151	82,423.44
02/01/94 (	125,018.75)	.7087901117 (	88,612.05)
08/01/94	109,018.00	.6881457395	75,020.27
02/01/95 (	122,841.25)	.6681026597 (	82,070.57)
08/01/95	105,333.00	.6486433590	68,323.55
02/01/96 (	120,291.25)	.6297508339 (	75,753.52)
08/01/96	106,589.25	.6114085766	65,169.58
02/01/97 (	117,703.75)	.5936005598 (	69,869.01)
08/01/97	102,883.00	.5763112231	59,292.63
02/01/98 (	114,903.75)	.5595254594 (	64,291.57)
08/01/98	99,389.25	.5432286013	53,991.08
02/01/99 (	111,708.75)	.5274064091 (	58,915.91)
08/01/99	90,859.25	.5120450573	46,524.03
02/01/00 (	108,108.75)	.4971311236 (	53,744.22)
08/01/00	87,734.25	.4826515763	42,345.07
02/01/01 (	104,093.75)	.4685937634 (	48,777.68)
08/01/01	84,593.00	.4549454014	38,485.20
02/01/02 (	99,838.75)	.4416945645 (	44,098.23)
08/01/02	76,691.75	.4288296742	32,887.70
02/01/03 (	94,963.75)	.4163394895 (	39,537.16)
08/01/03	73,979.25	.4042130966	29,903.38
02/01/04 (	89,643.75)	.3924398997 (	35,179.78)
08/01/04	66,280.50	.3810096113	25,253.51
02/01/05 (	83,868.75)	.3699122440 (	31,024.08)
08/01/05	59,036.75	.3591381010	21,202.35
02/01/06 (	77,475.00)	.3486777679 (	27,013.81)
08/01/06	56,980.50	.3385221048	19,289.16
02/01/07 (	70,650.00)	.3286622377 (	23,219.99)
08/01/07	44,924.25	.3190895511	14,334.86
02/01/08 (	62,947.50)	.3097956807 (	19,500.86)
08/01/08	38,314.25	.3007725055	11,523.87
02/01/09 (	54,600.00)	.2920121413 (	15,943.86)
08/01/09	31,918.00	.2835069333	9,048.97
02/01/10 (	45,400.00)	.2752494498 (	12,496.33)

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 PRESENT VALUE SAVINGS REPORT

PRESENT VALUE DATE: 04/05/88

ACTUARIAL YIELD: 6.00000000%

DATE	SAVINGS AMOUNT	PV FACTOR	PV AMOUNT
08/01/10	20,511.75	.2672324755	5,481.41
02/01/11 (	35,400.00)	.2594490054 (	9,184.49)
08/01/11	14,474.25	.2518922382	3,645.95
02/01/12 (	24,600.00)	.2445555711 (	6,016.07)
08/01/12	3,374.25	.2374325933	801.16
02/01/13 (	12,800.00)	.2305170809 (	2,950.62)
08/01/13 (	7,588.25)	.2238029911 (	1,698.27)
08/01/14	326,586.75	.2109557839	68,895.36
08/01/15	332,099.25	.1988460589	66,036.63
08/01/16	331,318.00	.1874314817	62,099.42
08/01/17	339,674.25	.1766721479	60,010.98
08/01/18	341,305.50	.1665304438	56,837.76
08/01/19	346,643.00	.1569709151	54,412.87
08/01/20	355,255.50	.1479601424	52,563.65
08/01/21	361,711.75	.1394666250	50,446.72
08/01/22	366,011.75	.1314606702	48,116.15
08/01/23	373,155.50	.1239142899	46,239.30
08/01/24	382,711.75	.1168011027	44,701.15
08/01/25	305,399.93	.1100962416	33,623.38

TOTAL	3,896,129.68		592,036.66
ACCRUED	2,957.42		2,957.42
CASH (	283,933.99)	(	283,933.99)

NET TOTAL	3,615,153.11		311,060.09

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 SAVINGS REPORT

DATED DATE: 04/01/88
 DELIVERY DATE: 04/05/88

DATE	PRINCIPAL	RATE	PROPOSED DEBT SERVICE INTEREST	FISCAL TOTAL	PRIOR DEBT SERVICE	FISCAL SAVINGS
08/01/88	5,000.00	5.500	90,036.67	95,036.67	292,918.00	197,881.33
02/01/89			154,917.50			
08/01/89	35,000.00	5.750	134,917.50	304,835.00	297,918.00 (	6,917.00)
02/01/90			133,911.25			
08/01/90	40,000.00	6.000	133,911.25	307,822.50	302,486.75 (	5,335.75)
02/01/91			132,711.25			
08/01/91	40,000.00	6.200	132,711.25	305,422.50	301,624.25 (	3,798.25)
02/01/92			131,471.25			
08/01/92	40,000.00	6.400	131,471.25	302,942.50	300,761.75 (	2,180.75)
02/01/93			130,191.25			
08/01/93	40,000.00	6.600	130,191.25	300,382.50	299,899.25 (	483.25)
02/01/94			128,871.25			
08/01/94	45,000.00	6.700	128,871.25	302,742.50	299,036.75 (	3,705.75)
02/01/95			127,363.75			
08/01/95	50,000.00	6.800	127,363.75	304,727.50	303,174.25 (	1,553.25)
02/01/96			125,663.75			
08/01/96	55,000.00	6.900	125,663.75	306,327.50	301,860.50 (	4,447.00)
02/01/97			123,766.25			
08/01/97	55,000.00	7.000	123,766.25	302,532.50	300,586.75 (	1,945.75)
02/01/98			121,841.25			
08/01/98	65,000.00	7.100	121,841.25	308,682.50	304,293.00 (	4,389.50)
02/01/99			119,533.75			
08/01/99	65,000.00	7.200	119,533.75	304,067.50	302,568.00 (	1,499.50)
02/01/00			117,193.75			
08/01/00	75,000.00	7.300	117,193.75	309,387.50	305,843.00 (	3,544.50)
02/01/01			114,456.25			
08/01/01	80,000.00	7.400	114,456.25	308,912.50	303,686.75 (	5,225.75)
02/01/02			111,496.25			
08/01/02	85,000.00	7.500	111,496.25	307,992.50	306,530.50 (	1,462.00)
02/01/03			108,308.75			
08/01/03	95,000.00	7.600	108,308.75	311,617.50	308,943.00 (	2,674.50)
02/01/04			104,698.75			
08/01/04	100,000.00	7.700	104,698.75	309,397.50	305,924.25 (	3,473.25)
02/01/05			100,848.75			
08/01/05	105,000.00	7.750	100,848.75	306,697.50	307,905.50	1,208.00
02/01/06			96,780.00			
08/01/06	120,000.00	7.800	96,780.00	313,560.00	309,455.50 (	4,104.50)
02/01/07			92,100.00			
08/01/07	130,000.00	7.900	92,100.00	314,200.00	310,574.25 (	3,625.75)
02/01/08			86,965.00			
08/01/08	140,000.00	7.950	86,965.00	313,930.00	311,261.75 (	2,668.25)
02/01/09			81,400.00			
08/01/09	155,000.00	8.000	81,400.00	317,800.00	316,518.00 (	1,282.00)
02/01/10			75,200.00			

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1968
 SAVINGS REPORT

DATED DATE: 04/01/88
 DELIVERY DATE: 04/05/88

DATE	PROPOSED DEBT SERVICE			FISCAL TOTAL	PRIOR DEBT SERVICE	FISCAL SAVINGS
	PRINCIPAL	RATE	INTEREST			
08/01/10	165,000.00	8.000	75,200.00	315,400.00	315,911.75	511.75
02/01/11			68,600.00			
08/01/11	185,000.00	8.000	68,600.00	322,200.00	319,874.25 (	2,325.75)
02/01/12			61,200.00			
08/01/12	200,000.00	8.000	61,200.00	322,400.00	322,974.25	574.25
02/01/13			53,200.00			
08/01/13	220,000.00	8.000	53,200.00	326,400.00	325,211.75 (	1,188.25)
02/01/14			44,400.00			
08/01/14	240,000.00	8.000	44,400.00	328,800.00	326,586.75 (	2,213.25)
02/01/15			34,800.00			
08/01/15	265,000.00	8.000	34,800.00	334,600.00	332,099.25 (	2,500.75)
02/01/16			24,200.00			
08/01/16	285,000.00	8.000	24,200.00	333,400.00	331,318.00 (	2,082.00)
02/01/17			12,800.00			
08/01/17	320,000.00	8.000	12,800.00	345,600.00	339,674.25 (	5,925.75)
02/01/18						
08/01/18					341,305.50	341,305.50
08/01/19					346,643.00	346,643.00
08/01/20					355,255.50	355,255.50
08/01/21					361,711.75	361,711.75
08/01/22					366,011.75	366,011.75
08/01/23					373,155.50	373,155.50
08/01/24					382,711.75	382,711.75
08/01/25					305,399.93	305,399.93

TOTAL	3,500,000.00		5,687,816.67	9,187,816.67	12,139,634.68	2,951,818.01
ACCRUED			3,001.22	3,001.22		3,001.22

NET COST	3,500,000.00		5,684,815.45	9,184,815.45	12,139,634.68	2,954,819.23
=====						
CASH FROM ISSUER						(283,933.99)

NET SAVINGS (COST)						2,670,885.24
=====						

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 PRESENT VALUE SAVINGS REPORT

PRESENT VALUE DATE: 04/05/88

ACTUARIAL YIELD: 6.00000000%

DATE	SAVINGS AMOUNT	PV FACTOR	PV AMOUNT
08/01/88	197,881.33	.9811312799	194,147.56
02/01/89 (	134,917.50)	.9525546406 (	128,516.29)
08/01/89	128,000.50	.9248103307	118,376.18
02/01/90 (	133,911.25)	.8978741075 (	120,235.44)
08/01/90	128,575.50	.8717224345	112,082.15
02/01/91 (	132,711.25)	.8463324606 (	112,317.84)
08/01/91	128,913.00	.8216820006	105,925.49
02/01/92 (	131,471.25)	.7977495152 (	104,881.13)
08/01/92	129,290.50	.7745140924	100,137.31
02/01/93 (	130,191.25)	.7519554295 (	97,698.02)
08/01/93	129,708.00	.7300538151	94,693.82
02/01/94 (	128,871.25)	.7087901117 (	91,342.67)
08/01/94	125,165.50	.6881457395	86,132.11
02/01/95 (	127,363.75)	.6681026597 (	85,092.06)
08/01/95	125,810.50	.6486433590	81,606.15
02/01/96 (	125,663.75)	.6297508339 (	79,136.85)
08/01/96	121,216.75	.6114085766	74,112.96
02/01/97 (	123,766.25)	.5936005598 (	73,467.72)
08/01/97	121,820.50	.5763112231	70,206.52
02/01/98 (	121,841.25)	.5595254594 (	68,173.28)
08/01/98	117,451.75	.5432286013	63,803.15
02/01/99 (	119,533.75)	.5274064091 (	63,042.87)
08/01/99	118,034.25	.5120450573	60,438.85
02/01/00 (	117,193.75)	.4971311236 (	58,260.66)
08/01/00	113,649.25	.4826515763	54,852.99
02/01/01 (	114,456.25)	.4685937634 (	53,633.48)
08/01/01	109,230.50	.4549454014	49,693.91
02/01/02 (	111,496.25)	.4416945645 (	49,247.29)
08/01/02	110,034.25	.4288296742	47,185.95
02/01/03 (	108,308.75)	.4163394895 (	45,093.21)
08/01/03	105,634.25	.4042130966	42,698.75
02/01/04 (	104,698.75)	.3924398997 (	41,087.97)
08/01/04	101,225.50	.3810096113	38,567.89
02/01/05 (	100,848.75)	.3699122440 (	37,305.19)
08/01/05	102,056.75	.3591381010	36,652.47
02/01/06 (	96,780.00)	.3486777679 (	33,745.03)
08/01/06	92,675.50	.3385221048	31,372.71
02/01/07 (	92,100.00)	.3286622377 (	30,269.79)
08/01/07	88,474.25	.3190895511	28,231.21
02/01/08 (	86,965.00)	.3097956807 (	26,941.38)
08/01/08	84,296.75	.3007725055	25,354.14
02/01/09 (	81,400.00)	.2920121413 (	23,769.79)
08/01/09	80,118.00	.2835069333	22,714.01
02/01/10 (	75,200.00)	.2752494498 (	20,698.76)

PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 4 OF THE STATE OF KANSAS
 GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 1988
 PRESENT VALUE SAVINGS REPORT

PRESENT VALUE DATE: 04/05/88

ACTUARIAL YIELD: 6.00000000%

DATE	SAVINGS AMOUNT	FV FACTOR	FV AMOUNT
08/01/10	75,711.75	.2672324755	20,232.64
02/01/11 (	68,600.00)	.2594490054 (	17,798.20)
08/01/11	66,274.25	.2518922382	16,693.97
02/01/12 (	61,200.00)	.2445555711 (	14,966.80)
08/01/12	61,774.25	.2374325933	14,667.22
02/01/13 (	53,200.00)	.2305170809 (	12,263.51)
08/01/13	52,011.75	.2238029911	11,640.39
02/01/14 (	44,400.00)	.2172844574 (	9,647.43)
08/01/14	42,186.75	.2109557839	8,899.54
02/01/15 (	34,800.00)	.2048114407 (	7,127.44)
08/01/15	32,299.25	.1988460589	6,422.58
02/01/16 (	24,200.00)	.1930544261 (	4,671.92)
08/01/16	22,118.00	.1874314817	4,145.61
02/01/17 (	12,800.00)	.1819723123 (	2,329.25)
08/01/17	6,874.25	.1766721479	1,214.49
08/01/18	341,305.50	.1665304438	56,837.76
08/01/19	346,643.00	.1569709151	54,412.87
08/01/20	355,255.50	.1479601424	52,563.65
08/01/21	361,711.75	.1394666250	50,446.72
08/01/22	366,011.75	.1314606702	48,116.15
08/01/23	373,155.50	.1239142899	46,239.30
08/01/24	382,711.75	.1168011027	44,701.15
08/01/25	305,399.93	.1100962416	33,623.38

TOTAL	2,951,818.01		496,882.44
ACCRUED	3,001.22		3,001.22
CASH (	283,933.99)	(	283,933.99)

NET TOTAL	2,670,885.24		215,949.67
=====			

**BIG HILL PUBLIC WHOLESALE WATER
SUPPLY DISTRICT NO. 4
LABETTE COUNTY, KANSAS**

**Refunding Capabilities
29 Year Issue**

- Total Savings in excess of \$2,670,000
- Present value savings in excess of \$215,000
- All bonds paid off 8 years earlier
- Average interest rate reduced from 8.625% to 7.88%
- Keep debt service payments approximately the same
- No bond coverage required

SOURCE AND USE OF FUNDS

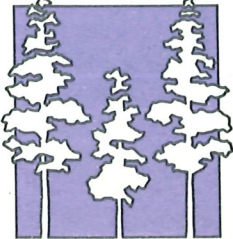
Sources of Funds

Principal Amount of Series 1988A Bonds	\$ 3,500,000.00
Accrued Interest	3,010.11
Funds of District	<u>283,933.99</u>
Total	\$ 3,786,944.10

Use of Funds

Principal Payoff to FmHA	\$ 3,396,150.68
Interest Payment to FmHA	198,533.31
Underwriters Discount	131,250.00
Bond Insurance	58,000.00
Accrued Interest	<u>3,010.11</u>
Total	\$ 3,786,944.10

KASB



5401 S.W. 7th Avenue
Topeka, Kansas 66606

March 1, 1988

To: Members of the Senate Local Government Committee

From: Bill Curtis, Fund Administrator, KASB Workers' Compensation Fund, Inc.

Subject: Progress Report

On July 1, 1987, the Kansas Association of School Boards Workers' Compensation Fund opened for business. A certificate of authority was received from the Commissioner of Insurance. I must comment on the helpful attitude of the Department of Insurance. They were most cooperative and provided much needed guidance in the early formation of the pool. Particularly our thanks are extended to Ray Rathert, Bill Wempe, Ron Todd, and Dick Brock.

As of this date, 82 school districts have joined the pool. They represent an annual premium volume of \$1,921,259. Since we are enrolling districts on their current renewal date, most of them will not be members of the pool for a full year. Therefore, the actual premium dollars collected for this year will be \$1,667,328. There are still some 27 school districts with renewal dates between now and June 30th.

For the first six months of operation the pool had actual earned premiums of \$715,701 and insured claims for \$264,090. That is a loss ratio of 36.8%. The \$264,090 represents both dollars paid and reserved. Specific and aggregate excess insurance was purchased from Employers Reinsurance Corporation (ERC). The specific excess is statutory and the aggregate limit is \$5 million. We were also able to purchase an endorsement for additional protection in the event of a death claim or double dismemberment. The pool has a maximum exposure of \$50,000 in the event of those situations with ERC assuming the rest of the exposure (death claims in Kansas now have a maximum benefit of \$200,000).

The average premium for the 82 districts in the pool is \$23,430. Savings provided by the pool are averaging 7% or \$1,640 per district. That equates to a statewide savings to school districts of \$134,480. Of the 304 districts in Kansas, 258 have expressed an interest in the program by requesting a premium quotation. In the vast majority of cases, the quotation provided by the pool was the lowest. That leads me to believe that eventually the pool will have the majority of school districts participating.

(Attachment II) Local Go 3/15/88

The range of modification factors of the districts in the pool is .79 to 1.72. The median modification factor is .93 but the mean is 1.01. Eight districts have modification factors in excess of 1.30. Those districts have been the target of our loss prevention/loss control efforts.

The only major impediment to a smooth operation has been the National Council on Compensation Insurance. It has been extremely frustrating at times to deal with them. However, progress has been made during the past few months and hopefully we can iron out the problems.

All in all, I believe the law passed last session is working well. Time will, of course, provide the true test.