

Report on the

**Bond Indebtedness
State of Alabama
Montgomery, Alabama**

October 1, 2018 through September 30, 2019

Filed: October 9, 2020



**Department of
Examiners of Public Accounts**

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Rachel Laurie Riddle, Chief Examiner



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Honorable Rachel Laurie Riddle
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Dear Madam:

An examination was conducted on the State of Alabama Bond Indebtedness, Montgomery, Alabama, for the period October 1, 2018 through September 30, 2019. Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I hereby swear to and submit this report to you on the results of the examination.

Respectfully submitted,

Kirk A. Moore
Examiner of Public Accounts

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Department of
Examiners of Public Accounts

SUMMARY

**Bond Indebtedness
October 1, 2018 through September 30, 2019**

The *Code of Alabama 1975*, Section 36-17-3, includes the following among the general duties of the State Treasurer:

- To pay principal and interest on the bond indebtedness of the State.
- To have custody of, and keep safe, all moneys, bonds, and other securities held in any sinking fund for the payments of bonds of the State, and to do and perform such other duties with reference to State bonds and their redemption as are now, or may be, required by law.

This report encompasses an examination of the Bond Indebtedness of the State of Alabama and its instrumentalities, for which the State Treasurer maintains the financial records, and a review of compliance with applicable laws and regulations of the State of Alabama related to bond indebtedness. This includes the review of bond principal and interest payments, investments of unspent bond proceeds, cash balances of the debt service funds, review of the receipts and expenditures, and a review of compliance of the State Treasurer's Office with applicable laws and regulations of the State of Alabama. This is done in accordance with the requirements of the State of Alabama Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12. Our examination was performed for the purpose of determining whether the public officers, agents, and employees of the State Treasurer's Office properly and lawfully accounted for all money and other public assets or resources received, disbursed, or in the custody of the State Treasurer as related to Bond Indebtedness. Our examination included determining compliance by the State Treasurer with state laws and regulations that pertain to financial transactions; information dissemination, processing, and retention; and official actions, rulemaking procedures, and meetings. As a part of our examination, we also reviewed internal control policies and procedures relating to the areas listed above. Our examination did not encompass managerial and operational matters, such as whether the State Treasurer accomplished its mission or its regulatory, enforcement, investigative, or other oversight activities in an efficient, fair, timely, or legal manner.

Tests performed during the examination period did not disclose any significant instances of noncompliance with applicable laws and regulations.

The following officials/employees were invited to an exit conference held on September 21, 2020: State Treasurer John McMillan, Assistant State Treasurer Daria Story, and Dianne Reynolds of the State Treasurer's Office. Individuals in attendance from the State Treasurer's Office were: State Treasurer John McMillan, Assistant State Treasurer Daria Story, and Dianne Reynolds, along with Wonzie Wooden and Kirk Moore from the Department of Examiners of Public Accounts.



Department of
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COMMENTS

Bond Indebtedness
October 1, 2018 through September 30, 2019

The *Code of Alabama 1975*, Section 36-17-17, makes the State Treasurer the special trustee of State sinking funds for the use and benefit of the holders and owners of the State bonds or obligations for the payment of which the sinking funds were created.

The *Code of Alabama 1975*, Section 36-17-13, requires the Examiner of Public Accounts to examine cancelled bonds and coupons redeemed by the State Treasurer and compare such bonds and coupons with records maintained by the State Treasurer's Office. Immediately after such examination, the Treasurer and Examiner of Public Accounts are to destroy the cancelled bonds and coupons. Additionally, the Examiner of Public Accounts is required to certify to the destruction of such bonds and coupons. Several bonds were destroyed at the conclusion of the 2019 fiscal year examination.

The *Code of Alabama 1975*, Section 36-17-18, authorizes and empowers the State Treasurer, with the written approval of the Governor, to invest funds held in the State Treasury in direct obligations of the United States of America and in direct obligations backed by the full faith and credit of the State of Israel. During the 2019 fiscal year, all investments for the bond authorities held by the State Treasurer were invested in direct obligations of the United States of America.

Numerous Acts of Alabama, which establish public corporations that issue bonds also, designate the State Treasurer as the trustee for reserve funds set up to pay bond debts using debt service funds.

The following entities also use debt service or other fund types in order to account for the accumulation of resources for the payment of bond debt principal and interest on their respective bonds; however, the Treasurer's Office does not maintain the financial records of these entities. Therefore, this examination did not include the bonds issued by these entities; however, limited information is included in the Exhibits in order to present the bond indebtedness for the State of Alabama as a whole. These entities include the following:

Alabama Housing Finance Authority – bonds are issued to provide funds to finance residential housing for persons and families of low to moderate income levels in the State.

Alabama State Port Authority – bonds are issued for the purposes of financing capital improvements to facilities owned by the Authority.

Alabama Space Science Exhibit Finance Authority – bonds have been issued to provide funds for the Space Camp Program, to construct, erect, and equip a full-size model of a Saturn V rocket at the U. S. Space and Rocket Center in Huntsville, and for renovation and improvements to the IMAX theatre component there. A portion of the bonds was also to finance the remaining 20% match for the Federal Transit Authority grant.

Alabama Water Pollution Control Authority – bonds are issued for the purpose of making loans to local governmental units in the State to pay for the costs of planning, designing, acquiring, or constructing certain wastewater treatment and related facilities.

Alabama Drinking Water Finance Authority – bonds are issued for the purpose of financing a program of loans by the Authority to local governmental units to pay certain costs of planning, designing, acquiring or constructing certain sanitary drinking water and related facilities eligible for financial assistance under federal law.

Alabama Public Health Care Authority – bonds were issued to acquire, construct, install, equip, renovate, and refurbish public health care facilities.

The information for these above-mentioned entities was obtained from independent auditors' reports.

The following agency is included in the State of Alabama Comprehensive Annual Financial Report; however, the State Treasurer is not the trustee or paying agent for their respective bonds:

- The State Treasurer's Office also accounts for the debt service payments for the Building Renovation Finance Authority. Total debt service expenditures for the Building Renovation Finance Authority, Fund 1000 (Series 2010 Bonds) during the 2018-2019 fiscal year were \$2,568,000.00, of which \$2,030,000.00 was for principal and \$538,000.00 was for interest.

Types of Bond Debt

- **General Obligation Bonds** – pledge the full faith and credit of the State of Alabama, and are payable from taxes and other general revenue sources. General obligation bond issues are authorized by Constitutional Amendments. Outstanding general obligation bonds at September 30, 2019, totaled \$722,854,831.44 net of refunded bonds.

- **Revenue Bonds** – as used by the State of Alabama, usually refers to bonds for which principal and interest payments are pledged from specific tax revenues and (or) from revenues from the operation of a public enterprise such as the State Port facility, building rental charges, and the State Farmer’s Market user charges. Another characteristic of these bonds is that they are issued by public corporations that are established by Acts of the Alabama Legislature. Bonds issued by public corporations are obligations of the corporations that are held to be separate and distinct entities from the State and do not constitute debts of the State. In most instances, state officials such as the Governor, Lieutenant Governor, Attorney General, State Treasurer, and department heads of benefiting departments serve as members of the corporations. Outstanding revenue bonds at September 30, 2019, totaled \$4,544,207,338.93 net of refunded bonds.

Advance Refunding Bonds

Bonds issued to retire an outstanding bond issue, or portion thereof, are “advance refunding bonds”. Advance refunding bonds are issued bearing interest rates that are usually lower than the interest rates on the outstanding bonds (refunded bonds). A portion of the proceeds from the sale of the advance refunding bonds is deposited with an escrow agent pursuant to an escrow trust agreement and is invested in certain United States treasury obligations in such amounts with certain maturities to provide sufficient funds to pay the remaining principal and interest on the refunded bonds as they become due. The refunded bond debt is considered to be retired for financial reporting purposes, even though the debt is still legally outstanding, and the issuer of the bonds has not been released from the debt obligation. Retirement of debt in this manner is commonly referred to as “in-substance defeasance”.

The Alabama Incentives Financing Authority (AIFA) had the following defeased bond issues at September 30, 2019:

1. AIFA Series 2009-A Bonds, for \$14,790,000; these were redeemed on October 25, 2019.
2. AIFA Series 2009-C Bonds, for \$11,145,000; these were redeemed on October 25, 2019.
3. AIFA Series 2012-A Bonds, for \$123,385,000; these will be redeemed on September 1, 2022.

The following general obligation bonds were also defeased at September 30, 2019:

1. General Obligation Series 2010-D Bonds for \$79,255,000; these were redeemed on December 1, 2019.

The Alabama Federal Aid Highway Finance Authority (AFAHFA) had the following defeased bond issue at September 30, 2019:

1. AFAHFA Series 2012 Bonds for \$146,215,000; these will be redeemed on September 1, 2022.

Capital Appreciation Bonds

Capital appreciation bonds are bonds that are sold at a substantial discount and do not pay any interest until the bonds mature. Based on the original offering price, the bonds accrete (increase) in value as semi-annual interest earned is compounded from the original issuance date to the date of maturity. The issuance of capital appreciation bonds defers any cash flows until the bonds mature or are called. There are no capital appreciation bonds remaining as of September 30, 2019.

State Funds on Deposit with Fiscal Agents

To facilitate the payment of matured bond principal and interest, the State contracts with numerous financial institutions to act as the State's fiscal agents for the various bearer bond issues. When the bonds and interest coupons are redeemed, the fiscal agents return the canceled bonds and coupons to the State Treasurer. The Treasurer's Office verifies the fiscal agents' statements of account to the canceled bonds and interest coupons returned. Because bonds and interest coupons are not always redeemed when they become due, the fiscal agent may have cash balances of State funds on hand.

Arbitrage

The Federal Tax Reform Act of 1986 requires the rebate of arbitrage on certain bonds when the proceeds are held longer than a temporary period specified by tax law. The amount of rebate is the difference between actual interest earned and the allowable interest. Rebates are due at the end of every computation period (normally every fifth bond year) until the bonds are retired.

When paying less than 100% of the rebate charge, installments are due 60 days after the computation period. Each installment must be in an amount that when added to the future value of previous rebate payments made for the issue, equals at least 90% of the rebate charges as of the computation date (the fifth bond year). The final installment is due 60 days after the date the last bond of the issue is discharged. The final installment must be paid in an amount that, when added to the future value of previous rebate payments made for the issue, equals 100% of the rebate charges as of the last computation date, plus any income attributable to rebate charges.

Personnel at the Department of Finance perform arbitrage calculations. Calculations are usually performed at the end of the computation period, and any liability is usually paid at this time. Calculations may also be performed at interim dates before the rebate is due. Since computation periods or interim dates may not coincide with the end of the fiscal year, the rebate liability as of the end of the fiscal year is only an estimate obtained from the most current arbitrage rebate calculation report. The liability will not necessarily be the rebate paid in the future, since the rebate calculation will have to be updated to reflect cumulative interest earned to the end of the computation period. There were no bond issues with arbitrage due as of September 30, 2019.

Alabama Incentives Financing Authority Reserve Funds

When the Series 2009-A, 2009-B, 2009-C, Series 2012-A, Series 2019-A, and 2019-B Bonds were issued, the Official Statements required reserve funds to be created for these bonds. The State Treasurer is the custodian and disbursing agent for the reserve funds, which are kept in interest-bearing checking accounts. The Series 2019-A Bonds current-refunded the Series 2009-A and 2009-C Bonds, liquidating the 2009-A and 2009-C bank balances. The Series 2019-B Bonds advance-refunded the Series 2012-A Bonds, liquidating the 2012-A bank balance. The Series 2009-B Bonds were not refunded.

The 2009-A Tax-Exempt Reserve Fund (1228) had a cash balance of \$0.00 at September 30, 2019. The 2009-B Taxable Reserve Fund (1229) had a cash balance of \$8,781,752.56 at September 30, 2019. The 2009-C Tax-Exempt Reserve Fund (1230) had a cash balance of \$0.00 at September 30, 2019. The 2012-A Reserve Fund (1618) had a cash balance of \$0.00 at September 30, 2019. The 2012-A Acquisition Fund (1619) had a cash balance of \$2,853,948.99 at September 30, 2019. The 2019-A Reserve Fund (1744) had a cash balance of \$2,106,605.91 at September 30, 2019. The 2019-B Reserve Fund (1745) had a cash balance of \$12,045,728.23 at September 30, 2019.

Alabama 21st Century Authority Reserve Funds

When the Series 2012-A Bonds were issued, the Official Statements required reserve funds to be created for these bonds. The State Treasurer is the custodian and disbursing agent for the reserve funds, which are kept in interest-bearing checking accounts. The 2012 Bond Fund (1600) had a cash balance of \$761,824.70 at September 30, 2019. The 2012 Reserve Fund (1601) had a cash balance of \$15,756,031.95 at September 30, 2019. The 2012 Annual Excess Fund (1607) had a cash balance of \$3,098,861.01 at September 30, 2019.

Interest Rate Swap Agreement – Alabama State Port Authority (ASPA)

In December 2002, the Alabama State Port Authority (ASPA) entered into a “swaption contract” with an investment company relating to its Series 1996 bonds. The swaption gave the counterparty the option to enter into a variable-to-fixed interest rate swap at a specified future date. The counterparty exercised its option on July 18, 2006; therefore, the interest rate swap commenced on October 1, 2006 with the ASPA paying a fixed interest rate of 5.38% and the ASPA receiving a variable interest rate of 67% of the one-month LIBOR. The swap agreement is based on a notional amount of \$22,785,000.00 and expires on October 1, 2021. Upon exercising of the option by the counterparty, the ASPA issued variable-rate refunding bonds in an amount sufficient to refund the fixed rate Series 1996 bonds. At September 30, 2019, the swaption had a negative fair market value of \$1,013,502.00.

Alabama Public School and College Authority (APSCA) Series 2009-D Qualified School Construction Bonds (QSCB); APSCA Series 2010 Qualified School Construction Bonds (QSCB); and APSCA Series 2011-A Qualified Zone Academy Bonds (QZAB)

The State Treasurer is not the paying agent for the APSCA Series 2009-D Qualified School Construction Bonds; the APSCA Series 2010 Qualified School Construction Bonds (QSCB); or the APSCA Series 2011-A Qualified Zone Academy Bonds (QZAB). Wells Fargo Bank, N.A. is the paying agent. The APSCA Series 2009-D QSCB were issued on December 16, 2009 for \$145,880,000. The APSCA Series 2010 QSCB were issued on September 8, 2010 for \$154,727,000. The APSCA Series 2011-A QZAB were issued on May 17, 2011 for \$51,270,000. Only one principal payment will be made for each Bond Issue – the APSCA Series 2009-D Qualified School Construction Bonds will mature on December 15, 2025, and the full \$145,880,000 of principal will be paid at that time; the APSCA Series 2010 Qualified School Construction Bonds will mature on September 1, 2027, and the full \$154,727,000 of principal will be paid at that time; the APSCA Series 2011-A Qualified Zone Academy Bonds will mature on May 1, 2026, and the full \$51,270,000 of principal will be paid at that time.

In order to accumulate the \$145,880,000, \$154,727,000, and \$51,270,000 principal amounts, sinking funds were set up at Wells Fargo Bank, N.A., and the Authority will make annual principal payments into the sinking funds.

For the APSCA Series 2009-D QSCB, the Authority will make cumulative sinking fund deposits with the paying agent/registrant (Wells Fargo Bank, N.A.) for the Bonds in December in each of the years and in the respective amounts: \$7,591,769.02 each year from 2011 to 2025, starting on December 15, 2011 (this totals \$113,876,535.30). The Authority expects to enter into a repurchase agreement with Bayerische Landesbank for the investment of the cumulative sinking fund deposits. Based upon an investment return rate assumption of 3.40%, approximately \$32,003,465 will be available to offset the cumulative sinking fund deposit on the final maturity date of the bonds.

The APSCA Series 2009-D QSCB will bear interest at a rate of 1.865% per annum and such interest will be payable quarterly on June 15, 2010, and quarterly on each September 15, December 15, March 15, and June 15, thereafter until maturity or prior redemption. Additionally, the owner of the bonds will be eligible to receive federal tax credits determined at the tax credit rate set forth on the cover page (5.76%) in accordance with Section 54A of Title 26 of the Internal Revenue Code (page 13 of the Official Statement). Sections 54A and 54F of the Code allow a federal income tax credit to a bondholder who owns a “Qualified School Construction Bond” on a tax credit allowance date. The tax credit allowance dates for the bonds are March 15, June 15, September 15, and December 15, commencing March 15, 2010, as well as the last date a bond is outstanding (page 17 of the Official Statement). The sinking fund had a balance of \$70,340,246.66 at September 30, 2019.

To the extent that 100% of the available project proceeds are not expended for qualified purposes by December 15, 2012, or if an extension of such expenditure period has been received by the Authority from the United States Secretary of Treasury, on a tax credit allowance date that occurs on or before the close of the extended period, the Authority shall redeem the nonqualified bonds (as defined in Section 54A of Title 26 of the Internal Revenue Code) in authorized denominations (rounded up to the next highest authorized denomination) within 90 days after the end of such period, at a redemption price equal to the principal amount of such nonqualified bonds plus any interest accrued to the redemption date, payable from such unexpended proceeds of sale of the bonds held by the Authority (page 7 of the Official Statement). The bonds shall not be subject to defeasance, and the Authority shall not pay or discharge (including through defeasance) all or any portion of the bonds prior to their scheduled maturity dates, except pursuant to the extraordinary mandatory redemption provisions described above (page 13 of the Official Statement).

For the APSCA Series 2010 QSCB, no Official Statement was prepared for these bonds; instead, a Bond Resolution and a Request for Proposal were prepared. The American Recovery and Reinvestment Act of 2009 granted a national allocation of \$11 billion to provide for the issuance of qualified school construction bonds. The APSCA Series 2010 QSCB are being issued pursuant to the authorizing acts for the purpose of making loans to certain local boards to finance capital expenditures authorized by the authorizing acts and the Internal Revenue Code and approved by the Authority and the State Superintendent of Education (page 6 of the Request for Proposal).

A sinking fund was set up with Wells Fargo Bank, N.A., in which the State of Alabama will make annual \$6,895,316.91 principal payments into the sinking fund at Wells Fargo Bank, N.A. (starting on September 1, 2011), and Wells Fargo Bank, N.A. will only make one principal payment of \$154,727,000 on September 1, 2027. The sinking fund is expected to earn approximately \$37,506,613 of interest between September 1, 2011 and September 1, 2027 to come up to the \$154,727,000 amount. The State of Alabama will also make semi-annual interest payments every year of \$3,984,220.25 (\$7,968,440.50 annually) starting in March 2011 (the first interest payment will be slightly lower – \$3,829,278.35 – as slightly less than 6 months of interest will be paid at that time) and the Authority is going to file with the IRS to receive an interest subsidy of \$3,651,557.20 semi-annually (\$7,303,114.40 annually) that will reduce its interest costs. There is a provision that if the bond proceeds were not expended fully within 3 years after the closing date, the bonds would be redeemed (page 18 of the Request for Proposal and page 12 of the Bond Resolution).

For the APSCA Series 2010 QSCB, bank accounts were set up in the 2011 fiscal year, as the first interest payment was deposited in the bank in March 2011, and the principal payments were deposited in the sinking fund in September 2011, September 2012, September 2013, September 2014, September 2015, September 2016, September 2017, September 2018, and September 2019 as required. The balance of the sinking fund is \$71,084,248.26 at September 30, 2019.

For the APSCA Series 2011-A QZAB, a sinking fund was set up in May 2011, and it had activity in the 2012 fiscal year as the first interest payment was made on November 1, 2011. This sinking fund is with Wells Fargo Bank, N.A., in which the State of Alabama will make annual \$2,568,402.10 principal payments into the sinking fund at Wells Fargo Bank, N.A. (starting on May 1, 2012), and Wells Fargo Bank, N.A., will only make one principal payment of \$51,270,000 on May 1, 2026. The sinking fund is expected to earn approximately \$12,743,969 of interest between May 1, 2012 and May 1, 2026 to come up to the \$51,270,000 amount. The State of Alabama will also make semi-annual interest payments every year of \$1,179,210.00 (\$2,358,420.00 annually) starting in November 2011 (the first interest payment was slightly lower – \$976,123.83) and the Authority is going to file with the IRS to receive an interest subsidy of \$1,179,210.00 semi-annually (\$2,358,420.00 annually) that will reduce its interest costs. The required \$2,568,402.10 principal amount was deposited in the sinking fund on April 26, 2013 as required, and it was moved to Bayerische Landesbank investments on May 1, 2013, along with the required \$2,568,402.10 deposits in April 2014, 2015, 2016, 2017, 2018, and 2019. Its balance as of September 30, 2019 is \$23,630,494.10. There is a provision that if the bond proceeds were not expended fully within 3 years after the closing date, the bonds would be redeemed (page 8 of the Official Statement).

In February 2009, as part of the American Recovery and Reinvestment Act of 2009, the United States Congress added Sections 54A and 54E to the Internal Revenue Code of 1986, as amended. Sections 54A and 54E authorize state or local governments to issue bonds for certain qualified purposes to benefit public schools (or academic programs within a public school) that are established by and operated under the supervision of certain eligible local education agencies to provide education and training below the postsecondary level. Those qualified purposes are (i) rehabilitating or repairing qualified public school facilities, (ii) providing equipment for use at such qualified public school facilities, (iii) developing course materials for education to be provided at such qualified public school facilities, and (iv) training teachers and other school personnel at such qualified public school facilities; provided however, that the proceeds of the Series 2011-A Bonds shall only be used for qualified purposes as described in (i) and (ii) above. The public schools that are established or operated by an eligible local education agency are referred to in the Code as “qualified zone academies”, and the bonds issued with respect to a qualified zone academy are referred to as “Qualified Zone Academy Bonds” (QZABs). Interest on QZABs is not excludable from gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code (page 5 of the Series 2011-A and Series 2011-B Official Statement).

The Authority has designated the Series 2011-A Bonds as Qualified Zone Academy Bonds (QZABs) pursuant to the provisions of Section 54E of the Internal Revenue Code (page 5 of the Series 2011-A and Series 2011-B Official Statement).

Conduit Debt

The multi-family bonds of the Alabama Housing Finance Authority were reclassified as conduit debt in the 2010 fiscal year, as they are not debts of the State of Alabama or the Alabama Housing Finance Authority, and the beginning balance was restated at that time. This practice has continued into the 2019 fiscal year. The single-family bonds of the Alabama Housing Finance Authority are not reported as conduit debt.

The amounts of principal and interest due in future years for the conduit debt are as follows:

Fiscal Year Ending	Principal	Interest	Total
September 30, 2020	\$ 6,506,000.00	\$ 2,923,000.00	\$ 9,429,000.00
2021	3,362,000.00	2,742,000.00	6,104,000.00
2022	1,055,000.00	2,624,000.00	3,679,000.00
2023	1,781,000.00	2,568,000.00	4,349,000.00
2024	1,014,000.00	2,524,000.00	3,538,000.00
2025-2029	5,879,000.00	11,963,000.00	17,842,000.00
2030-2034	14,446,000.00	9,922,000.00	24,368,000.00
2035-2039	58,645,000.00	2,812,000.00	61,457,000.00
2040-2044	3,470,000.00	34,000.00	3,504,000.00
Total	<u>\$96,158,000.00</u>	<u>\$38,112,000.00</u>	<u>\$134,270,000.00</u>

Limitations on Debt – State of Alabama

Pursuant to Section 213 of the *Constitution of Alabama 1901*, as amended by Amendment 26 that was ratified by the electorate in 1933 (the Constitutional Budget Amendment), the State is constitutionally prohibited from incurring debt, and the only method by which general obligation debt of the State can be incurred is by an amendment to the *Constitution of Alabama 1901*. Although conventions proposed by the legislature and approved by the electorate may be called for the purpose of amending the *Constitution of Alabama 1901*, all amendments have historically been adopted through a procedure which requires them to be proposed by a favorable vote of three-fifths of all the members of each house of the Legislature and thereafter approved by a majority of the voters of the State voting in a statewide election. All general obligation bonds were issued pursuant to an amendment to the *Constitution of Alabama 1901*, which was approved by the voters of the State at an election duly called and held, as hereinbefore indicated. The bondholders are not protected by any covenant of the State restricting the issuance of additional general obligation debt, and the bondholders do not have any right to enjoin the creation of such debt.

The Supreme Court of Alabama has held that the debt prohibition contained in the Constitutional Budget Amendment does not apply to obligations incurred for current operating expenses payable during the current fiscal year, debts incurred by separate public corporations, or State debt incurred to repel invasion or suppress insurrection. The State may also make temporary loans not exceeding \$300,000.00 to cover deficits in the state treasury. Limited obligation debt may be authorized by the Legislature without an amendment to the *Constitution of Alabama 1901*. The State has followed the practice of financing certain capital improvements programs, such as highways, education, and improvements to the State Docks, through the issuance of limited obligation bonds payable solely out of certain taxes and other revenues specifically pledged for their payment and not from the general revenues of the State. Such limited obligation bonds are not general obligations of the State, and the full faith and credit of the State are not pledged to the payment thereof.

Authorities Authorized to Issue Bonds

Numerous Authorities have been set up to issue bonds. The State Treasurer is sometimes a voting member of the Authority, and is sometimes a non-voting member but listed as treasurer of the Authority. As the *Code of Alabama 1975* does not always differentiate whether the State Treasurer is a voting or non-voting member, the State Treasurer has been included whenever he/she is listed as an Authority member. The following Authorities have been created to issue bonds (some of which have bonds that are outstanding, and some of which have issued bonds in the past that have been fully paid, and some that have not issued bonds yet):

Authority Name	Authority Members	<i>Code of Alabama 1975, Sections</i>
Alabama Agricultural Development Authority	a. One member appointed by the Speaker of the House of Representatives b. One member appointed by the President Pro Tempore of the Senate c. Two members appointed by the Governor d. Commissioner of Agriculture and Industries (Ex Officio) e. Director of Finance (Ex Officio) f. Superintendent of Banking (Ex Officio)	2-3A-3 and 2-3A-4
Alabama Agricultural Markets and Coliseum Corporation	a. Governor b. Commissioner of Agriculture and Industries c. Director of Finance d. State Treasurer	2-6-72 and 2-6-74
Alabama Building Renovation Finance Authority	a. Governor b. Director of Finance c. State Treasurer	41-10-452 and 41-10-455
Alabama Corrections Institution Finance Authority	a. Governor b. Commissioner of Corrections c. Director of Finance d. Lieutenant Governor e. Attorney General	14-2-2 and 14-2-6

Authority Name	Authority Members	Code of Alabama 1975, Sections
Alabama Drinking Water Finance Authority	<ul style="list-style-type: none"> a. Governor b. Lieutenant Governor c. Speaker of the House of Representatives d. Director of the Department of Environmental Management e. Director of Finance 	22-23B-4 and 22-23B-5
Alabama Economic Settlement Authority	<ul style="list-style-type: none"> a. Governor b. State Treasurer c. Speaker of the House of Representatives d. President Pro Tempore of the Senate e. Secretary of Labor f. Director of Finance 	Act 2016-469, Acts of Alabama. Assigned to Code Sections 41-10-750 to 41-10-769 by the Code Commissioner in the 2016 First Special Session effective September 8, 2016. These are not in the current Code Supplement.
Alabama Education Authority	<ul style="list-style-type: none"> a. Director of Finance b. Commissioner of Revenue c. Attorney General d. State Auditor e. State Treasurer f. State Superintendent of Education 	16-15-3 and 16-15-6
Alabama Federal Aid Highway Finance Authority	<ul style="list-style-type: none"> a. Governor/Executive Secretary to the Governor b. Director of Finance c. Director of Transportation d. Attorney General e. State Treasurer 	23-1-302 and 23-1-305 (Section 23-1-302 states that the Executive Secretary to the Governor is on the corporation; Section 23-1-305 states that the Governor is President of the corporation)
Alabama Forensic Sciences Bond Authority	<ul style="list-style-type: none"> a. Governor b. Lieutenant Governor c. Speaker of the House of Representatives d. State Treasurer e. Director of Finance 	16-18B-3 and 16-18B-5
Alabama Higher Education Equipment Loan Authority	<ul style="list-style-type: none"> a. Governor b. State Treasurer c. Director of Finance 	16-65-4

Authority Name	Authority Members	Code of Alabama 1975, Sections
Alabama Higher Education Loan Corporation	<ul style="list-style-type: none"> a. Five members appointed by the Governor b. State Treasurer (Ex Officio) c. Director of Finance (Ex Officio) d. Executive Secretary of the Governor (Ex Officio) e. Superintendent of Banks (Ex Officio) 	Executive Order 33, dated August 19, 1980; Bond Official Statements; 10A-3-1 to 10A-3-8.02; Alabama Nonprofit Corporation Act
Alabama Highway Authority	<ul style="list-style-type: none"> a. Governor b. Director of Finance c. Director of Transportation d. Attorney General e. State Treasurer 	23-1-151 and 23-1-154
Alabama Highway Finance Corporation	<ul style="list-style-type: none"> a. Governor b. Director of Transportation c. Attorney General d. Director of Finance e. State Treasurer 	23-1-171 and 23-1-174
Alabama Historic Ironworks Commission	<ul style="list-style-type: none"> a. Fourteen members appointed by the Governor, of which at least 3 each shall be from persons residing in Bibb, Jefferson, and Tuscaloosa Counties b. One member appointed by the Board of Trustees of the University of Alabama c. One member appointed by the Board of Trustees of the University of Montevallo d. One member of the Alabama Historical Commission e. The remaining member who shall by virtue of historical background be knowledgeable about the early Alabama iron industry, be chosen by the commission membership and designated "historian." 	41-9-321
Alabama Housing Finance Authority	<ul style="list-style-type: none"> a. Seven initial appointees of the Governor by congressional districts b. Appointee of the Governor from the state at large c. Two appointees of the Speaker of the House of Representatives d. Two appointees of the Lieutenant Governor e. Director of Finance (Ex Officio) f. Superintendent of Banks (Ex Officio) g. State Treasurer (Ex Officio) 	24-1A-4
Alabama Incentives Financing Authority	<ul style="list-style-type: none"> a. Governor b. State Treasurer c. Director of Finance 	41-10-542 and 41-10-545

Authority Name	Authority Members	Code of Alabama 1975, Sections
Alabama Indian Housing Authority	a. Five members who shall be appointed by the Alabama Indian Affairs Commission from nominations submitted to the commission from the tribal councils of the following tribal governments: (1) Cherokees of Southeast Alabama (2) Cherokees of Northeast Alabama (3) Echota Cherokees (4) Machis Creeks (5) Star Clan of Muscogee (Creeks)	24-7A-2
Alabama Industrial Access Road and Bridge Corporation	a. Director of Transportation b. State Treasurer c. Director of Finance	23-6-3 and 23-6-6
Alabama International Airport Authority	a. Three citizens appointed by the Governor b. One citizen appointed by the Lieutenant Governor c. One citizen appointed by the Speaker of the House of Representatives d. One citizen appointed by the Mayor of the City of Birmingham e. One citizen appointed by the Mayor of the City of Mobile from the members of the Board of Directors of the Mobile Airport Authority f. One citizen appointed by the Mayor of the City of Montgomery from the members of the Board of Directors of the Montgomery Airport Authority g. One citizen appointed by the Mayor of the City of Huntsville from the members of the Board of Directors of the Huntsville Airport Authority h. One citizen appointed by the Mayor of the City of Dothan from the members of the Board of Directors of the Dothan Airport Authority i. One citizen appointed by the appointing county official of the county in which the authority's major airport is located	4-2A-2 and 4-2A-5
Alabama Judicial Building Authority	a. Governor b. Director of Finance c. Lieutenant Governor d. Speaker of the House of Representatives e. Chief Justice	41-10-262 and 41-10-265

Authority Name	Authority Members	Code of Alabama 1975, Sections
Alabama Land Recycling Finance Authority	<ul style="list-style-type: none"> a. Governor b. Lieutenant Governor c. Speaker of the House of Representatives d. Director of the Department of Environmental Management e. Director of Finance 	22-30F-5
Alabama Mental Health Finance Authority	<ul style="list-style-type: none"> a. Governor b. Commissioner of Mental Health c. Director of Finance d. Chairman of the Mental Health Capital Outlay Oversight Committee e. Vice-Chairman of the Mental Health Capital Outlay Oversight Committee f. State Treasurer 	41-10-352 and 41-10-355
Alabama Music Hall of Fame Authority	<ul style="list-style-type: none"> a. Four board members appointed by the Governor from the membership of the Muscle Shoals Music Association b. Three board members appointed by the Governor from the state at large and shall not be employed in the music business 	<i>Constitution of Alabama 1901</i> , Section 213.35; and <i>Code of Alabama 1975</i> , Section 41-9-680
Alabama Port Authority	<ul style="list-style-type: none"> a. Governor b. Director of Finance c. One member of the Senate, appointed by the President of the Senate d. One member of the House of Representatives, appointed by the Speaker of the House e. Director of the State Docks Department 	33-13-3 and 33-13-6
Alabama Public Health Care Authority	<ul style="list-style-type: none"> a. Four members appointed by the Monroe County Commission b. State Health Officer c. Chief Fiscal Officer of the Department of Public Health d. Director of Finance 	22-21-310; Official Statement for Board Composition

Authority Name	Authority Members	Code of Alabama 1975, Sections
Alabama Public Health Care Finance Authority	<ul style="list-style-type: none"> a. State Health Officer b. Governor or his designee c. Director of Finance d. State Treasurer e. One member of the state Senate to be appointed by the President of the Senate (which member may be the President of the Senate) f. One member of the House of Representatives to be appointed by the Speaker of the House of Representatives (which member may be the Speaker of the House of Representatives) 	22-3A-3 and 22-3A-6
Alabama Public School and College Authority	<ul style="list-style-type: none"> a. Governor b. State Superintendent of Education c. Director of Finance d. State Treasurer 	16-16-3 and 16-16-6
Alabama Public School and College Education Incentive Fund Council	<ul style="list-style-type: none"> a. State Superintendent of Education b. Director of Finance c. One member, who shall not be an elected official, appointed by the Governor d. Lieutenant Governor e. Chair of the Senate Finance and Taxation-Education Committee f. Chair of the House Education Appropriations Committee 	16-16-15
Alabama Public Historical Sites and Parks Improvement Corporation	<ul style="list-style-type: none"> a. Governor b. Lieutenant Governor or his or her designee c. President Pro Tempore of the Senate or his or her designee d. Speaker of the House of Representatives or his or her designee e. Commissioner of the Department of Conservation and Natural Resources f. Director of Finance 	9-14A-4 and 9-14A-5
Alabama Revolving Loan Fund Authority	<ul style="list-style-type: none"> a. Governor, or his or her designee b. Finance Director c. Lieutenant Governor, or his or her designee d. Speaker of the House of Representatives, or his or her designee e. Chairman of the Regional Revolving Loan Policy Committee f. President of the Alabama Association of Regional Councils, or his or her designee g. State Treasurer 	11-85-101 and 11-85-104

Authority Name	Authority Members	Code of Alabama 1975, Sections
Alabama Shakespeare Festival Theatre Finance Authority	<ul style="list-style-type: none"> a. Governor b. State Treasurer c. Director of Finance d. Board of Directors of five members – the Chancellor of the University of Alabama (Ex Officio) and the President of Auburn University (Ex Officio), plus three members appointed by the Governor 	41-10-202 and 41-10-203
Alabama Space Science Exhibit Finance Authority	<ul style="list-style-type: none"> a. Any three individual citizens of the state selected for such purpose by the Alabama Space Science Exhibit Commission and approved by the Governor 	41-10-302
Alabama State Parking Deck Authority	<ul style="list-style-type: none"> a. Finance Director b. State Budget Officer c. One person appointed by the Governor d. One person appointed by the Speaker of the House e. One person appointed by the Lieutenant Governor f. State Treasurer 	41-10-492
Alabama State Parks System Improvement Corporation	<ul style="list-style-type: none"> a. Governor b. Lieutenant Governor or his or her designee c. President Pro Tempore of the Senate or his or her designee d. Speaker of the House of Representatives or his or her designee e. Commissioner of the Department of Conservation and Natural Resources f. Director of Finance 	9-14A-4 and 9-14A-5
Alabama State Port Authority	<ul style="list-style-type: none"> a. Eight members appointed by the Governor subject to confirmation of the Senate – two members from the southern region of this state; two members from the central region of this state; two members from the northern region of this state; and two members from the state at-large. b. The Mayor of Mobile and the President of the Mobile County Commission each shall serve in alternate years as an Ex Officio member of the board 	33-1-8

Authority Name	Authority Members	Code of Alabama 1975, Sections
Alabama Toll Road, Bridge and Tunnel Authority	<ul style="list-style-type: none"> a. Governor or his or her designee b. Lieutenant Governor or his or her designee c. Speaker of the House of Representatives or his or her designee d. Director of Transportation e. Director of Finance f. Chair of the House Government Appropriations Committee g. Chair of the Senate Finance and Taxation General Fund Committee h. Two persons from the state at large to be appointed by the Governor 	23-2-143
Alabama Trade School and Junior College Authority	<ul style="list-style-type: none"> a. Governor b. State Superintendent of Education c. Director of Finance d. State Treasurer 	16-60-83 and 16-60-86
Alabama Transportation Infrastructure Bank	<ul style="list-style-type: none"> a. Director of Transportation (Ex Officio) b. Four members appointed by the Governor c. One member of the House of Representatives appointed by the Speaker of the House d. One member of the Senate appointed by the President Pro Tempore of the Senate 	23-7-17
Alabama 21 st (Twenty-First) Century Authority	<ul style="list-style-type: none"> a. Governor b. Commissioner of Revenue c. Director of Finance d. State Treasurer 	41-10-623 and 41-10-624
Alabama Water Pollution Control Authority	<ul style="list-style-type: none"> a. Governor b. Lieutenant Governor c. Speaker of the House of Representatives d. Director of the Department of Environmental Management e. Director of Finance 	22-34-4 and 22-34-5
Alabama Water System Assistance Authority	<ul style="list-style-type: none"> a. Governor b. Director of the Department of Economic and Community Affairs c. Director of Finance d. One member of the House of Representatives appointed by the Speaker e. One member of the Senate appointed by the Lieutenant Governor 	22-23A-3

Authority Name	Authority Members	Code of Alabama 1975, Sections
Amendment 666 Bond Commission	<ul style="list-style-type: none"> a. Governor b. Director of Finance c. Commissioner of Revenue d. Chairman of the Senate Finance and Taxation General Fund Committee e. Chairman of the House Ways and Means General Fund Committee 	Amendment 666 to the <i>Constitution of Alabama 1901</i> , codified as Section 219.04, Section IX
Ameraport Offshore Harbor and Terminal Commission	<ul style="list-style-type: none"> a. Governor (Ex Officio) b. Five members chosen on the basis of their demonstrated experience in civic leadership and their stature and ability to act effectively for the best interests of the State of Alabama appointed by the Governor. 	33-10-3
Armory Commission	<ul style="list-style-type: none"> a. Governor b. Adjutant General c. Attorney General d. Two highest ranking Army National Guard officers e. Highest ranking Air National Guard officer f. Three duly qualified electors of Alabama, to be appointed by the Governor 	31-4-1
Bear Creek Development Authority	<ul style="list-style-type: none"> a. One appointed from each governing body of the Counties of Marion, Colbert, Franklin, and Winston b. One appointed by the Governor c. The mayor or other chief executive officer of each of the municipalities of Red Bay, Vina, Hodges, Hackleburg, Bear Creek, Haleyville, Phil Campbell, Russellville, and Cherokee 	33-15-4
Coosa Valley Development Authority	<ul style="list-style-type: none"> a. Governor b. Lieutenant Governor c. Speaker of the House of Representatives d. Director of Finance e. Highway Director f. Director of the State Docks Department g. President of the Coosa-Alabama River Improvement Association 	33-16-3 and 33-16-6
Farmers' Market Authority	<ul style="list-style-type: none"> a. Commissioner of Agriculture and Industries b. Board of Agriculture and Industries 	2-5A-1, 2-5A-30 and 2-5A-31

Authority Name	Authority Members	Code of Alabama 1975, Sections
Garrett Coliseum Redevelopment Corporation	<ul style="list-style-type: none"> a. Commissioner of Agriculture and Industries b. Governor c. Director of Finance d. Mayor of Montgomery e. Chair of the Board of the Montgomery County Commission f. President of the Montgomery City Council g. Four members appointed by the Governor 	2-6-105, 2-6-110, and 2-6-111
Historic Blakeley Authority	<ul style="list-style-type: none"> a. Two representatives of education, one to be appointed by the President of the University of South Alabama and one to be appointed by the Baldwin County Board of Education from among school board members, who are residents of the geographic area that is now Baldwin County Commission District No. 2 b. Chairman of the Baldwin County Commission or a member of the Baldwin County Commission to be chosen by the commission c. Sheriff of Baldwin County d. Alabama House of Representatives District 95 member e. Governor of the State of Alabama or a representative appointed by him f. President of the Baldwin County Historic Society or a person designated by the president g. Representative of the Fort Bowyer Chapter, Daughters of the American Revolution to be chosen by the chapter h. President of Descendants of Blakeley residents or a person designated by the president i. Representative of the Eastern Shore Chamber of Commerce j. Chairman of the Board of Directors of the Tallulah Bankhead Center for the Performing Arts k. Chairman of the Blakeley Courthouse Museum Board l. Nine at-large members to be appointed by the Governor from nominations submitted by the Historic Blakeley Foundation 	41-10-171

Authority Name	Authority Members	Code of Alabama 1975, Sections
Montgomery Downtown Redevelopment Authority	a. Board of directors, not less than three, elected by the governing body of the city	11-54A-7
Pollution Control Finance Authority	a. Governor b. State Health Officer c. Director of Finance	22-29-3 and 22-29-6
Private Colleges and Universities Facilities Authority	a. Nine members appointed equally by the Governor, Lieutenant Governor, and Speaker of the House of Representatives	16-18A-3
Southern Products Mart Authority	a. Director of Finance b. Secretary of the Alabama Department of Commerce c. State Treasurer d. Executive Secretary to the Governor	41-10-52 and 41-10-53
State Industrial Development Authority	a. Secretary of the Alabama Department of Commerce b. Commissioner of Revenue c. Director of Finance d. State Treasurer e. Governor or Designee f. Additional person appointed by the Governor g. President Pro Tempore of the Senate or designee h. Speaker of the House of Representatives or Designee	41-10-22 and 41-10-25
Tennessee Valley Exhibit Commission	a. Five members appointed by the Governor, at least three of which shall be residents of the Shoals area of Northwest Alabama	41-9-781

Authority Name	Authority Members	Code of Alabama 1975, Sections
Tuskegee Airmen Commission	<ul style="list-style-type: none"> a. Three members appointed by the Governor from a list of six nominees submitted by the Speaker of the House of Representatives with one member recommended by the member of the House of Representatives from the district in which the commission is located b. Three members appointed by the Governor from a list of six nominees submitted by the Presiding Officer of the Senate with one member recommended by the member of the Senate from the district in which the commission is located c. Three members appointed by the Board of Trustees of Tuskegee University d. Nine members appointed by the Governor 	41-9-950
USS Alabama Battleship Commission	<ul style="list-style-type: none"> a. Eighteen competent and qualified citizens of Alabama appointed by the Governor, of which at least three shall be from Mobile County and at least one shall be from Baldwin County, with the rest appointed from the entire state in a manner as to provide general statewide representation of the commission 	41-9-340

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Summary of Changes in Bond Indebtedness
October 1, 2018 through September 30, 2019

A summary of changes in the bond indebtedness during the fiscal year ended September 30, 2019, follows:

	General Obligation Bonds	Revenue Bonds	Total
Bonds Payable at October 1, 2018	\$609,633,448	\$4,913,977,881	\$5,523,611,329
<u>New Bonds Issued</u>			
<u>General Obligation Bonds</u>			
Series 2018-A	98,360,000		98,360,000
Series 2018-B	38,740,000		38,740,000
Series 2018-C	23,305,000		23,305,000
<u>Alabama Incentives Financing Authority</u>			
Series 2019-A		21,060,000	21,060,000
Series 2019-B		131,465,000	131,465,000
<u>Alabama Public School and College Authority</u>			
Series 2019-A		25,950,000	25,950,000
<u>Bonds Retired</u>			
Principal Payments	(52,940,000)	(350,227,150)	(405,167,150)
Bonds Refunded		(149,320,000)	(149,320,000)
<u>Bond Amortization</u>			
Discount/Premium Amortization	(11,129,358)	(56,437,175)	(67,566,532)
Premium - New Bond Issues	18,885,741	7,738,783	26,624,524
Discount - New Bond Issues			
Bonds Payable at September 30, 2019	<u>\$722,854,831</u>	<u>\$4,544,207,339</u>	<u>\$5,267,062,170</u>

See Exhibit 2 for a breakdown of the bond totals.

***Schedule of Changes in Bond Indebtedness
For the Year Ended September 30, 2019***

BOND ISSUE	BONDS PAYABLE OCTOBER 1	ISSUANCES
<u>GENERAL OBLIGATION BONDS</u>		
G. O. Bonds, Series 2010-A	\$ 13,215,000	\$ -
Unamortized Premium - Series 2010-A	539,150	-
G. O. Bonds, Series 2010-B	4,325,000	-
Unamortized Premium - Series 2010-B	73,923	-
G. O. Bonds, Series 2010-C	22,505,000	-
Unamortized Premium - Series 2010-C	742,810	-
G. O. Bonds, Series 2013-A	96,620,000	-
Unamortized Premium - Series 2013-A	6,570,033	-
G. O. Bonds, Series 2013-B	26,890,000	-
Unamortized Premium - Series 2013-B	1,066,595	-
G. O. Bonds, Series 2013-C	775,000	-
Unamortized Premium - Series 2013-C	14,545	-
G. O. Bonds, Series 2014-A Refunding	167,270,000	-
Unamortized Premium - Series 2014-A	17,762,028	-
G. O. Bonds, Series 2016-A	93,500,000	-
Unamortized Premium - Series 2016-A	10,090,792	-
G. O. Bonds, Series 2016-B	21,865,000	-
Unamortized Premium - Series 2016-B	1,449,450	-
G. O. Bonds, Series 2016-C Refunding	105,140,000	-
Unamortized Premium - Series 2016-C	19,219,124	-
G. O. Tax-Exempt Bonds, Series 2018-A	-	98,360,000
Unamortized Premium - Series 2018-A	-	16,987,022
G. O. Taxable Bonds, Series 2018-B	-	38,740,000
G. O. Tax-Exempt Bonds, Series 2018-C	-	23,305,000
Unamortized Premium - Series 2018-C	-	1,898,719
TOTAL GENERAL OBLIGATION BONDS	609,633,448	179,290,741
<u>REVENUE BONDS</u>		
<u>ALABAMA JUDICIAL BUILDING AUTHORITY</u>		
Revenue Bonds, Series 2007	1,365,000	-
Unamortized Premium - Series 2007	8,051	-
<u>ALABAMA PUBLIC HEALTH CARE AUTHORITY</u>		
Lease Revenue Bonds, Series 2015	53,415,000	-
Lease Revenue Refunding Bonds - Series 2016	20,340,000	-
Unamortized Premium - Series 2015 and 2016	5,402,505	-
<u>ALABAMA ECONOMIC SETTLEMENT AUTHORITY</u>		
BP Settlement Revenue Bonds, Series 2016-A	80,925,000	-
Unamortized Discount - Series 2016-A	(2,310,716)	-
Taxable BP Settlement Revenue Bonds, Series 2016-B	\$ 521,035,000	\$ -

PRINCIPAL PAYMENTS	ADVANCE REFUNDED	AMORTIZATION OF DISCOUNT OR PREMIUM	BONDS PAYABLE SEPTEMBER 30
\$ (4,155,000)	\$ -	\$ -	\$ 9,060,000
-	-	(256,220)	282,930
(1,395,000)	-	-	2,930,000
-	-	(36,539)	37,384
(7,025,000)	-	-	15,480,000
-	-	(390,282)	352,528
(17,960,000)	-	-	78,660,000
-	-	(1,991,190)	4,578,844
(1,345,000)	-	-	25,545,000
-	-	(125,368)	941,227
(250,000)	-	-	525,000
-	-	(7,203)	7,342
(17,735,000)	-	-	149,535,000
-	-	(3,913,779)	13,848,249
-	-	-	93,500,000
-	-	(914,557)	9,176,235
(5,075,000)	-	-	16,790,000
-	-	(668,585)	780,865
-	-	-	105,140,000
-	-	(2,142,209)	17,076,915
-	-	-	98,360,000
-	-	(439,491)	16,547,531
-	-	-	38,740,000
-	-	-	23,305,000
-	-	(243,936)	1,654,783
(54,940,000)	-	(11,129,358)	722,854,831
(1,365,000)	-	-	-
-	-	(8,051)	-
(750,000)	-	-	52,665,000
(830,000)	-	-	19,510,000
-	-	(389,161)	5,013,344
-	-	-	80,925,000
-	-	157,770	(2,152,946)
\$ (31,005,000)	\$ -	\$ -	\$ 490,030,000

***Schedule of Changes in Bond Indebtedness
For the Year Ended September 30, 2019***

BOND ISSUE	BONDS PAYABLE OCTOBER 1	ISSUANCES
<u>ALABAMA FEDERAL AID HIGHWAY FINANCE AUTHORITY</u>		
Federal Highway Grant Anticipation Bonds, Series 2012	\$ 120,685,000	\$ -
Unamortized Premium - Series 2012	7,283,352	-
Special Obligation Revenue Bonds, Series 2015	517,480,000	-
Unamortized Premium - Series 2015	52,251,549	-
Revenue Bonds, Series 2016A	236,395,000	-
Unamortized Premium - Series 2016A	31,239,825	-
Revenue Bonds, Series 2017A	403,665,000	-
Unamortized Premium - Series 2017A	69,522,403	-
Revenue Refunding Bonds, Series 2017B	139,975,000	-
Unamortized Premium - Series 2017B	27,052,892	-
<u>ALABAMA HIGHWAY FINANCE CORPORATION</u>		
Limited Obligation Revenue Bond (Direct Loan), Series 2014	11,065,000	-
<u>ALABAMA BUILDING RENOVATION FINANCE AUTHORITY</u>		
Building Renovation Revenue Refunding Bonds, Series 2010	13,450,000	-
Unamortized Premium - Series 2010	957,467	-
<u>ALABAMA STATE PORT AUTHORITY</u>		
Docks Facilities Revenue Refunding Bonds, Series 2008A	29,955,000	-
Docks Facilities Revenue Refunding Bonds, Series 2017A (AMT)	121,995,000	-
Docks Facilities Revenue Refunding Bonds, Series 2017B (non-AMT)	12,100,000	-
Docks Facilities Revenue Refunding Bonds, Series 2017C (non-AMT)	6,130,000	-
Docks Facilities Revenue Refunding Bonds, Series 2017D (Taxable)	132,270,000	-
Short-Term Docks Facilities Revenue Bonds, Series 2018	50,000,000	-
Unamortized (Discount)/Premium	14,718,753	-
<u>ALABAMA INCENTIVES FINANCING AUTHORITY</u>		
Tax-Exempt Special Obligation Bonds, Series 2009-A	15,920,000	-
Unamortized Premium - Series 2009-A	778,444	-
Taxable Special Obligation Bonds, Series 2009-B	68,280,000	-
Unamortized Premium - Series 2009-B	509,717	-
Tax-Exempt Special Obligation Bonds, Series 2009-C	12,000,000	-
Unamortized Premium - Series 2009-C	433,167	-
Tax-Exempt Special Obligation Bonds, Series 2012-A	123,385,000	-
Unamortized Premium - Series 2012-A	10,233,865	-
Tax-Exempt Series 2019-A Refunding Bonds	-	21,060,000
Unamortized Premium - Series 2019-A	-	3,871,526
Subordinate Taxable Series 2019-B Refunding Bonds	-	131,465,000
<u>ALABAMA MENTAL HEALTH FINANCE AUTHORITY</u>		
Limited Obligation Special Tax Bonds, (Direct Loan), Series 2012	\$ 9,965,000	\$ -

PRINCIPAL PAYMENTS	ADVANCE REFUNDED	AMORTIZATION OF DISCOUNT OR PREMIUM	BONDS PAYABLE SEPTEMBER 30
\$ (28,010,000)	\$ -	\$ -	\$ 92,675,000
-	-	(2,869,696)	4,413,657
(5,730,000)	-	-	511,750,000
-	-	(4,484,987)	47,766,562
-	-	-	236,395,000
-	-	(1,838,124)	29,401,701
(13,630,000)	-	-	390,035,000
-	-	(6,088,498)	63,433,905
-	-	-	139,975,000
-	-	(4,123,315)	22,929,577
(3,625,000)	-	-	7,440,000
(2,030,000)	-	-	11,420,000
-	-	(159,578)	797,889
(6,950,000)	-	-	23,005,000
-	-	-	121,995,000
(3,795,000)	-	-	8,305,000
-	-	-	6,130,000
(1,080,000)	-	-	131,190,000
-	-	-	50,000,000
-	-	(1,114,113)	13,604,640
(1,130,000)	(14,790,000)	-	-
-	-	(778,444)	-
(4,590,000)	-	-	63,690,000
-	-	(76,674)	433,043
(855,000)	(11,145,000)	-	-
-	-	(433,167)	-
-	(123,385,000)	-	-
-	-	(10,233,865)	-
-	-	-	21,060,000
-	-	-	3,871,526
-	-	-	131,465,000
\$ (1,895,000)	\$ -	\$ -	\$ 8,070,000

***Schedule of Changes in Bond Indebtedness
For the Year Ended September 30, 2019***

BOND ISSUE	BONDS PAYABLE OCTOBER 1	ISSUANCES
<u>ALABAMA 21ST CENTURY AUTHORITY</u>		
Tobacco Settlement Revenue Refunding Bonds, Series 2012-A	\$ 43,455,000	\$ -
Unamortized Premium - Series 2012-A	2,268,010	-
<u>ALABAMA PUBLIC SCHOOL AND COLLEGE AUTHORITY</u>		
Capital Improvement Bonds, Series 2007	77,205,000	-
Unamortized Premium - Series 2007	4,743,000	-
Capital Improvement Refunding Bonds, Series 2009-A	36,935,000	-
Unamortized Premium - Series 2009-A	740,454	-
Capital Improvement Pool Refunding Bonds, Series 2009-B	17,800,000	-
Unamortized Premium - Series 2009-B	343,551	-
Capital Improvement Pool Bonds, Series 2009-C	1,715,000	-
Unamortized Premium - Series 2009-C	4,127	-
Capital Improvement Pool Bonds, Series 2009-D	145,880,000	-
Capital Improvement Refunding Bonds, Series 2010-A	32,085,000	-
Unamortized Premium - Series 2010-A	547,481	-
Cap. Impr. Pool Qualified School Construction Bonds, Series 2010	154,727,000	-
Tax Exempt Capital Improvement Direct Loan Bonds, Series 2010-C	36,885,000	-
Taxable Capital Improvement Direct Loan Bonds, Series 2010-D	7,155,000	-
Capital Improvement Pool Qualified Zone Academy Bonds, 2011-A	51,270,000	-
Capital Improvement Pool Refunding Bonds, Series 2011-B	18,130,000	-
Unamortized Premium - Series 2011-B	850,592	-
Pool Refunding Bonds, Series 2012-A	38,845,000	-
Unamortized Premium - Series 2012-A	3,234,975	-
Economic Development and Training Refunding, Series 2012-B	61,030,000	-
Unamortized Premium - Series 2012-B	4,063,850	-
Tax-Exempt Capital Improvement Direct Loan Bonds, Series 2012-C	3,050,000	-
Taxable Capital Improvement Direct Loan Bonds, Series 2012-D	14,970,000	-
Capital Improvement Pool Bonds, Series 2013-A	97,660,000	-
Unamortized Premium - Series 2013-A	3,578,160	-
Capital Improvement Pool Bonds, Series 2013-B	50,050,000	-
Unamortized Premium - Series 2013-B	1,687,552	-
Capital Improvement Pool Bonds, Series 2013-C	71,325,000	-
Unamortized Premium - Series 2013-C	5,041,232	-
Capital Improvement Pool Bonds, Series 2013-D	19,970,000	-
Unamortized Premium - Series 2013-D	100,508	-
Capital Improvement Pool Refunding Bonds, Series 2014-A	56,060,000	-
Unamortized Premium - Series 2014-A	5,381,127	-
Capital Improvement Pool Refunding Bonds, Series 2014-B	546,850,000	-
Unamortized Premium - Series 2014-B	58,407,065	-
Capital Improvement Refunding Bonds, Series 2015-A	\$ 33,635,000	\$ -

PRINCIPAL PAYMENTS	ADVANCE REFUNDED	AMORTIZATION OF DISCOUNT OR PREMIUM	BONDS PAYABLE SEPTEMBER 30
\$ (13,760,000)	\$ -	\$ -	\$ 29,695,000
-	-	(1,115,143)	1,152,866
-	-	-	77,205,000
-	-	(499,263)	4,243,737
(36,935,000)	-	-	-
-	-	(740,454)	-
(17,800,000)	-	-	-
-	-	(343,551)	-
(1,715,000)	-	-	-
-	-	(4,127)	-
-	-	-	145,880,000
(32,085,000)	-	-	-
-	-	(547,481)	-
-	-	-	154,727,000
(11,870,000)	-	-	25,015,000
(2,295,000)	-	-	4,860,000
-	-	-	51,270,000
(4,965,000)	-	-	13,165,000
-	-	(405,395)	445,197
(7,900,000)	-	-	30,945,000
-	-	(1,235,544)	1,999,431
(7,720,000)	-	-	53,310,000
-	-	(1,119,825)	2,944,025
(580,000)	-	-	2,470,000
(2,765,000)	-	-	12,205,000
(4,840,000)	-	-	92,820,000
-	-	(423,103)	3,155,057
(770,000)	-	-	49,280,000
-	-	(165,027)	1,522,525
(9,115,000)	-	-	62,210,000
-	-	(1,015,170)	4,026,063
(1,065,000)	-	-	18,905,000
-	-	(10,820)	89,688
(6,545,000)	-	-	49,515,000
-	-	(1,291,473)	4,089,655
(50,175,000)	-	-	496,675,000
-	-	(11,762,628)	46,644,437
\$ -	\$ -	\$ -	\$ 33,635,000

***Schedule of Changes in Bond Indebtedness
For the Year Ended September 30, 2019***

BOND ISSUE	BONDS PAYABLE OCTOBER 1	ISSUANCES
Unamortized Premium - Series 2015-A	\$ 3,982,778	\$ -
Capital Improvement Pool Refunding Bonds, Series 2015-B	47,610,000	-
Unamortized Premium - Series 2015-B	6,293,656	-
Capital Improvement Pool Bonds, Series 2015-C	42,325,000	-
Unamortized Premium - Series 2015-C	4,730,849	-
Capital Improvement Pool Bonds, Series 2016-A	27,255,000	-
Unamortized Premium - Series 2016-A	2,502,456	-
Capital Improvement Pool Bonds, Series 2017-A	18,455,000	-
Unamortized Premium - Series 2017-A	1,346,794	-
Capital Improvement Pool Bonds, Series 2019-A	-	25,950,000
Unamortized Premium - Series 2019-A	-	3,867,257
<u>ALABAMA REVOLVING LOAN FUND AUTHORITY</u>		
Special Obligation and Refunding Taxable Bonds 2010	14,190,000	-
Unamortized Premium - Series 2010	25,212	-
<u>ALABAMA HOUSING FINANCE AUTHORITY</u>		
Mortgage Revenue Bonds	16,743,000	-
<u>ALABAMA WATER POLLUTION CONTROL AUTHORITY</u>		
Revolving Fund Loan Refunding Bonds, Series 2010-A	13,325,000	-
Revolving Fund Loan Refunding Bonds, Series 2010-B	19,695,000	-
Revolving Fund Loan Refunding Bonds, Series 2010-C	15,815,000	-
Unamortized Premium - All AWPCA	381,443	-
<u>ALABAMA DRINKING WATER FINANCE AUTHORITY</u>		
Revolving Fund Loan Refunding Bonds, Series 2012-A	19,080,000	-
Revolving Fund Loan Refunding Bonds, Series 2013-A	8,500,000	-
Revolving Fund Loan Refunding Bonds, Series 2015-A	13,180,000	-
Unamortized (Discounts)/Premiums - All ADWFA	1,542,455	-
<u>ALABAMA SPACE SCIENCE EXHIBIT FINANCE AUTHORITY</u>		
Revenue Refunding Bonds, Series 2014	9,444,281	-
TOTAL REVENUE BONDS	4,913,977,881	186,213,783
<u>GRAND TOTALS - BONDS BY TYPE</u>		
General Obligation Bonds	609,633,448	179,290,741
Revenue Bonds	4,913,977,881	186,213,783
GRAND TOTALS - ALL BONDS	\$ 5,523,611,329	\$ 365,504,524

PRINCIPAL PAYMENTS	ADVANCE REFUNDED	AMORTIZATION OF DISCOUNT OR PREMIUM	BONDS PAYABLE SEPTEMBER 30
\$ -	\$ -	\$ (971,998)	\$ 3,010,780
(2,120,000)	-	-	45,490,000
-	-	(1,009,270)	5,284,386
(1,680,000)	-	-	40,645,000
-	-	(474,597)	4,256,253
(1,025,000)	-	-	26,230,000
-	-	(263,432)	2,239,024
(590,000)	-	-	17,865,000
-	-	(128,904)	1,217,889
-	-	-	25,950,000
-	-	-	3,867,257
(1,070,000)	-	-	13,120,000
-	-	(3,597)	21,616
(1,732,000)	-	-	15,011,000
(3,495,000)	-	-	9,830,000
(7,585,000)	-	-	12,110,000
(3,355,000)	-	-	12,460,000
-	-	(138,893)	242,550
(4,590,000)	-	-	14,490,000
(980,000)	-	-	7,520,000
(1,265,000)	-	-	11,915,000
-	-	(327,581)	1,214,874
(570,150)	-	-	8,874,131
<u>(350,227,150)</u>	<u>(149,320,000)</u>	<u>(56,437,175)</u>	<u>4,544,207,339</u>
(54,940,000)	-	(11,129,358)	722,854,831
(350,227,150)	(149,320,000)	(56,437,175)	4,544,207,339
<u>\$ (405,167,150)</u>	<u>\$ (149,320,000)</u>	<u>\$ (67,566,532)</u>	<u>\$ 5,267,062,170</u>

Status of Bonds Issued and Outstanding

At September 30, 2019

The Bonds Payable totals by category at September 30, 2019, consist of the following individual bond issues:

General Obligation Bonds	Date of Issue	Date of Last Maturity	Interest Rates	Bonds Issued
General Obligation Refunding Bonds, Series 2010-A	6-Apr-10	1-Jun-21	3.00% - 5.00%	\$ 37,765,000
General Obligation Refunding Bonds, Series 2010-B	6-Apr-10	1-Jun-21	3.00% - 4.00%	12,180,000
General Obligation Refunding Bonds, Series 2010-C	25-May-10	1-Jun-21	3.25% - 5.00%	62,085,000
General Obligation Refunding Bonds, Series 2013-A	21-Aug-13	1-Aug-25	2.00% - 5.00%	129,235,000
General Obligation Bonds, Series 2013-B	21-Aug-13	1-Aug-33	3.00% - 5.00%	33,000,000
General Obligation Refunding Bonds, Series 2013-C	21-Aug-13	1-Aug-21	2.00% - 3.00%	1,925,000
General Obligation Refunding Bonds, Series 2014-A	6-Aug-14	1-Aug-26	3.00% - 5.00%	187,085,000
General Obligation Bonds, Series 2016-A	8-Mar-16	1-Nov-36	3.00% - 5.00%	98,500,000
General Obligation Bonds, Series 2016-B	8-Mar-16	1-Nov-21	3.00% - 5.00%	26,695,000
General Obligation Refunding Bonds, Series 2016-C	6-Oct-16	1-Aug-32	2.25% - 5.00%	105,140,000
General Obligation Tax-Exempt Bonds, Series 2018-A	13-Dec-18	1-Nov-38	5%	98,360,000
General Obligation Taxable Bonds, Series 2018-B	13-Dec-18	1-Nov-26	2.85% - 3.45%	38,740,000
General Obligation Tax-Exempt Bonds, Series 2018-C	13-Dec-18	1-Nov-24	5%	23,305,000
Total General Obligation Bonds				<u>\$854,015,000</u>
Total Unmatured Bonds at 9/30/2019 – General Obligation Bonds				
Plus Unamortized Premium – G.O. Refunding Bonds, Series 2010-A				
Plus Unamortized Premium – G.O. Refunding Bonds, Series 2010-B				
Plus Unamortized Premium – G.O. Refunding Bonds, Series 2010-C				
Plus Unamortized Premium – G.O. Refunding Bonds, Series 2013-A				
Plus Unamortized Premium – G.O. Bonds Series 2013-B				
Plus Unamortized Premium – G.O. Bonds Series 2013-C				
Plus Unamortized Premium – G.O. Refunding Bonds Series 2014-A				
Plus Unamortized Premium – G.O. Bonds Series 2016-A				
Plus Unamortized Premium – G.O. Bonds Series 2016-B				
Plus Unamortized Premium – G.O. Refunding Bonds Series 2016-C				
Plus Unamortized Premium – G.O. Tax-Exempt Bonds, Series 2018-A				
Plus Unamortized Premium – G.O. Taxable Bonds, Series 2018-B				
Plus Unamortized Premium – G.O. Tax-Exempt Bonds, Series 2018-C				
Net Outstanding Principal at 9/30/2019 – General Obligation Bonds				
<u>Deferred Outflows – Unamortized Deferred Debt Financing Costs – Reported Separately</u>				
Unamortized Loss – G.O. Refunding Bonds, Series 2010-A				
Unamortized Loss – G.O. Refunding Bonds, Series 2010-B				
Unamortized Loss – G.O. Refunding Bonds, Series 2010-C				
Unamortized Loss – G.O. Refunding Bonds, Series 2013-A				
Unamortized Loss – G.O. Refunding Bonds, Series 2013-C				
Unamortized Loss – G.O. Refunding Bonds Series 2014-A				
Unamortized Loss – G.O. Refunding Bonds Series 2016-C				
Total Deferred Outflows – Unamortized Debt Financing Costs at 9/30/2019 – General Obligation Bonds				

Status of Bonds Issued and Outstanding
At September 30, 2019

Matured Bonds	Unmatured Bonds	Accreted Amounts for Capital Appreciation Bonds	Interest on Unmatured Bonds	Total Unmatured Bonds and Interest	Bond Rating (1)		
					Moody's	Standard & Poor's	Fitch
\$ 28,705,000	\$ 9,060,000	\$	\$ 683,750	\$ 9,743,750	Aa2	AA	
9,250,000	2,930,000		132,750	3,062,750	Aa2	AA	
46,605,000	15,480,000		821,700	16,301,700	Aa1	AA	
50,575,000	78,660,000		10,468,250	89,128,250	Aa1	AA	AA+
7,455,000	25,545,000		8,495,910	34,040,910	Aa1	AA	AA+
1,400,000	525,000		23,700	548,700	Aa1	AA	AA+
37,550,000	149,535,000		27,862,950	177,397,950	Aa1	AA	AA+
5,000,000	93,500,000		37,407,000	130,907,000	Aa1	AA	AA+
9,905,000	16,790,000		992,250	17,782,250	Aa1	AA	AA+
	105,140,000		37,826,913	142,966,913	Aa1	AA	AA+
	98,360,000		70,982,000	169,342,000	Aa1	AA	AA+
	38,740,000		5,001,940	43,741,940	Aa1	AA	AA+
	23,305,000		3,030,125	26,335,125	Aa1	AA	AA+
\$196,445,000	\$657,570,000	\$	\$203,729,238	\$861,299,238			
	\$657,570,000						
	282,930						
	37,384						
	352,528						
	4,578,844						
	941,227						
	7,342						
	13,848,249						
	9,176,235						
	780,865						
	17,076,915						
	16,547,531						
	<u>1,654,783</u>						
	<u>\$722,854,831</u>						
	\$ (182,634)						
	(53,539)						
	(957,060)						
	(212,842)						
	(2,484)						
	(9,725,818)						
	<u>(3,933,270)</u>						
	<u>\$ (15,067,647)</u>						

Status of Bonds Issued and Outstanding

At September 30, 2019

Revenue Bonds	Date of Issue	Date of Last Maturity	Interest Rates	Bonds Issued
<u>Alabama Building Renovation Finance Authority</u>				
Building Revenue Refunding Bonds, Series 2010	11-Aug-10	1-Sep-24	2.50% - 4.00%	\$ 26,990,000
<u>Alabama Judicial Building Authority</u>				
Revenue Bonds, Series 2007	1-Oct-07	1-Nov-18	3.50% - 5.00%	32,660,000
<u>Alabama Public Health Care Authority</u>				
Lease Revenue Bonds, Series 2015	12-Mar-15	1-Sep-44	2.00% - 5.00%	55,855,000
Lease Revenue Refunding Bonds, Series 2016	14-Apr-16	1-Sep-35	2.00% - 5.00%	22,335,000
<u>Alabama Economic Settlement Authority</u>				
BP Settlement Revenue Bonds, Series 2016-A	15-Dec-16	15-Sep-33	4.00%	80,925,000
Taxable BP Settlement Revenue Bonds, Series 2016-B	15-Dec-16	15-Sep-32	3.163% - 4.263%	547,790,000
<u>Alabama Highway Finance Corporation</u>				
Alabama Highway Finance Corporation Bonds, Series 2014	18-Jun-14	1-Jun-21	1.70%	25,000,000
<u>Alabama Federal Aid Highway Finance Authority</u>				
Federal Highway Grant Anticipation Bonds, Series 2012	18-Dec-12	1-Sep-26	4.00% - 5.00%	327,935,000
Federal Aid Highway Finance Authority Bonds, Series 2015	12-Feb-15	1-Sep-34	3.00% - 5.00%	533,175,000
Federal Aid Highway Finance Authority Bonds, Series 2016-A	29-Nov-16	1-Sep-36	5.00%	236,395,000
Federal Aid Highway Finance Authority Bonds, Series 2017-A	29-Jun-17	1-Jun-37	4.00% - 5.00%	416,645,000
Federal Aid Highway Finance Authority Bonds, Series 2017-B	29-Jun-17	1-Sep-26	5.00%	139,975,000
<u>Alabama State Port Authority</u>				
Docks Facilities Revenue Refunding Bonds, Series 2008A	18-Apr-08	1-Oct-21	Variable	61,300,000
Docks Facilities Revenue Refunding Bonds, Series 2017A (AMT)	8-Mar-17	1-Oct-35	5.00%	123,770,000
Docks Facilities Revenue Refunding Bonds, Series 2017B (non-AMT)	8-Mar-17	1-Oct-20	5.00%	12,100,000
Docks Facilities Revenue Refunding Bonds, Series 2017C (non-AMT)	8-Mar-17	1-Oct-36	5.00%	6,130,000
Docks Facilities Revenue Refunding Bonds, Series 2017D (Taxable)	8-Mar-17	1-Oct-40	1.350% - 4.722%	132,990,000
Short-Term Docks Facilities Revenue Bonds, Series 2018	29-Mar-18	1-Apr-21	2.38%	50,000,000
<u>Alabama Incentives Financing Authority</u>				
Tax Exempt Special Oblig. Ref. Bonds, Series 2009-A	24-Sep-09	1-Sep-29	3% - 5%	23,605,000
Taxable Special Oblig. Ref. Bonds, Series 2009-B	24-Sep-09	1-Sep-29	1.930% - 6.042%	98,945,000
Tax Exempt Special Oblig. Bonds, Series 2009-C	24-Sep-09	1-Sep-29	3% - 5%	17,800,000
Tax Exempt Special Obligation Bonds, Series 2012-A	23-Oct-12	1-Sep-42	3% - 5%	124,225,000
Tax Exempt Series 2019-A Refunding Bonds	25-Sep-19	1-Sep-29	5.00%	21,060,000
Subordinate Taxable Series 2019-B Refunding Bonds	25-Sep-19	1-Sep-41	2.145% - 3.542%	\$131,465,000

Status of Bonds Issued and Outstanding
At September 30, 2019

Matured Bonds	Unmatured Bonds	Accreted Amounts for Capital Appreciation Bonds	Interest on Unmatured Bonds	Total Unmatured Bonds and Interest	Bond Rating (1)		
					Moody's	Standard & Poor's	Fitch
\$ 15,570,000	\$ 11,420,000	\$	\$ 1,405,800	\$ 12,825,800	Aaa/Aa3	AAA/AA-	
32,660,000					Aaa	AAA	
3,190,000	52,665,000		41,219,000	93,884,000	Aa2	AA-	
2,825,000	19,510,000		7,067,550	26,577,550	Aa2	AA-	
	80,925,000		44,172,400	125,097,400	A2	A-	
57,760,000	490,030,000		142,419,819	632,449,819	A2	A-	
17,560,000	7,440,000		190,316	7,630,316			
235,260,000	92,675,000		9,096,250	101,771,250	Aa3	AA	
21,425,000	511,750,000		234,912,550	746,662,550	Aa1	AAA	
	236,395,000		189,062,750	425,457,750	Aa1	AAA	
26,610,000	390,035,000		205,072,813	595,107,813	Aa1	AAA	
	139,975,000		38,919,750	178,894,750	Aa1	AAA	
38,295,000	23,005,000		536,827	23,541,827			
1,775,000	121,995,000		68,220,875	190,215,875		A-	A-
3,795,000	8,305,000		421,625	8,726,625		A-	A-
	6,130,000		5,363,750	11,493,750		A-	A-
1,800,000	131,190,000		90,566,154	221,756,154		A-	A-
	50,000,000		1,881,178	51,881,178			
23,605,000						AA+	
35,255,000	63,690,000		23,021,228	86,711,228		AA+	
17,800,000						AA+	
124,225,000					Aa3	A+	
	21,060,000		6,118,800	27,178,800	Aa3	A	
\$	\$131,465,000	\$	\$ 74,383,675	\$205,848,675	Aa3	A	

Status of Bonds Issued and Outstanding

At September 30, 2019

Revenue Bonds	Date of Issue	Date of Last Maturity	Interest Rates	Bonds Issued
<u>Alabama Public School and College Authority</u>				
Capital Improvement Bonds, Series 2007	5-Dec-07	1-Dec-27	2.50% - 5.00%	\$1,070,585,000
Capital Improvement Refunding Bonds, Series 2009-A	28-Oct-09	1-May-24	5.00%	467,325,000
Capital Improvement Pool Refunding Bonds, Series 2009-B	28-Oct-09	1-May-19	3.75% - 5.00%	174,960,000
Capital Improvement Pool Bonds, Series 2009-C	28-Oct-09	1-May-29	3.00% - 5.00%	37,750,000
Capital Improvement Pool Bonds, Series 2009-D	16-Dec-09	15-Dec-25	1.865%	145,880,000
Capital Improvement Refunding Bonds, Series 2010-A	22-Apr-10	1-May-19	4.00% - 5.00%	109,775,000
Pool Qualified School Construction Bonds, Series 2010	8-Sep-10	1-Sep-27	5.15%	154,727,000
Tax-Exempt Cap. Improvement Direct Loan Bonds, 2010-C	29-Nov-10	1-Dec-20	2.48%	53,000,000
Taxable Capital Improvement Direct Loan Bonds, 2010-D	29-Nov-10	1-Dec-20	3.77%	13,500,000
Pool Qualified Zone Academy Bonds, Series 2011-A	17-May-11	1-May-26	4.60%	51,270,000
Capital Improvement Pool Refunding Bonds, Series 2011-B	17-May-11	1-May-21	2.00% - 5.00%	26,900,000
Pool Refunding Bonds, Series 2012-A	14-Mar-12	1-Mar-24	4.00% - 5.00%	79,340,000
Economic Development and Training Ref., Series 2012-B	14-Mar-12	1-Mar-29	2.50% - 5.00%	85,435,000
Tax-Exempt Cap. Improve. Direct Loan Bonds, Series 2012-C	31-Oct-12	1-Nov-22	1.55%	5,735,000
Taxable Capital Improve. Direct Loan Bonds, Series 2012-D	31-Oct-12	1-Nov-22	2.02%	27,265,000
Capital Improvement Pool Bonds, Series 2013-A	24-Jun-13	1-Jun-33	3.00% - 5.00%	119,085,000
Capital Improvement Pool Bonds, Series 2013-B	24-Jun-13	1-Jun-33	4.00% - 5.00%	53,625,000
Capital Improvement Pool Bonds, Series 2013-C	15-Oct-13	1-Sep-33	3.00% - 5.00%	80,000,000
Capital Improvement Pool Bonds, Series 2013-D	15-Oct-13	1-Sep-33	2.00% - 4.125%	23,985,000
Capital Improvement Pool Refunding Bonds, Series 2014-A	28-May-14	1-Feb-26	2.00% - 5.00%	80,065,000
Capital Improvement Pool Refunding Bonds, Series 2014-B	10-Jul-14	1-Jan-27	5.00%	546,850,000
Capital Improvement Refunding Bonds, Series 2015-A	5-May-15	1-May-24	5.00%	33,635,000
Capital Improvement Pool Refunding Bonds, Series 2015-B	5-May-15	1-May-29	3.00% - 5.00%	47,610,000
Capital Improvement Pool Bonds, Series 2015-C	5-May-15	1-Jun-35	3.00% - 5.00%	46,775,000
Capital Improvement Pool Bonds, Series 2016-A	23-Jun-16	1-Jun-36	2.50% - 5.00%	29,245,000
Capital Improvement Pool Bonds, Series 2017-A	8-Nov-17	1-Dec-37	2.375% - 5.00%	18,455,000
Capital Improvement Pool Bonds, Series 2019-A	29-May-19	1-May-39	3.00% - 5.00%	25,950,000
<u>Alabama Mental Health Finance Authority Bonds</u>				
Limited Obligation Special Tax Refunding, Series 2012	10-Jul-12	1-Jun-23	2.1175%	15,700,000
<u>Alabama 21st Century Authority</u>				
Tobacco Settlement Revenue Ref. Bonds, Series 2012-A	15-Mar-12	1-Jun-21	3.00% - 5.00%	92,810,000
<u>Alabama Revolving Loan Fund Authority</u>				
Special Obligation and Refunding Taxable Bonds, 2010	1-Dec-10	1-Mar-30	2.50% - 6.125%	20,755,000
<u>Alabama Housing Finance Authority</u>				
Mortgage Revenue Bonds	Various	Various	Various	130,720,000
<u>Alabama Water Pollution Control Authority</u>				
Revolving Fund Loan, Series 2010-A Ref.	13-Jul-10	15-Aug-23	3.00% - 4.00%	36,440,000
Revolving Fund Loan, Series 2010-B Ref.	13-Aug-10	15-Aug-21	2.00% - 3.00%	64,750,000
Revolving Fund Loan, Series 2010-C Ref.	15-Dec-10	15-Aug-23	2.00% - 4.00%	36,850,000
<u>Alabama Drinking Water Finance Authority</u>				
Revolving Fund Loan Refunding Bonds, Series 2012-A	13-Feb-12	15-Aug-24	1.00% - 4.00%	45,210,000
Revolving Fund Loan Refunding Bonds, Series 2013-A	11-Dec-13	15-Aug-27	3.00% - 3.75%	10,035,000
Revolving Fund Loan Refunding Bonds, Series 2015-A	29-Jan-15	15-Aug-27	2.00% - 5.00%	15,720,000
<u>Alabama Space Science Exhibit Finance Authority</u>				
Revenue Refunding Bonds, Series 2014	14-Jul-14	15-Aug-32	2.72% - 5.09%	11,660,000
Total Revenue Bonds				<u>\$7,338,447,000</u>

Status of Bonds Issued and Outstanding

At September 30, 2019

Matured Bonds	Unmatured Bonds	Accreted Amounts for Capital Appreciation Bonds	Interest on Unmatured Bonds	Total Unmatured Bonds and Interest	Bond Rating (1)		
					Moody's	Standard & Poor's	Fitch
\$ 993,380,000	\$ 77,205,000	\$	\$ 16,406,063	\$ 93,611,063	Aa2	AA	
467,325,000					Aa2	AA	
174,960,000					Aa2	AA	
37,750,000					Aa2	AA	
109,775,000	145,880,000		17,004,138	162,884,138	Aa2		AA-
	154,727,000		63,747,524	218,474,524	Aa1		AA+
27,985,000	25,015,000		625,766	25,640,766			-
8,640,000	4,860,000		184,919	5,044,919			-
	51,270,000		16,508,940	67,778,940	Aa1	AA	AA+
13,735,000	13,165,000		995,500	14,160,500	Aa1	AA	AA+
48,395,000	30,945,000		2,744,325	33,689,325	Aa1	AA	AA+
32,125,000	53,310,000		5,924,494	59,234,494	Aa1	AA	AA+
3,265,000	2,470,000		77,733	2,547,733			-
15,060,000	12,205,000		505,051	12,710,051			-
26,265,000	92,820,000		29,310,550	122,130,550	Aa1	AA	AA+
4,345,000	49,280,000		20,131,850	69,411,850	Aa1	AA	AA+
17,790,000	62,210,000		13,023,550	75,233,550	Aa1	AA	AA+
5,080,000	18,905,000		5,840,975	24,745,975	Aa1	AA	AA+
30,550,000	49,515,000		8,254,375	57,769,375	Aa1	AA	AA+
50,175,000	496,675,000		103,451,875	600,126,875	Aa1	AA	AA+
	33,635,000		5,209,250	38,844,250	Aa1	AA	AA+
2,120,000	45,490,000		12,193,250	57,683,250	Aa1	AA	AA+
6,130,000	40,645,000		17,565,069	58,210,069	Aa1	AA	AA+
3,015,000	26,230,000		8,828,688	35,058,688	Aa1	AA	AA+
590,000	17,865,000		6,592,231	24,457,231	Aa1	AA	AA+
	25,950,000		12,491,085	38,441,085	Aa1	AA	AA+
7,630,000	8,070,000		432,556	8,502,556			
63,115,000	29,695,000		2,246,250	31,941,250		A	
7,635,000	13,120,000		4,569,483	17,689,483	Aa3	AA	
115,709,000	15,011,000		11,777,000	26,788,000			
26,610,000	9,830,000		960,200	10,790,200		AA-	
52,640,000	12,110,000		557,100	12,667,100		AA-	
24,390,000	12,460,000		1,257,400	13,717,400		AA-	
30,720,000	14,490,000		681,185	15,171,185		AA	
2,515,000	7,520,000		1,045,975	8,565,975		AA-	
3,805,000	11,915,000		2,059,650	13,974,650		AA+	
2,785,869	8,874,131		2,815,549	11,689,681			
\$3,075,419,869	\$4,263,027,131	\$	\$1,580,072,655	\$5,843,099,787			

Status of Bonds Issued and Outstanding

At September 30, 2019

Revenue Bonds	Date of Issue	Date of Last Maturity	Interest Rates	Bonds Issued
Total Unmatured Bonds at 9/30/2019 – Revenue Bonds				
Plus Unamortized Premium – Building Renovation Finance Authority				
Plus Unamortized Premium – Alabama Judicial Building Authority				
Plus Unamortized Premium – Public Health Care Authority				
Less Unamortized Discount – Alabama Economic Settlement Authority				
Plus Unamortized Premium – Federal Aid Highway Finance Authority				
Plus Unamortized Premium – Alabama State Port Authority				
Plus Unamortized Premium – Alabama Incentives Financing Authority				
Plus Unamortized Premium – Alabama Public School and College Authority				
Plus Unamortized Premium – 21st Century Authority				
Plus Unamortized Premium – Alabama Revolving Loan Fund Authority				
Plus Unamortized Premium – Alabama Water Pollution Control Authority				
Plus Unamortized Premium – Alabama Drinking Water Finance Authority				
Net Outstanding Principal at 9/30/2019 – Revenue Bonds				
<u>Recap:</u>				
Total General Obligation Bonds				\$ 854,015,000
Total Revenue Bonds				7,338,447,000
Less Unamortized Discount				
Plus Unamortized Premium				
Total All Bonds				<u>\$8,192,462,000</u>
<u>Deferred Debt Financing Costs – Deferred Outflows – Reported Separately</u>				
Unamortized Loss – General Obligation Bonds				
Unamortized Loss – Building Renovation Finance Authority				
Unamortized Loss – Public Health Care Authority				
Unamortized Loss on Refunding – Alabama Incentives Financing Authority				
Unamortized Loss on Refunding – Alabama Public School and College Authority				
Unamortized Loss – 21st Century Authority				
Unamortized Loss – Alabama Revolving Loan Fund Authority				
Unamortized Debt Refunding Costs – Ala. Water Pollution Control Authority				
Unamortized Debt Refunding Costs – Ala. Drinking Water Finance Authority				
Unamortized Debt Refunding Costs – Alabama State Port Authority				
Unamortized Loss on Refunding – Alabama Space Science Exhibit Finance Authority				
Total Deferred Debt Financing Costs at 9/30/2019 – Deferred Outflows – All Bonds				
<u>Deferred Debt Financing Costs – Deferred Inflows – Reported Separately</u>				
Unamortized Gain – Alabama Federal Aid Highway Finance Authority				
Unamortized Gain – Alabama Incentives Financing Authority				
Unamortized Gain – Alabama Public School and College Authority				
Total Deferred Debt Financing Costs at 9/30/2019 – Deferred Inflows – All Bonds				

Status of Bonds Issued and Outstanding
At September 30, 2019

Matured Bonds	Unmatured Bonds	Accreted Amounts for Capital Appreciation Bonds	Interest on Unmatured Bonds	Total Unmatured Bonds and Interest	Bond Rating (1)		
					Moody's	Standard & Poor's	Fitch
	\$4,263,027,131						
	797,889						
	5,013,344						
	(2,152,946)						
	167,945,403						
	13,604,640						
	4,304,569						
	89,035,403						
	1,152,866						
	21,616						
	242,550						
	1,214,874						
	<u>\$4,544,207,339</u>						
\$ 196,445,000	\$ 657,570,000	\$	\$ 203,729,238	\$ 861,299,238			
3,075,419,869	4,263,027,131		1,580,072,655	5,843,099,787			
	(2,152,946)			(2,152,946)			
	348,617,985			348,617,985			
<u>\$3,271,864,869</u>	<u>\$ 5,267,062,170</u>	<u>\$</u>	<u>\$1,783,801,893</u>	<u>\$7,050,864,064</u>			
	\$ (15,067,647)						
	(433,353)						
	(708,064)						
	(2,250,473)						
	(22,273,385)						
	(688,180)						
	(146,080)						
	(532,128)						
	(996,676)						
	(15,882,434)						
	(354,648)						
	<u>\$ (59,333,068)</u>						
	\$ 2,424,265						
	635,516						
	468,808						
	<u>\$ 3,528,589</u>						

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Status of Bonds Issued and Outstanding

At September 30, 2019

(1) Bond Ratings

Bond ratings are current assessments of the credit worthiness of the obligor with respect to a specific obligation. The ratings are based on information furnished by the issuer or obtained by the rating company from sources it considers reliable. The quality of most bonds is not fixed and steady over a period of time, but tends to undergo change. For this reason the ratings are subject to change, due to changes in or unavailability of such information, or for other circumstances.

The ratings shown above are those that were initially assigned to the bonds. The ratings symbols include AAA, AA, A, BBB, BB, B, CCC, CC, C, and D (D – only S & P), with the “A” group being the highest rated and the “C” group being the lowest rated. S & P’s D rating indicates a bond in default. Moody’s uses a combination of upper and lower case letters. Most bonds issued by the State or any of its authorities and agencies are rated in the “A” group, and there have been no instances in which the rating of a bond was downgraded. The following is a key to the ratings.

S & P's	Moody's	Key
AAA	Aaa	Bonds rated AAA and Aaa are judged to be of the best quality. They carry the smallest degree of investment risk. Capacity to pay interest and repay principal is extremely strong.
AA	Aa	Bonds rated AA and Aa are judged to be high quality by all standards. AA and Aa debt has a very strong capacity to pay interest and repay principal and differs from the higher rated issues only in small degrees.
A	A	Bonds rated A have a strong capacity to pay interest and repay principal, although they are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than debt in higher rated categories.
BBB	Baa	Bonds rated BBB and Baa are regarded as having an adequate capacity to pay interest and repay principal. Whereas it normally exhibits adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for debt in this category than in higher rated categories.
(+), (-)		Standard and Poor's rating from "AA" to "B" may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories. The Fitch Company uses a similar rating system as Standard and Poor’s.
	1, 2, & 3	Moody's applies numerical modifiers, 1, 2, and 3 in each generic rating classification from "Aa" through "B" to show relative standing within the major rating categories, with 1 being the highest rating.

***Bonds Outstanding - Including Deferred Outflows and Inflows
September 30, 2010 through September 30, 2019***

	2010	2011	2012	2013
General Obligation Bonds	\$ 775,893,059	\$ 748,183,162	\$ 713,718,256	\$ 705,367,204
Revenue Bonds				
Alabama Corrections Institution Finance Authority	9,669,340	7,869,045	5,993,753	4,048,460
Alabama Judicial Building Authority	28,088,049	25,222,155	22,251,261	19,165,366
Alabama Public Health Care Authority	51,703,094	50,511,834	49,279,355	47,995,609
Alabama Economic Settlement Authority				
Alabama Highway Finance Corporation				
Alabama Federal Aid Highway Finance Authority	111,776,437	99,686,450	84,341,210	469,678,621
Montgomery Downtown Redevelopment Authority	17,661,527	12,056,018	6,175,509	
Alabama Building Renovation Finance Authority	57,843,810	55,304,249	52,674,689	49,990,129
Alabama State Port Authority	373,043,839	388,778,022	380,840,434	372,507,917
Alabama Incentives Financing Authority	144,179,972	139,043,394	133,796,817	264,758,985
Alabama Public School and College Authority	2,609,930,283	2,649,454,200	2,543,283,146	2,582,574,071
State Industrial Development Authority	635,000	140,000	45,000	
Alabama Mental Health Finance Authority	7,414,021	6,078,217	20,372,413	18,891,608
Alabama 21st Century Authority	115,887,487	109,588,947	105,819,613	104,194,104
Tennessee Valley Exhibit Commission				
Alabama Revolving Loan Fund Authority	8,330,000	20,806,435	19,938,726	19,051,019
Alabama Housing Finance Authority	514,357,000	437,165,000	402,674,000	343,400,459
Alabama Water Pollution Control Authority	326,261,637	293,135,113	216,086,028	155,993,116
Alabama Drinking Water Finance Authority	173,550,016	166,813,193	138,717,338	134,031,289
Alabama Space Science Exhibit Finance Authority	14,900,000	14,155,000	13,370,000	12,540,000
Alabama Higher Education Loan Corporation	75,100,000			
Total Revenue Bonds	4,640,331,511	4,475,807,272	4,195,659,291	4,598,820,754
Grand Totals	\$ 5,416,224,571	\$ 5,223,990,434	\$ 4,909,377,547	\$ 5,304,187,958

2014	2015	2016	2017	2018	2019
\$ 680,476,104	\$ 631,496,505	\$ 722,382,607	\$ 673,634,037	\$ 609,633,448	\$ 722,854,831
2,064,230					
16,074,362	12,583,067	8,971,537	5,237,314	1,373,051	
46,870,181	81,059,033	83,007,325	81,092,226	79,157,505	77,188,344
			626,246,514	599,649,284	568,802,054
25,000,000	21,590,000	18,140,000	14,630,000	11,065,000	7,440,000
436,032,880	1,001,443,169	957,860,396	1,670,968,011	1,605,550,022	1,538,775,403
47,240,568	44,421,008	18,551,623	16,517,045	14,407,467	12,217,889
363,695,329	354,407,741	344,610,153	327,400,923	367,168,753	354,229,640
258,529,544	252,119,802	245,501,905	238,651,751	231,540,193	220,519,569
2,557,384,994	2,414,499,815	2,234,291,426	2,013,284,956	1,816,457,205	1,619,307,403
17,160,804	15,380,000	13,620,000	11,815,000	9,965,000	8,070,000
93,471,819	82,585,795	71,540,842	60,258,941	45,723,010	30,847,866
18,141,572	17,207,241	16,243,050	15,249,033	14,215,212	13,141,616
290,332,000	250,680,000	107,793,000	27,960,000	16,743,000	15,011,000
123,189,338	105,413,611	76,622,966	63,205,501	49,216,443	34,642,550
107,899,410	60,452,458	55,762,787	49,304,347	42,302,455	35,139,874
11,576,103	11,064,667	10,539,145	9,999,149	9,444,281	8,874,131
4,414,663,135	4,724,907,406	4,263,056,156	5,231,820,710	4,913,977,881	4,544,207,339
\$ 5,095,139,239	\$ 5,356,403,911	\$ 4,985,438,763	\$ 5,905,454,747	\$ 5,523,611,329	\$ 5,267,062,170

***Bonds Outstanding - Including Deferred Outflows and Inflows
September 30, 2010 through September 30, 2019***

Deferred Outflows	2010	2011	2012	2013
General Obligation Bonds	\$ (6,562,782)	\$ (5,966,165)	\$ (5,369,549)	\$ (5,634,235)
Revenue Bonds				
Alabama Corrections Institution Finance Authority	(75,309)	(50,205)	(25,103)	
Alabama Judicial Building Authority	(329,702)	(263,761)	(197,821)	(131,881)
Alabama Public Health Care Authority	(792,837)	(739,981)	(687,125)	(634,270)
Alabama Economic Settlement Authority				
Alabama Highway Finance Corporation				
Alabama Federal Aid Highway Finance Authority		(2,476,304)	(2,063,585)	(1,650,868)
Montgomery Downtown Redevelopment Authority	(557,977)	(371,984)	(185,992)	
Alabama Building Renovation Finance Authority	(1,213,388)	(1,126,717)	(1,040,047)	(953,376)
Alabama State Port Authority	(9,189,613)	(8,464,334)	(7,739,056)	(6,951,854)
Alabama Incentives Financing Authority	(1,578,805)	(1,495,710)	(1,412,615)	(1,329,520)
Alabama Public School and College Authority	(32,858,923)	(30,479,384)	(40,569,995)	(36,657,666)
State Industrial Development Authority				
Alabama Mental Health Finance Authority	(250,484)	(200,387)	(150,290)	(100,193)
Alabama 21st Century Authority			(3,096,810)	(2,752,720)
Tennessee Valley Exhibit Commission				
Alabama Revolving Loan Fund Authority		(374,804)	(346,210)	(317,620)
Alabama Housing Finance Authority				
Alabama Water Pollution Control Authority	(5,953,845)	(5,280,072)	(3,288,798)	(2,760,459)
Alabama Drinking Water Finance Authority			(1,942,986)	(1,779,362)
Alabama Space Science Exhibit Finance Authority	(487,983)	(442,108)	(401,916)	(361,725)
Alabama Higher Education Loan Corporation				
Deferred Outflows - Revenue Bonds	<u>(53,288,865)</u>	<u>(51,765,752)</u>	<u>(63,148,349)</u>	<u>(56,381,514)</u>
Total Deferred Outflows	<u>\$ (59,851,646)</u>	<u>\$ (57,731,917)</u>	<u>\$ (68,517,898)</u>	<u>\$ (62,015,749)</u>

	2014	2015	2016	2017	2018	2019
\$	(21,602,787)	\$ (19,509,105)	\$ (17,415,423)	\$ (19,860,129)	\$ (17,463,888)	\$ (15,067,647)
	(65,940)					
	(581,414)	(945,227)	(953,493)	(868,630)	(786,789)	(708,064)
	(1,238,151)	(825,434)	(412,717)			
	(866,706)	(780,035)	(693,364)	(606,694)	(520,023)	(433,353)
	(6,144,012)	(5,330,854)	(4,501,237)	(19,506,545)	(17,694,489)	(15,882,434)
	(1,246,425)	(1,163,330)	(1,080,235)	(997,140)	(914,045)	(2,250,473)
	(90,469,982)	(80,826,331)	(62,455,831)	(45,010,552)	(28,562,839)	(22,273,385)
	(50,097)					
	(2,408,630)	(2,064,540)	(1,720,450)	(1,376,360)	(1,032,270)	(688,180)
	(289,030)	(260,440)	(231,850)	(203,260)	(174,670)	(146,080)
	(2,293,616)	(1,826,773)	(1,169,172)	(956,824)	(744,476)	(532,128)
	(1,832,373)	(1,751,773)	(1,562,999)	(1,374,225)	(1,185,450)	(996,676)
	(660,713)	(583,336)	(526,163)	(468,991)	(411,820)	(354,648)
	(108,147,088)	(96,358,073)	(75,307,511)	(71,369,221)	(52,026,871)	(44,265,421)
\$	(129,749,875)	\$ (115,867,178)	\$ (92,722,934)	\$ (91,229,350)	\$ (69,490,760)	\$ (59,333,068)

***Bonds Outstanding - Including Deferred Outflows and Inflows
September 30, 2010 through September 30, 2019***

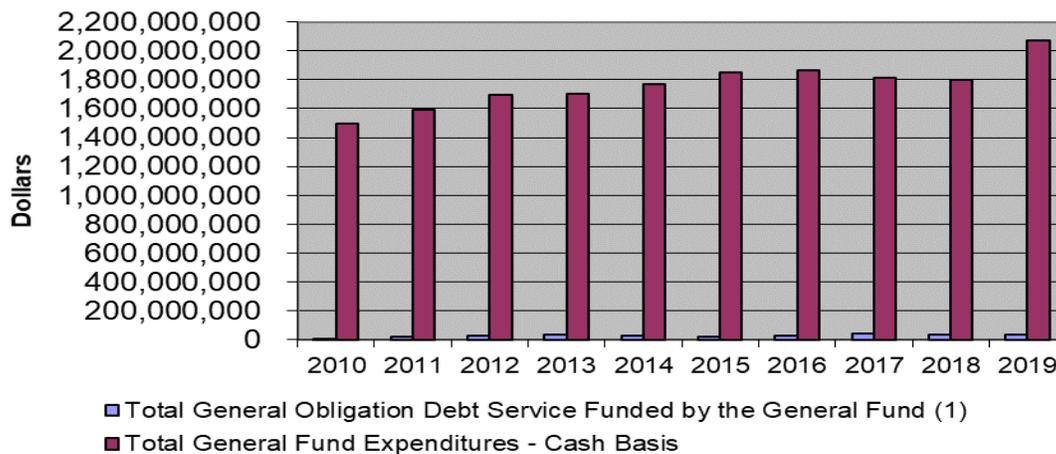
Deferred Inflows	2010	2011	2012	2013
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -
Revenue Bonds				
Alabama Federal Aid Highway Finance Authority				
Alabama Incentives Financing Authority				
Alabama Public School and College Authority				
Deferred Inflows - Revenue Bonds	-	-	-	-
Total Deferred Inflows	-	-	-	-
Grand Totals of Bonds Outstanding Including Deferred Outflows and Deferred Inflows	\$ 5,356,372,924	\$ 5,166,258,517	\$ 4,840,859,649	\$ 5,242,172,209

Ratio of Annual Debt Service for General Obligation Bonds to Actual General Fund Expenditures 2010 through 2019

Fiscal Year Ended	Total General Obligation Debt Service Funded by the General Fund (1)	Total General Fund Expenditures – Cash Basis	Percent
September 30, 2010	\$ 2,417,732	\$1,499,526,133	0.16%
2011	\$18,334,924	\$1,590,854,374	1.15%
2012	\$26,953,199	\$1,697,693,738	1.59%
2013	\$32,826,274	\$1,703,600,205	1.93%
2014	\$28,193,619	\$1,768,059,657	1.59%
2015	\$22,906,932	\$1,852,708,158	1.24%
2016	\$27,134,904	\$1,867,941,055	1.45%
2017	\$40,847,306	\$1,813,223,360	2.25%
2018	\$36,502,979	\$1,798,658,048	2.03%
2019	\$38,362,448	\$2,069,762,246	1.85%

- (1) Debt service expenditures do not include expenditures for General Obligation Bonds that were not paid from the General Fund Appropriations. The bonds in this category were paid from special taxes or were paid from revenues of the Department of Transportation. The following bond issues are not included: the money used to pay for all General Obligation Bonds from other Funds in the 2009-2010 (\$50,836,394), 2010-2011 (\$59,551,087), 2011-2012 (\$64,834,609), 2012-2013 (\$73,187,121), 2013-2014 (\$66,272,954), 2014-2015 (\$67,050,975), 2015-2016 (\$66,812,053), 2016-2017 (\$11,809,124), 2017-2018 (\$15,263,346), and 2018-2019 (\$19,340,591) fiscal years. Act 2005-303 moved payments from the General Fund to the Alabama Capital Improvement Trust Fund in the 2004-2005 through 2018-2019 fiscal years, inclusive, although a few payments were also made from the General Fund (see Table above).

General Obligation Debt Vs. Total General Fund Expenditures



Annual Requirements to Amortize Bond Debt

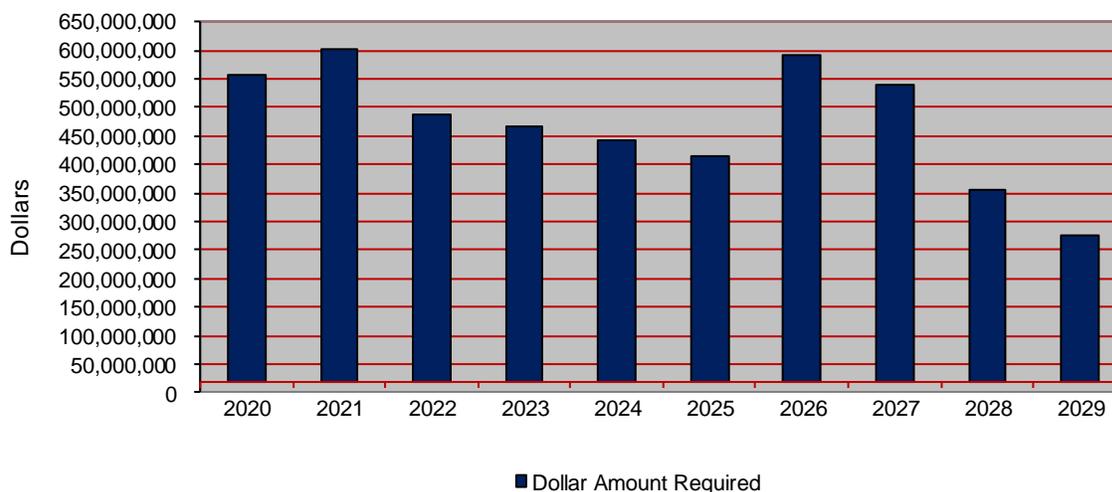
At September 30, 2019

The annual requirements to amortize all bonds outstanding as of September 30, 2019, are as follows.

Year Ending	Principal	Interest	Total
September 30, 2020	\$ 348,189,853	\$ 210,268,335	\$ 558,458,188
2021	408,808,978	194,790,142	603,599,121
2022	308,471,783	178,533,111	487,004,893
2023	301,205,272	165,089,618	466,294,891
2024	291,190,247	151,669,498	442,859,745
2025-2029	1,646,070,448	537,865,887	2,183,936,335
2030-2034	973,518,550	263,059,136	1,236,577,687
2035-2039	552,232,000	75,285,094	627,517,094
2040-2044	90,910,000	7,241,072	98,151,072
Totals	<u>\$4,920,597,131</u>	<u>\$1,783,801,893</u>	<u>\$6,704,399,024</u>

Gross Principal	\$4,920,597,131
Unamortized Premium – General Obligation Bonds	65,284,831
Unamortized Premium – Building Renovation Finance Authority	797,889
Unamortized Premium – Public Health Care Authority	5,013,344
Unamortized Discount – Alabama Economic Settlement Authority	(2,152,946)
Unamortized Premium – Federal Aid Highway Finance Authority	167,945,403
Unamortized Premium – Alabama Incentives Financing Authority	4,304,569
Unamortized Premium – Public School and College Authority	89,035,403
Unamortized Premium – 21st Century Authority	1,152,866
Unamortized Premium – Alabama Revolving Loan Fund Authority	21,616
Unamortized Premium – Water Pollution Control Authority	242,550
Unamortized Premium – Drinking Water Finance Authority	1,214,874
Unamortized Premium – State Port Authority	13,604,640
Net Principal	<u>\$5,267,062,170</u>

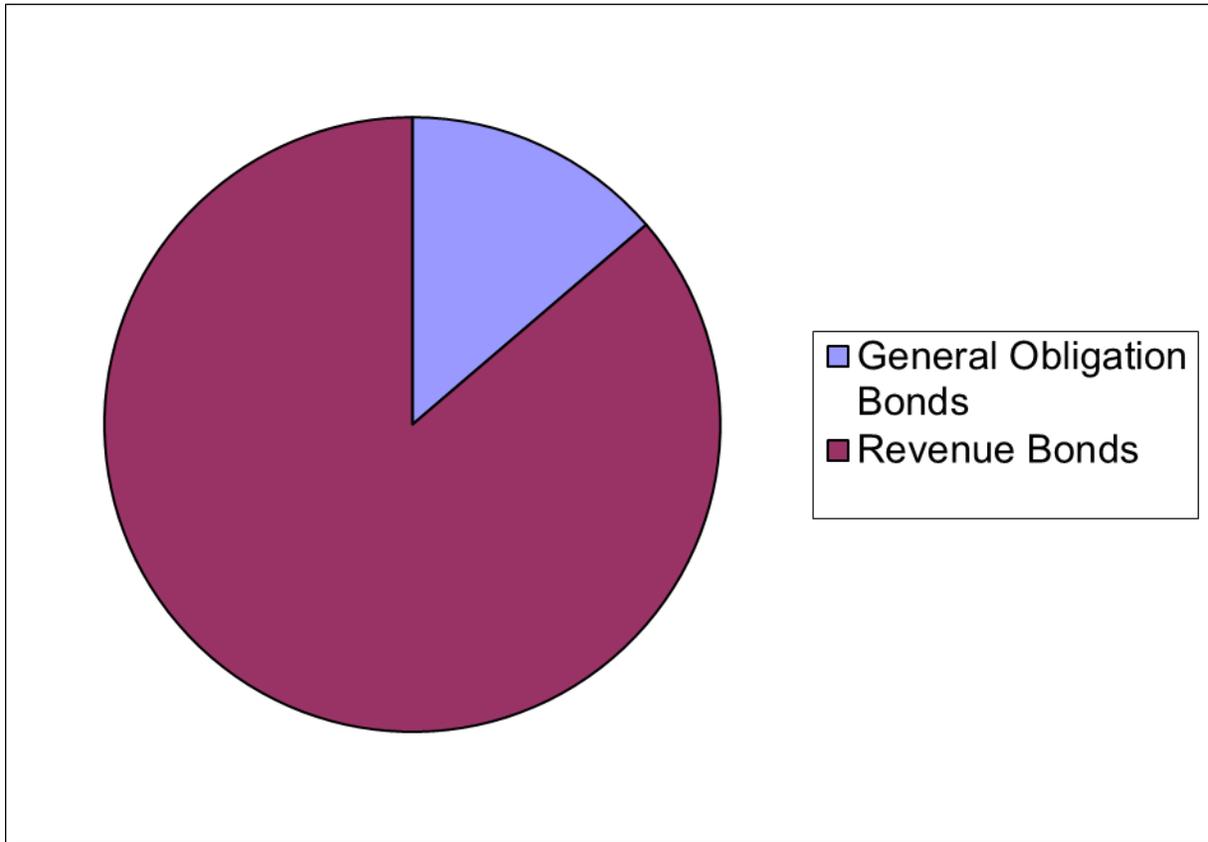
Requirements to Amortize Bond Debt as of September 30, 2019 Totals for the Next 10 Years



This graph does not include amounts payable on the Alabama Housing Finance Authority Mortgage Revenue Bonds because amounts could not be presented in a format consistent with all other bonds. Those amounts attributable to the Alabama Housing Finance Authority are listed below:

Fiscal Year Ending	Alabama Housing Finance Authority		Total
	Principal	Interest	
September 30, 2020	\$ 1,009,000	\$ 801,000	\$ 1,810,000
2021		808,000	808,000
2022		808,000	808,000
2023		808,000	808,000
2024		808,000	808,000
2025-2029	1,000,000	3,966,000	4,966,000
2030-2034	7,675,000	3,166,000	10,841,000
2035-2039	5,327,000	612,000	5,939,000
Total	\$15,011,000	\$11,777,000	\$26,788,000

Percentage of Bond Obligations to Total



BOND OBLIGATIONS
SEPTEMBER 30, 2019

General Obligation Bonds	\$ 722,854,831	13.7%
Revenue Bonds	<u>4,544,207,339</u>	86.3%
Total Bond Obligations	<u><u>\$5,267,062,170</u></u>	

General Obligation Payment Schedule

As of the Year Ended September 30, 2019

Year Ending	TOTAL - GENERAL OBLIGATION BONDS		
	Principal	Interest	Total
September 30, 2020	\$ 66,455,000	\$ 29,014,457	\$ 95,469,457
2021	69,880,000	25,881,812	95,761,812
2022	59,135,000	22,603,128	81,738,128
2023	52,340,000	19,931,973	72,271,973
2024	54,640,000	17,483,768	72,123,768
2025	51,585,000	15,184,277	66,769,277
2026	43,740,000	12,716,055	56,456,055
2027	42,340,000	11,105,866	53,445,866
2028	21,395,000	9,049,171	30,444,171
2029	22,345,000	8,041,221	30,386,221
2030	23,345,000	6,988,171	30,333,171
2031	24,160,000	6,127,234	30,287,234
2032	25,170,000	5,074,515	30,244,515
2033	16,720,000	4,062,640	20,782,640
2034	15,045,000	3,327,675	18,372,675
2035	15,670,000	2,700,900	18,370,900
2036	16,320,000	2,046,500	18,366,500
2037	17,005,000	1,363,125	18,368,125
2038	9,885,000	766,875	10,651,875
2039	10,395,000	259,875	10,654,875
Roll-Up Total	<u>\$657,570,000</u>	<u>\$203,729,238</u>	<u>\$861,299,238</u>
Beginning Unamortized Premium	\$ 57,528,448		
New Premium - 2018-A	16,987,022		
New Premium - 2018-B	0		
New Premium - 2018-C	1,898,719		
Amortization	<u>(11,129,358)</u>		
Ending Unamortized Premium	<u>\$ 65,284,831</u>		
Roll-Up Total	\$657,570,000		
Plus Unamortized Premium	<u>65,284,831</u>		
Grand Total	<u>\$722,854,831</u>		
Deferred Debt Financing Costs - Deferred Outflows - Unamortized Loss on Refunding			
(reported separately)			
Beginning Unamortized			
Loss on Refunding	\$ (17,463,888)		
Amortization	<u>2,396,241</u>		
Ending Unamortized Loss	<u>\$ (15,067,647)</u>		
All general obligation debt service is paid from the General Fund, the Education Trust Fund, the Public Road and Bridge Fund, or the Alabama Capital Improvement Trust Fund.			

General Obligation Payment Schedule
As of the Year Ended September 30, 2019

Year Ending	General Obligation Refunding Bonds, Series 2010-A Alabama Agricultural Development Authority		
	Principal	Interest	Total
September 30, 2020	\$4,445,000	\$453,000	\$4,898,000
2021	4,615,000	230,750	4,845,750
TOTAL	<u>\$9,060,000</u>	<u>\$683,750</u>	<u>\$9,743,750</u>
Beginning Unamortized Premium	\$ 539,150		
Amortization	<u>(256,220)</u>		
Ending Unamortized Premium	<u>\$ 282,930</u>		
<u>Deferred Debt Financing Costs - Deferred Outflows - Unamortized Loss on Refunding (reported separately)</u>			
Unamortized Loss on Refunding	\$ (273,951)		
Amortization	<u>91,317</u>		
Ending Unamortized Loss	<u>\$ (182,634)</u>		

Year Ending	General Obligation Refunding Bonds, Series 2010-B Alabama Forensic Sciences Bond Authority		
	Principal	Interest	Total
September 30, 2020	\$1,435,000	\$87,900	\$1,522,900
2021	1,495,000	44,850	1,539,850
TOTAL	<u>\$2,930,000</u>	<u>\$132,750</u>	<u>\$3,062,750</u>
Beginning Unamortized Premium	\$ 73,923		
Amortization	<u>(36,539)</u>		
Ending Unamortized Premium	<u>\$ 37,384</u>		
<u>Deferred Debt Financing Costs - Deferred Outflows - Unamortized Loss on Refunding (reported separately)</u>			
Unamortized Loss on Refunding	\$ (80,308)		
Amortization	<u>26,769</u>		
Ending Unamortized Loss	<u>\$ (53,539)</u>		

General Obligation Payment Schedule
As of the Year Ended September 30, 2019

Year Ending	General Obligation Refunding Bonds, Series 2010-C Alabama State Parks Improvement Corporation		
	Principal	Interest	Total
September 30, 2020	\$ 7,380,000	\$558,450	\$ 7,938,450
2021	8,100,000	263,250	8,363,250
TOTAL	<u>\$15,480,000</u>	<u>\$821,700</u>	<u>\$16,301,700</u>
Beginning Unamortized Premium	\$ 742,810		
Amortization	<u>(390,282)</u>		
Ending Unamortized Premium	<u>\$ 352,528</u>		
<u>Deferred Debt Financing Costs - Deferred Outflows - Unamortized Loss on Refunding (reported separately)</u>			
Unamortized Loss on Refunding	\$ (1,435,590)		
Amortization	<u>478,530</u>		
Ending Unamortized Loss	<u>\$ (957,060)</u>		

Year Ending	General Obligation Refunding Bonds, Series 2013-A		
	Principal	Interest	Total
September 30, 2020	\$18,855,000	\$ 3,654,300	\$22,509,300
2021	19,800,000	2,711,550	22,511,550
2022	11,850,000	1,721,550	13,571,550
2023	9,050,000	1,129,050	10,179,050
2024	9,410,000	767,050	10,177,050
2025	9,695,000	484,750	10,179,750
TOTAL	<u>\$78,660,000</u>	<u>\$10,468,250</u>	<u>\$89,128,250</u>
Beginning Unamortized Premium	\$ 6,570,033		
Amortization	<u>(1,991,190)</u>		
Ending Unamortized Premium	<u>\$ 4,578,844</u>		
<u>Deferred Debt Financing Costs - Deferred Outflows - Unamortized Loss on Refunding (reported separately)</u>			
Unamortized Loss on Refunding	\$ (319,263)		
Amortization	<u>106,421</u>		
Ending Unamortized Loss	<u>\$ (212,842)</u>		

General Obligation Payment Schedule
As of the Year Ended September 30, 2019

Year Ending	General Obligation Capital Improvement Bonds, Series 2013-B		
	Principal	Interest	Total
September 30, 2020	\$ 1,400,000	\$1,064,371	\$ 2,464,371
2021	1,455,000	994,371	2,449,371
2022	1,530,000	921,621	2,451,621
2023	1,605,000	845,121	2,450,121
2024	1,650,000	764,871	2,414,871
2025	1,705,000	715,371	2,420,371
2026	1,770,000	659,959	2,429,959
2027	1,830,000	598,009	2,428,009
2028	1,900,000	524,809	2,424,809
2029	1,975,000	448,809	2,423,809
2030	2,055,000	369,809	2,424,809
2031	2,135,000	287,609	2,422,609
2032	2,225,000	199,540	2,424,540
2033	2,310,000	101,640	2,411,640
TOTAL	\$25,545,000	\$8,495,910	\$34,040,910
Beginning Unamortized Premium	\$ 1,066,595		
Amortization	(125,368)		
Ending Unamortized Premium	\$ 941,227		

Year Ending	General Obligation Refunding Bonds, Series 2013-C		
	Principal	Interest	Total
September 30, 2020	\$260,000	\$15,750	\$275,750
2021	265,000	7,950	272,950
TOTAL	\$525,000	\$23,700	\$548,700
Beginning Unamortized Premium	\$ 14,545		
Amortization	(7,203)		
Ending Unamortized Premium	\$ 7,342		
<u>Deferred Debt Financing Costs - Deferred Outflows - Unamortized Loss on Refunding</u> <u>(reported separately)</u>			
Unamortized Loss on Refunding	\$ (3,725)		
Amortization	1,242		
Ending Unamortized Loss	\$ (2,484)		

General Obligation Payment Schedule
As of the Year Ended September 30, 2019

Year Ending	General Obligation Refunding Bonds 2014-A		
	Principal	Interest	Total
September 30, 2020	\$ 18,550,000	\$ 6,987,850	\$ 25,537,850
2021	19,400,000	6,060,350	25,460,350
2022	20,290,000	5,090,350	25,380,350
2023	21,235,000	4,075,850	25,310,850
2024	22,260,000	3,014,100	25,274,100
2025	23,355,000	1,901,100	25,256,100
2026	24,445,000	733,350	25,178,350
TOTAL	\$149,535,000	\$27,862,950	\$177,397,950
Beginning Unamortized Premium	\$ 17,762,028		
Amortization	(3,913,779)		
Ending Unamortized Premium	<u>\$ 13,848,249</u>		
Deferred Debt Financing Costs - Deferred Outflows - Unamortized Loss on Refunding (reported separately)			
Unamortized Loss	\$ (11,115,221)		
Amortization	1,389,403		
Ending Unamortized Loss	<u>\$ (9,725,818)</u>		

Year Ending	General Obligation, Series 2016-A		
	Principal	Interest	Total
September 30, 2020	\$ 0	\$ 3,728,200	\$ 3,728,200
2021	0	3,728,200	3,728,200
2022	4,090,000	3,625,950	7,715,950
2023	4,300,000	3,416,200	7,716,200
2024	4,520,000	3,195,700	7,715,700
2025	4,750,000	2,963,950	7,713,950
2026	4,995,000	2,720,325	7,715,325
2027	5,250,000	2,464,200	7,714,200
2028	5,495,000	2,223,050	7,718,050
2029	5,715,000	1,998,850	7,713,850
2030	5,950,000	1,765,550	7,715,550
2031	6,195,000	1,522,650	7,717,650
2032	6,445,000	1,269,850	7,714,850
2033	6,710,000	1,006,750	7,716,750
2034	6,950,000	768,300	7,718,300
2035	7,160,000	556,650	7,716,650
2036	7,375,000	338,625	7,713,625
2037	7,600,000	114,000	7,714,000
TOTAL	\$93,500,000	\$37,407,000	\$130,907,000
Beginning Unamortized Premium	\$10,090,792		
Amortization	(914,557)		
Ending Unamortized Premium	<u>\$ 9,176,235</u>		

General Obligation Payment Schedule
As of the Year Ended September 30, 2019

Year Ending	General Obligation, Series 2016-B		
	Principal	Interest	Total
September 30, 2020	\$ 5,340,000	\$ 589,200	\$ 5,929,200
2021	5,610,000	315,450	5,925,450
2022	5,840,000	87,600	5,927,600
TOTAL	<u>\$16,790,000</u>	<u>\$ 992,250</u>	<u>\$ 17,782,250</u>
Beginning Unamortized Premium	\$ 1,449,450		
Amortization	(668,585)		
Ending Unamortized Premium	<u>\$ 780,865</u>		

Year Ending	General Obligation 2016-C Refunding Bonds		
	Principal	Interest	Total
September 30, 2020	\$ 0	\$ 4,745,188	\$ 4,745,188
2021	0	4,745,188	4,745,188
2022	6,025,000	4,745,188	10,770,188
2023	6,250,000	4,443,938	10,693,938
2024	6,485,000	4,131,438	10,616,438
2025	6,735,000	3,807,188	10,542,188
2026	7,005,000	3,470,438	10,475,438
2027	29,530,000	3,120,188	32,650,188
2028	8,005,000	1,643,688	9,648,688
2029	8,350,000	1,243,438	9,593,438
2030	8,715,000	825,938	9,540,938
2031	8,865,000	629,850	9,494,850
2032	9,175,000	275,250	9,450,250
TOTAL	<u>\$105,140,000</u>	<u>\$37,826,913</u>	<u>\$142,966,913</u>
Beginning Unamortized Premium	\$ 19,219,124		
Amortization	(2,142,209)		
Ending Unamortized Premium	<u>\$ 17,076,915</u>		
<u>Deferred Debt Financing Costs - Deferred Outflows - Unamortized Loss on Refunding (reported separately)</u>			
Unamortized Loss	\$ (4,235,830)		
Amortization	302,559		
Ending Unamortized Loss	<u>\$ (3,933,270)</u>		

General Obligation Payment Schedule
As of the Year Ended September 30, 2019

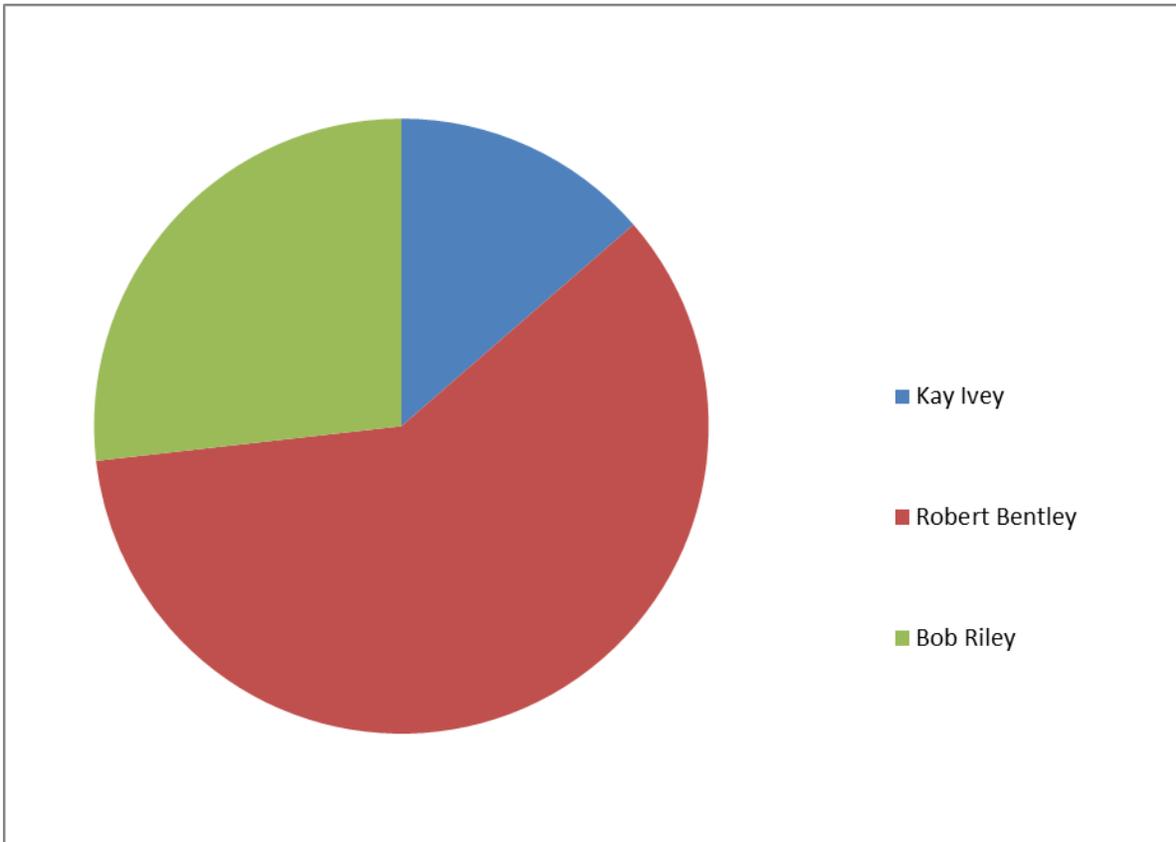
Year Ending	General Obligation Tax-Exempt Bonds, Series 2018-A		
	Principal	Interest	Total
September 30, 2020	\$ 0	\$ 4,918,000	\$ 4,918,000
2021	0	4,918,000	4,918,000
2022	0	4,918,000	4,918,000
2023	0	4,918,000	4,918,000
2024	0	4,918,000	4,918,000
2025	0	4,918,000	4,918,000
2026	0	4,918,000	4,918,000
2027	2,210,000	4,862,750	7,072,750
2028	5,995,000	4,657,625	10,652,625
2029	6,305,000	4,350,125	10,655,125
2030	6,625,000	4,026,875	10,651,875
2031	6,965,000	3,687,125	10,652,125
2032	7,325,000	3,329,875	10,654,875
2033	7,700,000	2,954,250	10,654,250
2034	8,095,000	2,559,375	10,654,375
2035	8,510,000	2,144,250	10,654,250
2036	8,945,000	1,707,875	10,652,875
2037	9,405,000	1,249,125	10,654,125
2038	9,885,000	766,875	10,651,875
2039	10,395,000	259,875	10,654,875
TOTAL	\$98,360,000	\$70,982,000	\$169,342,000
Beginning Unamortized Premium	\$16,987,022		
Amortization	(439,491)		
Ending Unamortized Premium	<u>\$16,547,531</u>		

Year Ending	General Obligation Taxable Bonds, Series 2018-B		
	Principal	Interest	Total
September 30, 2020	\$ 4,585,000	\$ 1,152,123	\$ 5,737,123
2021	4,720,000	1,017,403	5,737,403
2022	4,860,000	875,119	5,735,119
2023	5,010,000	724,564	5,734,564
2024	5,175,000	564,109	5,739,109
2025	5,345,000	393,918	5,738,918
2026	5,525,000	213,984	5,738,984
2027	3,520,000	60,720	3,580,720
TOTAL	\$38,740,000	\$ 5,001,940	\$ 43,741,940
Beginning Unamortized Premium	\$ 0	There was no Bond Premium on	
Amortization	0	these bonds.	
Ending Unamortized Premium	<u>\$ 0</u>		

General Obligation Payment Schedule
As of the Year Ended September 30, 2019

Year Ending	General Obligation Tax-Exempt Bonds, Series 2018-C		
	Principal	Interest	Total
September 30, 2020	\$ 4,205,000	\$1,060,125	\$ 5,265,125
2021	4,420,000	844,500	5,264,500
2022	4,650,000	617,750	5,267,750
2023	4,890,000	379,250	5,269,250
2024	5,140,000	128,500	5,268,500
TOTAL	\$23,305,000	\$3,030,125	\$26,335,125
Beginning Unamortized Premium	\$ 1,898,719		
Amortization	(243,936)		
Ending Unamortized Premium	\$ 1,654,783		

Total Outstanding Bonds Issued by Governor Term



Kay Ivey	\$ 963,955,000	13.627%
Robert Bentley	4,213,935,000	59.572%
Bob Riley	<u>1,895,752,000</u>	26.800%
Total Bond Obligations (*)	<u><u>\$7,073,642,000</u></u>	

(*) - Amounts listed are the original bond issuance principal amounts for bond issues that were outstanding at September 30, 2019 (does not include Alabama Housing Finance Authority bonds).

Additional Information

Purpose of Bonds

Sources of Funds:

Principal Amount of 2018-B Bonds	\$ 38,740,000.00
Total Sources	<u>\$ 38,740,000.00</u>

Uses of Funds:

Deposit to Series 2018-B Project Fund	\$ 38,615,160.00
Costs of Issuance	65,687.06
Underwriter's Discount	54,236.00
Additional proceeds (Costs of Issuance)	4,916.94
Total Uses	<u>\$ 38,740,000.00</u>

Sources of Funds:

Principal Amount of 2018-C Bonds	\$ 23,305,000.00
Net Original Issue Premium - 2018-C	1,898,718.65
Total Sources	<u>\$ 25,203,718.65</u>

Uses of Funds:

Deposit to Series 2018-C Project Fund	\$ 25,138,807.78
Costs of Issuance	42,735.11
Underwriter's Discount	22,175.76
Total Uses	<u>\$ 25,203,718.65</u>

The Series 2018-A Bonds were issued for the purpose of: (a) making grants in connection with economic development projects and the recruitment of industrial prospects to the State and (b) paying the costs of issuing the Series 2018-A Bonds.

The Series 2018-B Bonds were issued for the purpose of: (a) making grants in connection with economic development projects and the recruitment of industrial prospects to the State and (b) paying the costs of issuing the Series 2018-B Bonds.

The Series 2018-C Bonds were issued for the purpose of: (a) paying costs and expenses incurred or to be incurred by the State in connection with improvements to the State's National Guard armories and (b) paying the costs of issuing the Series 2018-C Bonds.

Purpose of Bonds

Revenues Pledged for Payment

Under the *Constitution of Alabama 1901* and laws of the State, the Series 2018-A, 2018-B, and 2018-C Bonds shall be direct and general obligations of the State, and the full faith and credit of the State of Alabama are irrevocably pledged for the prompt and faithful payment of the principal of and interest on the bonds. Money can be taken from the Alabama Capital Improvement Trust Fund (this is Fund 1091) or the State General Fund, although neither Fund is specifically pledged for this debt (page 6 of the Official Statement). Pursuant to the Authorizing Amendment, twenty-eight (28%) percent of all Oil and Gas Royalty Payments are required to be deposited in the Alabama Capital Improvement Trust Fund. The Authorizing Amendment further provides that moneys in the Alabama Capital Improvement Trust Fund are appropriated for the payment of debt service of general obligation bonds authorized for various purposes by the Authorizing Amendment. In addition, the Authorizing Amendment provides that moneys in the Alabama Capital Improvement Trust Fund (i) are thereby appropriated to pay debt service on up to \$75,200,000 aggregate principal amount on general obligation bonds authorized by Amendment Numbers 618, 619, and 620 to the Constitution, and (ii) may be appropriated by the Governor or by the Alabama Legislature for paying the cost of general obligation bonds issued under the Authorizing Amendment. By the terms of the Authorizing Amendment, interest earnings on moneys deposited in the Alabama Capital Improvement Trust Fund are deposited into the General Fund of the State Treasury. Amendment 887 further provides that so much as shall be necessary of all Oil and Gas Royalty Payments received during any fiscal year are required to be paid into the Alabama Capital Improvement Trust Fund to pay the principal and interest on bonds issued pursuant to such amendment for improvements to the State's National Guard armories. Amendment 887 authorizes the issuance of up to \$50 million of bonds for National Guard Armory Improvements, and the Series 2018-C Bonds are the second series of bonds issued under Amendment 887 (the first series of such bonds being the State's \$26,695,000 General Obligation Bonds, Series 2016-B) (from pages 6-7 of the Official Statement).

Legal Authority

Constitution of Alabama 1901, Amendment Numbers 666, 796, 880, and 887 and a resolution adopted by the Bond Commission constituted pursuant to the Authorizing Amendment.

Purpose of Bonds

General Obligation Bonds, Series 2016-C

Issue Date: October 6, 2016

Issued: \$105,140,000.00

Total Issuance Costs: \$483,991.04

% of Issuance Costs to Total Bonds Issued: 0.46%

Sources of Funds:

Principal Amount of 2016-C Bonds	\$ 105,140,000.00
Net Original Issue Premium - 2016-C	23,116,754.65
Total Sources	<u>\$ 128,256,754.65</u>

Uses of Funds:

Deposit to Series 2007-A Escrow Fund	\$ 22,863,656.17
Deposit to Series 2010-D Escrow Fund	104,909,107.44
Costs of Issuance	245,323.24
Underwriter's Discount	238,667.80
Total Uses	<u>\$ 128,256,754.65</u>

The General Obligation Series 2016-C Bonds are Refunding Bonds. They were to advance refund the General Obligation Series 2007-A Bonds maturing on August 1, 2018 and thereafter (this was \$22,185,000 due on August 1, 2027), and to advance refund the General Obligation Series 2010-D Bonds (this is \$88,560,000 originally due to mature from June 1, 2018 to June 1, 2032). Final payment on the refunded G. O. 2007-A Bonds was made on August 1, 2017; final payment on the refunded G. O. 2010-D Bonds was made on December 1, 2019.

The Series 2010-D Bonds were issued to: (a) pay the costs and expenses incurred or to be incurred by the State in connection with economic development projects and the recruitment of industrial prospects to the State; and (b) to pay the costs of issuing the Series 2010-D Bonds.

The Series 2007-A Bonds were issued for: (a) payment of costs and expenses incurred or to be incurred by the State in connection with economic development projects and the recruitment of industrial prospects to the State; and (b) payment of costs, expenses and fees in connection with the issuance of the bonds. The proceeds of the Bonds remaining after the payment of issuance expenses are expected to be used to make grants to pay a portion of the costs of various economic development projects located throughout the State.

Approximately \$220,000,000 of the proceeds of the Series 2007-A Bonds will be used to satisfy the State's commitment to ThyssenKrupp and Stainless USA, which is constructing a steel plant in Mobile; approximately \$40,000,000 is for National Alabama for construction and equipping a manufacturing plant; approximately \$20,000,000 is for Goodyear to assist with the purchase of manufacturing equipment; and approximately \$15,000,000 is for Hyundai Motor Manufacturing of Alabama for construction and equipping of its manufacturing plant. The remaining \$10,000,000 is split among several towns and small projects.

Purpose of Bonds

Revenues Pledged for Payment

Under the *Constitution of Alabama 1901* and laws of the State, the Series 2016-C Bonds shall be direct and general obligations of the State, and the full faith and credit of the State of Alabama are irrevocably pledged for the prompt and faithful payment of the principal of and interest on the bonds. Money can be taken from the Alabama Capital Improvement Trust Fund (this is Fund 1091) or the State General Fund, although neither Fund is specifically pledged for this debt (page 10 of the Official Statement). Pursuant to the Authorizing Amendment, twenty-eight (28%) percent of all Oil and Gas Royalty Payments are required to be deposited in the Alabama Capital Improvement Trust Fund. The Authorizing Amendment further provides that monies in the Alabama Capital Improvement Trust Fund are appropriated for the payment of debt service on general obligation bonds authorized for various purposes by the Authorizing Amendment. In addition, the Authorizing Amendment provides that moneys in the Alabama Capital Improvement Trust Fund (i) are thereby appropriated to pay debt service on general obligation bonds authorized by Amendment Numbers 618, 619, and 620 to the Constitution, and (ii) may be appropriated for paying the cost of capital outlay projects that include the planning, designing, inspection, purchasing, construction, reconstruction, improvement, repair or renovation of permanent buildings, docks, structures and sites therefor for the executive, legislative or judicial branches of State government; construction or improvements of roads and bridges in the highway system; payment of debt service on the bonded indebtedness issued by the State or any public corporation or authority of the State; funding economic development and industrial recruitment activities; and the procurement of technical equipment, including computer and telecommunications equipment, required for the operation of a governmental entity. Amendment Number 887 to the *Constitution of Alabama 1901*, as amended, also allows up to \$50 million of bonds to be issued for improvements to the State's National Guard Armories, and \$26,695,000 of aggregate principal amount of bonds have been issued under Amendment 887 (these are the Series 2016-B Bonds) (pages 10-11 of the Official Statement).

Legal Authority

Constitution of Alabama 1901, Amendment Numbers 666, 796, 880, and 887 and a resolution adopted by the Bond Commission constituted pursuant to the Authorizing Amendment.

Purpose of Bonds

General Obligation Bonds, Series 2016-A and Series 2016-B

Issue Date: March 8, 2016

Issued: \$98,500,000.00 (Series 2016-A)
\$26,695,000.00 (Series 2016-B)

Total Issuance Costs: \$763,066.80

% of Issuance Costs to Total Bonds Issued: 0.61%

Sources of Funds:

Principal Amount of 2016-A Bonds	\$ 98,500,000.00
Net Original Issue Premium - 2016-A	12,155,568.05
Total Sources	<u>\$ 110,655,568.05</u>

Uses of Funds:

Deposit to 2016-A Project Fund	\$ 110,000,000.00
Costs of Issuance	236,125.50
Underwriter's Discount	419,442.55
Total Uses	<u>\$ 110,655,568.05</u>

Sources of Funds:

Principal Amount of 2016-B Bonds	\$ 26,695,000.00
Net Original Issue Premium - 2016-B	3,412,498.75
Total Sources	<u>\$ 30,107,498.75</u>

Uses of Funds:

Deposit to 2016-B Project Fund	\$ 30,000,000.00
Costs of Issuance	73,417.24
Underwriter's Discount	34,081.51
Total Uses	<u>\$ 30,107,498.75</u>

The Series 2016-A Bonds were issued for the purposes of: (a) making grants in connection with economic development projects and the recruitment of industrial prospects to the State; and (b) to pay the costs of issuing the Series 2016-A Bonds.

The Series 2016-B Bonds were issued for the purposes of: (a) making improvements to the State's National Guard Armories; and (b) to pay the costs of issuing the Series 2016-B Bonds.

Purpose of Bonds

Revenues Pledged for Payment

Under the *Constitution of Alabama 1901* and laws of the State, the Series 2016-A and Series 2016-B Bonds shall be direct and general obligations of the State, and the full faith and credit of the State of Alabama are irrevocably pledged for the prompt and faithful payment of the principal of and interest on the bonds. Money can be taken from the Alabama Capital Improvement Trust Fund (this is Fund 1091) or the State General Fund, although neither Fund is specifically pledged for this debt (page 10 of the Official Statement). Pursuant to the Authorizing Amendment, twenty-eight (28%) percent of all Oil and Gas Royalty Payments are required to be deposited in the Alabama Capital Improvement Trust Fund. The Authorizing Amendment further provides that monies in the Alabama Capital Improvement Trust Fund are appropriated for the payment of debt service on general obligation bonds authorized for various purposes by the Authorizing Amendment. In addition, the Authorizing Amendment provides that moneys in the Alabama Capital Improvement Trust Fund (i) are thereby appropriated to pay debt service on general obligation bonds authorized by Amendment Numbers 618, 619, and 620 to the Constitution, and (ii) may be appropriated for paying the cost of capital outlay projects that include the planning, designing, inspection, purchasing, construction, reconstruction, improvement, repair or renovation of permanent buildings, docks, structures and sites therefor for the executive, legislative or judicial branches of State government; construction or improvements of roads and bridges in the highway system; payment of debt service on the bonded indebtedness issued by the State or any public corporation or authority of the State; funding economic development and industrial recruitment activities; and the procurement of technical equipment, including computer and telecommunications equipment, required for the operation of a governmental entity. Amendment Number 887 to the *Constitution of Alabama 1901*, as amended, also allows for bonds to be issued for improvements to the State's National Guard Armories. Amendment Number 887 authorizes the issuance of up to \$50 million of bonds for National Guard armory improvements, and the Series 2016-B Bonds are the first bonds issued under Amendment Number 887 (pages 10-11 of the Official Statement).

Legal Authority

Constitution of Alabama 1901, Amendment Numbers 666, 796, 880, and 887 and a resolution adopted by the Bond Commission constituted pursuant to the Authorizing Amendment.

Purpose of Bonds

General Obligation Bonds, Series 2014-A

Issue Date: August 6, 2014

Issued: \$187,085,000.00

Total Issuance Costs: \$815,352.16

% of Issuance Costs to Total Bonds Issued: 0.44%

Sources of Funds:

Principal Amount of Bonds	\$ 187,085,000.00
Net Original Issue Premium	35,254,535.25
Total Sources	<u>\$ 222,339,535.25</u>

Uses of Funds:

Deposit to Escrow Fund	\$ 221,524,183.09
Costs of Issuance	300,868.41
Underwriter's Discount	514,483.75
Total Uses	<u>\$ 222,339,535.25</u>

The Series 2014-A Bonds are Refunding Bonds. The Series 2014-A Refunding Bonds were issued pursuant to Amendment 666, Amendment 796, and Amendment 880 to the Constitution of Alabama 1901, as amended and a resolution adopted by the Bond Commission constituted pursuant to the Authorizing Amendment. The Series 2014-A Bonds were issued for the purpose of advance refunding the Series 2006 Bonds maturing from 2017 to 2026; and for advance refunding the Series 2007-A Bonds maturing from 2018 to 2026 but not 2027. The Series 2006 Bonds maturing in 2015 and 2016 were not refunded. The Series 2007-A Bonds maturing in 2015 through 2017 were not refunded.

Final payment on the refunded Series 2006 Bonds was made on February 1, 2016. Final payment on the refunded Series 2007-A Bonds was made on August 1, 2017.

The 2007-A Bonds were issued for: (a) payment of costs and expenses incurred or to be incurred by the State in connection with economic development projects and the recruitment of industrial prospects to the State; and (b) payment of costs, expenses and fees in connection with the issuance of the bonds. The proceeds of the Bonds remaining after the payment of issuance expenses are expected to be used to make grants to pay a portion of the costs of various economic development projects located throughout the State.

The 2006 Bonds were issued for: (a) payment of costs and expenses incurred or to be incurred by the State in connection with economic development projects and the recruitment of industrial prospects to the State; and (b) payment of costs, expenses and fees in connection with the issuance of the bonds. The proceeds of the Bonds remaining after the payment of issuance expenses are expected to be used to pay a portion of the costs of various economic development projects located throughout the State.

Purpose of Bonds

Revenues Pledged for Payment

Under the *Constitution of Alabama 1901* and laws of the State, the Series 2014-A Bonds shall be direct and general obligations of the State, and the full faith and credit of the State of Alabama are irrevocably pledged for the prompt and faithful payment of the principal of and interest on the bonds. Money can be taken from the Alabama Capital Improvement Trust Fund (this is Fund 1091) or the State General Fund, although neither Fund is specifically pledged for this debt (page 4 of the Official Statement). At elections held in the State on November 7, 2000, June 5, 2007, and November 6, 2012, the electorate of the State ratified the Authorizing Amendment. Pursuant to the Authorizing Amendment, twenty-eight (28%) percent of all Oil and Gas Royalty Payments are required to be deposited in the Alabama Capital Improvement Trust Fund. The Authorizing Amendment further provides that monies in the Alabama Capital Improvement Trust Fund are appropriated for the payment of debt service on general obligation bonds authorized for various purposes by the Authorizing Amendment. In addition, the Authorizing Amendment provides that moneys in the Alabama Capital Improvement Trust Fund (i) are thereby appropriated to pay debt service on up to \$75,200,000 aggregate principal amount of general obligation bonds authorized by Amendment Numbers 618, 619, and 620 to the Constitution, and (ii) may be appropriated by the Governor or by the Alabama Legislature for paying the cost of general obligation bonds issued under the Authorizing Amendment. By the terms of the Authorizing Amendment, interest earnings on moneys deposited in the Alabama Capital Improvement Trust Fund are deposited into the General Fund of the State Treasury (page 5 of the Official Statement).

Legal Authority

Constitution of Alabama 1901, Amendment Numbers 666, 796, and 880 and a resolution adopted by the Bond Commission constituted pursuant to the Authorizing Amendment.

Purpose of Bonds

General Obligation Bonds, Series 2013-A, 2013-B, and 2013-C

Issue Date: August 21, 2013

Issued: \$129,235,000.00 (Series 2013-A)
\$33,000,000.00 (Series 2013-B)
\$1,925,000.00 (Series 2013-C)

Total Issuance Costs: \$1,106,002.06

% of Issuance Costs to Total Bonds Issued: 0.67%

Sources of Funds:

Principal Amount of Bonds - 2013-A	\$ 129,235,000.00
Net Original Issue Premium - 2013-A	19,224,610.30
Total Sources	<u>\$ 148,459,610.30</u>

Uses of Funds:

Deposit to 2001-E Bond Fund	\$ 50,286,757.67
Deposit to 2002-A Bond Fund	30,626,766.89
Deposit to Escrow Fund [2005-A]	
Cash	333.75
Escrow Securities	66,680,323.72
Costs of Issuance	324,181.23
Underwriter's Discount	541,247.04
Total Uses	<u>\$ 148,459,610.30</u>

Sources of Funds:

Principal Amount of Bonds - 2013-B	\$ 33,000,000.00
Net Original Issue Premium - 2013-B	1,785,949.45
Total Sources	<u>\$ 34,785,949.45</u>

Uses of Funds:

Deposit to Project Fund	\$ 34,571,355.07
Costs of Issuance	85,150.63
Underwriter's Discount	129,443.75
Total Uses	<u>\$ 34,785,949.45</u>

Sources of Funds:

Principal Amount of Bonds - 2013-C	\$ 1,925,000.00
Original Issue Premium - 2013-C	75,126.00
Remaining Proceeds from Issuance of the Series 2001-D Bonds	1,214,662.35
Total Sources	<u>\$ 3,214,788.35</u>

Uses of Funds:

Deposit to 2001-D Debt Service Fund	\$ 3,188,808.94
Costs of Issuance	16,542.14
Underwriter's Discount	9,437.27
Total Uses	<u>\$ 3,214,788.35</u>

Purpose of Bonds

The General Obligation Bonds, Series 2013-A, 2013-B, and 2013-C were issued using the same Official Statement, so they are shown together here.

The Series 2013-A Bonds are Refunding Bonds. The Series 2013-A Refunding Bonds were issued pursuant to Amendment 666, Amendment 796, and Amendment 880 to the *Constitution of Alabama 1901*, as amended and a resolution adopted by the Bond Commission constituted pursuant to the 2013-A/B Authorizing Amendment. The Series 2013-A Bonds were issued for the following purposes: (a) refunding, on a current basis, a portion of the State's General Obligation Bonds, Series 2001-E, dated November 1, 2001, and issued in the original principal amount of \$85,000,000 (the "Series 2001-E Bonds") and outstanding in the aggregate principal amount of \$50,135,000; (b) refunding, on a current basis, a portion of the State's General Obligation Bonds, Series 2002-A, dated September 1, 2002, and issued in the original principal amount of \$54,955,000 (the "Series 2002-A Bonds") and outstanding in the aggregate principal amount of \$30,090,000; (c) refunding, on an advance basis, a portion of the State's General Obligation Bonds, Series 2005-A, dated February 1, 2005, and issued in the original principal amount of \$103,920,000 (the "Series 2005-A Bonds") – the 2016 through 2025 outstanding aggregate principal amount of \$62,525,000 of the Series 2005-A Bonds will be refunded, not the 2014 or 2015 amounts of the Series 2005-A Bonds; and (d) payment of costs, expenses and fees incurred in connection with the issuance of the Series 2013-A Bonds. The Series 2001-E Bonds and the Series 2002-A Bonds are to be refunded on a date approximately (but not less than) 30 days after the issuance of the Series 2013-A Bonds; for the Series 2005-A Bonds, money will be deposited with an escrow agent to fully refund the Series 2005-A Bonds on February 1, 2015.

The Series 2005-A Bonds were originally issued for: (a) payment of costs associated with the acquisition, development, construction, improvement, expansion and modernization of several colleges and universities in Alabama; (b) payment of costs and expenses incurred or to be incurred by the State in connection with economic development projects and the recruitment of industrial prospects to the State; and (c) payment of costs, expenses and fees in connection with the issuance of the bonds. Approximately \$69,450,000 was paid to several Universities, including Auburn, USA, UAB, UAH, Alabama A&M, Jacksonville State, Tuskegee University, and several community colleges; the remaining \$34,470,000 was used for the economic development of several corporations in Alabama, the largest of which were Ozark Avionics (\$6,000,000); Austal USA and Kronospan (\$5,000,000 each); Marion County One-Stop (\$4,000,000); and EJM Aerospace Services, Talladega One-Stop, and DeKalb One-Stop (\$3,000,000 each), plus several smaller projects.

Purpose of Bonds

The Series 2002-A Bonds were originally issued for: (i) renovation and rehabilitation of the riverfront and downtown commercial areas of the City of Montgomery; (ii) construction and equipping of the Shelby Interdisciplinary Bio Medical Research Institute Building to be located on the campus of the University of Alabama at Birmingham, in Birmingham, Alabama; (iii) a regional distribution center for Wal-Mart Stores to be located in Brundidge, Alabama; (iv) construction of a new aircraft hangar and related facilities and rehabilitation of existing related facilities owned and to be owned by the Craig Field Airport and Industrial Authority at the Craig Field Airport and Industrial Complex in Selma, Alabama; (v) acquisition of an existing building located in Athens, Alabama (the “Limestone County Facility”); (vi) construction of a new aircraft hangar facility and related ramp improvements owned and to be owned by the Mobile Airport Authority and located at the Brookley Airport and Industrial Complex in Mobile, Alabama; and (vii) improvement and expansion of the Alabama Historical Commission St. Jude’s project in Montgomery, Alabama.

The Series 2001-E Bonds were originally issued for: (a) road and bridge improvements in the State (to match grants of federal revenues for such purposes), (b) municipal infrastructure improvements through the Alabama Department of Transportation, (c) capital improvements to the State Docks Facilities at the Port of Mobile, and (d) paying the expenses of issuing the bonds.

The Series 2013-B Bonds are Capital Improvement Bonds. The Series 2013-B Bonds were issued pursuant to Amendment 666, Amendment 796, and Amendment 880 to the *Constitution of Alabama 1901*, as amended and a resolution adopted by the Bond Commission constituted pursuant to the 2013-A/B Authorizing Amendment. The Series 2013-B Bonds are being issued for certain purposes as specified in the 2013-A/B Authorizing Amendment including, among other things, (a) financing certain economic development capital improvements throughout the State, and (b) paying the costs, expenses and fees incurred in connection with the issuance of the Series 2013-B Bonds.

The Series 2013-C Bonds are Refunding Bonds. The Series 2013-C Refunding Bonds were issued pursuant to Amendment 617 to the *Constitution of Alabama 1901*, as amended and a resolution adopted by the Alabama Public Historical Sites and Parks Improvement Corporation constituted pursuant to Act Number 2000-708, Acts of Alabama, adopted at the 2000 Regular Session of the Alabama Legislature. The Series 2013-C Bonds are being issued, including, among other things, for the following purposes: (a) refunding, on a current basis, a portion of the State’s General Obligation Bonds, Series 2001-D, dated June 1, 2001, and issued in the original principal amount of \$6,000,000 (the “Series 2001-D Bonds”), currently outstanding in the aggregate principal amount of \$3,140,000; and (b) payment of costs, expenses and fees incurred in connection with the issuance of the Series 2013-C Bonds. The Series 2001-D Bonds are to be refunded on a date that is approximately (but not less than) 30 days following the issuance of the Series 2013-C Bonds.

Purpose of Bonds

The Series 2001-D Bonds were originally issued for: paying the costs of acquiring, constructing, improving, renovating, equipping, and maintaining public historical sites and public historical parks within the State that are not under the jurisdiction of the Alabama Department of Conservation and Natural Resources.

Revenues Pledged for Payment

Under the *Constitution of Alabama 1901* and laws of the State, the Series 2013-A, Series 2013-B, and Series 2013-C Bonds shall be direct and general obligations of the State, and the full faith and credit of the State of Alabama are irrevocably pledged for the prompt and faithful payment of the principal of and interest on the bonds. Money can be taken from the Alabama Capital Improvement Trust Fund (this is Fund 1091) (Series 2013-A and Series 2013-B), or the State General Fund (Series 2013-C), although neither Fund is specifically pledged for this debt (page 10 of the Official Statement). At elections held in the State on November 7, 2000, and June 5, 2007, and November 6, 2012, the electorate of the State ratified the 2013-A/B Authorizing Amendment. Pursuant to the 2013-A/B Authorizing Amendment, twenty-eight (28%) percent of all Oil and Gas Royalty Payments are required to be deposited in the Alabama Capital Improvement Trust Fund. The 2013-A/B Authorizing Amendment further provides that monies in the Alabama Capital Improvement Trust Fund are appropriated for the payment of debt service on general obligation bonds authorized for various purposes by the 2013-A/B Authorizing Amendment. In addition, the 2013-A/B Authorizing Amendment provides that moneys in the Alabama Capital Improvement Trust Fund (i) are thereby appropriated to pay debt service on up to \$75,200,000 aggregate principal amount of general obligation bonds authorized by Amendment Numbers 618, 619, and 620 to the Constitution, and (ii) may be appropriated by the Governor or by the Alabama Legislature for paying the cost of general obligation bonds issued under the 2013-A/B Authorizing Amendment. By the terms of the 2013-A/B Authorizing Amendment, interest earnings on moneys deposited in the Alabama Capital Improvement Trust Fund are deposited into the General Fund of the State Treasury (page 10 of the Official Statement).

Legal Authority

Constitution of Alabama 1901, Amendment Numbers 666, 796, and 880 and a resolution adopted by the Bond Commission constituted pursuant to the 2013-A/B Amendment (Series 2013-A and Series 2013-B).

Constitution of Alabama 1901, Amendment Number 617 and a resolution adopted by the Alabama Public Historical Sites and Parks Improvement Corporation constituted pursuant to Act Number 2000-708, Acts of Alabama, adopted at the 2000 Regular Session of the Alabama Legislature (Series 2013-C).

Purpose of Bonds

General Obligation Refunding Bonds, Series 2010-C

Issue Date: May 25, 2010

Issued: \$62,085,000.00

Total Issuance Costs: \$472,659.59

% of Issuance Costs to Total Bonds Issued: 0.76%

Sources of Funds:

Principal Amount of Bonds	\$ 62,085,000.00
Original Issue Premium	6,419,620.85
Other State funds	11,646,870.34
Total Sources	<u>\$ 80,151,491.19</u>

Uses of Funds:

Deposit to 2001-C Bonds Escrow Fund	\$ 79,678,831.60
Costs of Issuance	472,659.59
Total Uses	<u>\$ 80,151,491.19</u>

The Series 2010-C Bonds were issued for the following purposes: (a) to refund the Series 2001-C Bonds; and (b) to pay the costs of issuing the Series 2010-C Bonds. The Series 2001-C Bonds maturing on June 1, 2012 and after were defeased at September 30, 2010 and were fully paid off on June 1, 2011.

The Series 2001-C Bonds were issued for the purpose of acquiring, constructing, improving, renovating, equipping, and maintaining the State parks system.

Revenues Pledged for Payment

Under the *Constitution of Alabama 1901* and laws of the State, the Series 2010-C Bonds shall be direct and general obligations of the State, and the full faith and credit of the State of Alabama are irrevocably pledged for the prompt and faithful payment of the principal of and interest on the bonds (page 13 of the Official Statement).

Legal Authority

Constitution of Alabama 1901, Amendment Number 617, and Act Number 2000-708, Acts of Alabama.

Purpose of Bonds

General Obligation Refunding Bonds, Series 2010-B

Issue Date: April 6, 2010

Issued: \$12,180,000.00

Total Issuance Costs: \$109,452.50

% of Issuance Costs to Total Bonds Issued: 0.90%

Sources of Funds:

Principal Amount of Bonds	\$	12,180,000.00
Original Issue Premium		648,915.00
Total Sources	<u>\$</u>	<u>12,828,915.00</u>

Uses of Funds:

Deposit to 2001-B Bonds Escrow Account	\$	12,719,462.50
Costs of Issuance		109,452.50
Total Uses	<u>\$</u>	<u>12,828,915.00</u>

The Series 2010-B Bonds were issued for: (a) to refund, on a current basis, the Series 2001-B Bonds; and (b) to pay the costs of issuing the Series 2010-B Bonds.

The Series 2001-B Bonds were issued to construct and equip a facility for forensic science education, training, research, and highly specialized testing at the University of Alabama at Birmingham – Department of Justice to include the National Institute for Forensic Sciences; and to construct and equip a facility for forensic science education, training, research, and highly specialized testing at Alabama State University.

Revenues Pledged for Payment

Under the *Constitution of Alabama 1901* and laws of the State, the Series 2010-B Bonds shall be direct and general obligations of the State, and the full faith and credit of the State of Alabama are irrevocably pledged for the prompt and faithful payment of the principal of and interest on the bonds. Money can be taken from the Alabama Capital Improvement Trust Fund (this is Fund 1091), or the State General Fund, although neither Fund is specifically pledged for this debt (page 14 of the Official Statement). At elections held in the State on November 7, 2000, and June 5, 2007, the electorate of the State ratified the Authorizing Amendment. Pursuant to the Authorizing Amendment, twenty-eight (28%) percent of all Oil and Gas Royalty Payments are required to be deposited in the Alabama Capital Improvement Trust Fund, although these are not specifically pledged as security for the Bonds (page 14 of the Official Statement).

Legal Authority

Constitution of Alabama 1901, Amendment Number 620, and Act Number 1998-391, Acts of Alabama.

Purpose of Bonds

General Obligation Refunding Bonds, Series 2010-A

Issue Date: April 6, 2010

Issued: \$37,765,000.00

Total Issuance Costs: \$347,317.05

% of Issuance Costs to Total Bonds Issued: 0.92%

Sources of Funds:

Principal Amount of Bonds	\$ 37,765,000.00
Original Issue Premium	3,771,804.55
Total Sources	<u>\$ 41,536,804.55</u>

Uses of Funds:

Deposit to 2001-A Bonds Escrow Account	\$ 41,189,487.50
Costs of Issuance	347,317.05
Total Uses	<u>\$ 41,536,804.55</u>

The Series 2010-A Bonds were issued for: (a) to refund, on a current basis, the Series 2001-A Bonds; and (b) to pay the costs of issuing the Series 2010-A Bonds.

The Series 2001-A Bonds were issued for the purpose of providing and improving animal diagnostic laboratories in the State to provide improved animal health testing for livestock and poultry producers, veterinarians, animal owners, and animal-related businesses generally; providing and improving agricultural livestock educational and research facilities in the State; providing and improving forestry, plant science and nursery crop educational and research facilities in the State; providing and improving veterinary medicine instructional and research facilities in the State; providing structures and offices for use by the Alabama Agricultural Experiment Station System at regional research extension centers; providing and equipping a center for cotton, cotton products technology as an educational, applied research, and promotional facility in the field of textile and apparel technology.

Revenues Pledged for Payment

Under the *Constitution of Alabama 1901* and laws of the State, the Series 2010-A Bonds shall be direct and general obligations of the State, and the full faith and credit of the State of Alabama are irrevocably pledged for the prompt and faithful payment of the principal of and interest on the bonds. Money can be taken from the Alabama Capital Improvement Trust Fund (this is Fund 1091), or the State General Fund, although neither Fund is specifically pledged for this debt (page 14 of the Official Statement). At elections held in the State on November 7, 2000, and June 5, 2007, the electorate of the State ratified the Authorizing Amendment. Pursuant to the Authorizing Amendment, twenty-eight (28%) percent of all Oil and Gas Royalty Payments are required to be deposited in the Alabama Capital Improvement Trust Fund, although these are not specifically pledged as security for the Bonds (page 14 of the Official Statement).

Purpose of Bonds

Legal Authority

Constitution of Alabama 1901, Amendment Numbers 618 and 619, and Act Numbers 1998-497 and 1998-506, Acts of Alabama.

REVENUE BONDS

Alabama Judicial Building Authority, Series 2007

Issue Date: October 1, 2007

Issued: \$32,660,000.00

Total Issuance Costs: \$299,737.00

% of Issuance Costs to Total Bonds Issued: 0.92%

Sources of Funds:

Principal Amount of Bonds	\$ 32,660,000.00
Net Original Issue Premium	1,264,586.00
Accrued Interest	92,597.00
Total Sources	<u>\$ 34,017,183.00</u>

Uses of Funds:

Deposit to Construction Fund	\$ 10,000,000.00
Deposit to Redemption Fund	23,624,849.00
Deposit to Debt Service Fund	92,597.00
Costs of Issuance	299,737.00
Total Uses	<u>\$ 34,017,183.00</u>

The Series 2007 Bonds were issued to provide funds for the purposes of (i) refunding all of the outstanding debt of the Authority (the Judicial Building Authority Series 1996 Bonds); (ii) financing various capital improvements to Bond-Financed Facilities and (iii) paying the costs of issuing the Series 2007 Bonds. The Project consists of various capital improvements to the Torbert-Heflin Judicial Building located at 300 Dexter Avenue, Montgomery, Alabama 36104 including, without limitation, repairs to the Judicial Building's roof and upgrade of the security system to conform to post-9/11 standards. The Judicial Building is home to the Alabama Supreme Court, the Alabama Court of Civil Appeals, the Alabama Court of Criminal Appeals, the State Law Library, the Administrative Office of Courts, and other support facilities related to the Alabama Unified Judicial System.

The final payment on the Series 2007 Bonds was made in the 2018-2019 fiscal year.

Purpose of Bonds

Revenues Pledged for Payment

The Series 2007 Bonds are special limited obligations of the Authority, payable solely from, and secured by a pledge of, the revenues and receipts derived by the Authority from the leasing of the Bond-Financed Facilities (page 6 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Sections 41-10-260, 41-10-268, and 41-10-28.1.

Alabama Public Health Care Authority, Series 2016

Issue Date: April 14, 2016

Issued: \$22,335,000.00

Total Issuance Costs: \$175,172.50

% of Issuance Costs to Total Bonds Issued: 0.78%

Sources of Funds:

Principal Amount of Bonds	\$ 22,335,000.00
Net Original Issue Premium	2,502,363.85
Transfer from 2005 Debt Service Fund	497,034.31
Total Sources	<u>\$ 25,334,398.16</u>

Uses of Funds:

Deposit to Escrow Agreement	\$ 21,884,660.85
Deposit to Series 2016 General Account of the Construction Fund	3,274,564.81
Issuance Costs	97,000.00
Underwriter's Discount	78,172.50
Total Uses	<u>\$ 25,334,398.16</u>

The Series 2016 Bonds were issued to: (a) refund on a current basis the outstanding Series 2005 Bonds; and, (b) finance the acquisition, construction and equipping of certain additional public health care facilities in the State.

Purpose of Bonds

The Series 2005 Bonds were issued to accomplish a refunding of the Series 1996 Bonds and to finance the acquisition, construction, and equipping of certain public health care facilities in the State (the “2005 Facilities”). Pursuant to a Lease Agreement dated as of September 1, 2005, between the Issuer and the State of Alabama, acting by and through its Department of Public Health (the “Lessee”), the 2005 Facilities were acquired, constructed, installed, equipped, renovated, and/or refurbished by the Issuer and the Original Facilities and the 2005 Facilities were leased to the Lessee. A portion of the Series 2005 Bonds were advance refunded (defeased) by the Series 2015 Bonds. The advance refunded (defeased) Series 2005 Bonds were redeemed on September 1, 2015. The Series 2005 Bonds that were current refunded by the Series 2016 Bonds were fully paid off on May 27, 2016.

The refunded Series 1996 Bonds were issued to finance the acquisition, construction and equipping of certain public health care facilities in the State.

Revenues Pledged for Payment

The Series 2016 Bonds are special limited obligations of the Issuer payable from (i) payments by the Lessee pursuant to the Lease Agreement; (ii) funds held by the Trustee under the Indenture (except for the Reserve Fund, if subsequently funded, which is not available to pay debt service on the Series 2016 Bonds or the Series 2015 Bonds); and (iii) any other revenues, rentals or receipts derived by the Issuer from the leasing or sale of the Facilities (page 2 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Sections 22-21-310 through 22-21-344 and 22-21-350 through 22-21-359.

Purpose of Bonds

Alabama Public Health Care Authority, Series 2015

Issue Date: March 12, 2015

Issued: \$55,855,000.00

Total Issuance Costs: \$353,420.00

% of Issuance Costs to Total Bonds Issued: 0.63%

Sources of Funds:

Principal Amount of Bonds	\$ 55,855,000.00
Net Original Issue Premium	4,114,818.70
Lessee Contribution	11,500,000.00
Transfer from Bond Fund	89,952.54
Total Sources	<u>\$ 71,559,771.24</u>

Uses of Funds:

Deposit to Escrow Agreement	\$ 25,391,425.00
Deposit to Series 2015 General Account of the Construction Fund	30,860,789.52
Lessee Contribution used for Project Costs	11,500,000.00
Deposit to Series 2015 Capitalized Interest Account of the Construction Fund	3,454,136.72
Issuance Costs	130,000.00
Underwriter's Discount	223,420.00
Total Uses	<u>\$ 71,559,771.24</u>

The Series 2015 Bonds are being issued to (i) advance refund a portion of the Series 2005 Bonds and (ii) finance the acquisition, construction, and equipping of certain laboratory facilities, training and office facilities, and county health department facilities all constituting public health care facilities of the Issuer.

The Series 2005 Bonds were issued to accomplish a refunding of the Series 1996 Bonds and to finance the acquisition, construction, and equipping of certain public health care facilities in the State (the "2005 Facilities"). Pursuant to a Lease Agreement dated as of September 1, 2005, between the Issuer and the State of Alabama, acting by and through its Department of Public Health (the "Lessee"), the 2005 Facilities will be acquired, constructed, installed, equipped, renovated, and/or refurbished by the Issuer and the Original Facilities and the 2005 Facilities will be leased to the Lessee. The advance refunded (defeased) Series 2005 Bonds were redeemed on September 1, 2015.

The refunded Series 1996 Bonds were issued to finance the acquisition, construction, and equipping of certain public health care facilities in the State.

Purpose of Bonds

Revenues Pledged for Payment

The Series 2015 Bonds are special limited obligations of the Issuer payable from (i) payments by the Lessee pursuant to the Lease Agreement; (ii) funds held by the Trustee under the Indenture; and (iii) any other revenues, rentals or receipts derived by the Issuer from the leasing or sale of the Facilities (page 2 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Sections 22-21-310 through 22-21-344 and 22-21-350 through 22-21-359.

Alabama Federal Aid Highway Finance Authority, Series 2017A and Series 2017B

Issue Date: June 29, 2017

Issued: \$416,645,000.00 (Series 2017A)
\$139,975,000.00 (Series 2017B)

Total Issuance Costs: \$1,662,850.07

% of Issuance Costs to Total Bonds Issued: 0.30%

Sources of Funds:

Principal Amount of 2017A Bonds	\$ 416,645,000.00
Bond Premium	76,894,800.60
Total Sources	<u>\$ 493,539,800.60</u>

Uses of Funds:

Deposit to Project Fund	\$ 492,300,000.00
Costs of Issuance	398,906.16
Underwriter's Discount	840,894.44
Total Uses	<u>\$ 493,539,800.60</u>

Sources of Funds:

Principal Amount of 2017B Bonds	\$ 139,975,000.00
Bond Premium	31,886,333.15
Total Sources	<u>\$ 171,861,333.15</u>

Uses of Funds:

Deposit to Refunding Escrow Account	\$ 171,438,283.68
Costs of Issuance	133,131.45
Underwriter's Discount	289,918.02
Total Uses	<u>\$ 171,861,333.15</u>

Purpose of Bonds

The Series 2017A Bonds are being issued for the purpose of (i) financing various capital improvements and (ii) paying the costs of issuing the Series 2017A Bonds. The capital improvements are referred to as the “Financed Projects”. The Financed Projects will consist of road and bridge projects in the State identified by the Department as eligible Federal Aid Projects. These projects include replacement of bridges and interchange improvements on Interstate 20/59 in Birmingham, Alabama.

The Series 2017B Bonds are refunding bonds. The Series 2017B Bonds are being issued for the purpose of (i) refunding certain outstanding indebtedness of the Issuer and (ii) paying the costs of issuing the Series 2017B Bonds. The Series 2017B Bonds advance-refunded the Series 2012 Bonds maturing in 2023 and after; the Series 2012 Bonds maturing before 2023 were not refunded.

Revenues Pledged for Payment

The Series 2017 Bonds are secured by and payable from the Pledged Funds, which are comprised of the State’s Share of Net Gasoline Tax Proceeds, the Federal Aid Funds, and moneys held in the Debt Service Fund established to secure the payment of principal of and interest on the Series 2017 Bonds and certain other obligations of the Issuer. The Authorizing Act irrevocably pledges and appropriates each year (1) the State’s Share of Net Gasoline Tax Proceeds and (2) all Federal Aid Funds for any Federal Aid Projects to be received by the Department from the United States Government, to the extent that such funds may be required to pay the principal of and interest on any obligations issued under the Authorizing Act.

In the Authorizing Resolution, the Authority has pledged, in accordance with the appropriation and pledge made in the Authorizing Act, the following Pledged Funds to secure the payment of principal of and interest on the Series 2017 Bonds: (i) the Project Agreement Revenues; (ii) so much as may be necessary of the Federal Aid Funds other than the Project Agreement Revenues; (iii) so much as may be necessary of the State’s share of Net Gasoline Tax Proceeds; and, (iv) any moneys and investments held in the Debt Service Fund (page 8 of the Official Statement).

Legal Authority

Article 10 of Chapter 1 of Title 23 of the *Code of Alabama 1975*, as amended (this is the *Code of Alabama 1975*, Sections 23-1-300 through 23-1-318).

Purpose of Bonds

Alabama Federal Aid Highway Finance Authority, Series 2016A

Issue Date: November 29, 2016

Issued: \$236,395,000.00

Total Issuance Costs: \$861,754.15

% of Issuance Costs to Total Bonds Issued: 0.36%

Sources of Funds:

Principal Amount of 2016A Bonds	\$ 236,395,000.00
Bond Premium	34,466,754.15
Total Sources	<u>\$ 270,861,754.15</u>

Uses of Funds:

Deposit to Project Fund	\$ 270,000,000.00
Costs of Issuance	352,996.79
Underwriter's Discount	508,757.36
Total Uses	<u>\$ 270,861,754.15</u>

Act Number 2000-727, Acts of Alabama, authorizes the Authority to issue bonds in anticipation by the State of the federal share of the costs of constructing any roads, streets, parkways, right of ways, bridges, railroad crossings, drainage structures, signs, guard rails, structures, interstates, surfaces, resurfaces, shoulders, roadsides, or any work which is eligible for federal aid financing assistance under Title 23, Chapter 1, of the United States Code and applicable regulations ("Federal Aid Projects"). Act Number 2000-727, Acts of Alabama, also authorizes the Authority to issue bonds to refund bonds issued under this Act. The Series 2016A Bonds are being issued pursuant to such authorization and the Resolution adopted by the Board of Directors of the Authority at a meeting held on November 15, 2016 in order to (i) finance the federal share of the costs of certain road and bridge projects throughout the State which are eligible Federal Aid Projects and (ii) pay the costs of issuing the Bonds.

Revenues Pledged for Payment

The Series 2016A Bonds are secured by and payable from the Pledged Funds, which are comprised of Federal Aid Funds and the State's Share of Net Gasoline Tax Proceeds. The Authorizing Act irrevocably pledges and appropriates each year (1) the State's Share of Net Gasoline Tax Proceeds and (2) all Federal Aid Funds for any Federal Aid Projects to be received by the Department from the United States Government, to the extent that such funds may be required to pay the principal of and interest on any obligations issued under the Authorizing Act.

Purpose of Bonds

In the Authorizing Resolution, the Authority has pledged, in accordance with the appropriation and pledge made in the Authorizing Act, the following Pledged Funds to secure the payment of principal of and interest on the Series 2016A Bonds: (i) the Project Agreement Revenues; (ii) so much as may be necessary of the Federal Aid Funds other than the Project Agreement Revenues; (iii) so much as may be necessary of the State's share of Net Gasoline Tax Proceeds; and, (iv) any moneys and investments held in the Debt Service Fund (page 8 of the Official Statement).

Legal Authority

Article 10 of Chapter 1 of Title 23 of the *Code of Alabama 1975*, as amended (this is the *Code of Alabama 1975*, Sections 23-1-300 through 23-1-318), and the Authorizing Resolution adopted by the Board of Directors at a meeting held on November 15, 2016.

Alabama Federal Aid Highway Finance Authority, Series 2015

Issue Date: February 12, 2015

Issued: \$533,175,000.00

Total Issuance Costs: \$1,736,265.37

% of Issuance Costs to Total Bonds Issued: 0.33%

Sources of Funds:

Principal Amount of Bonds	\$ 533,175,000.00
Bond Premium	68,565,365.05
Total Sources	<u>\$ 601,740,365.05</u>

Uses of Funds:

Deposit to Project Fund	\$ 600,004,099.68
Costs of Issuance	541,666.62
Underwriter's Discount	1,194,598.75
Total Uses	<u>\$ 601,740,365.05</u>

Act Number 2000-727, Acts of Alabama, authorizes the Authority to issue bonds in anticipation by the State of the federal share of the costs of constructing any roads, streets, parkways, right of ways, bridges, railroad crossings, drainage structures, signs, guard rails, structures, interstates, surfaces, resurfaces, shoulders, roadsides, or any work which is eligible for federal aid financing assistance under Title 23, Chapter 1, of the United States Code and applicable regulations ("Federal Aid Projects"). Act Number 2000-727, Acts of Alabama, also authorizes the Authority to issue bonds to refund bonds issued under this Act. The Series 2015 Bonds are being issued pursuant to such authorization and the Resolution adopted by the Board of Directors of the Authority at a meeting held on January 21, 2015 (the "Authorizing Resolution") in order to (i) finance the federal share of the costs of certain road and bridge projects throughout the State which are eligible Federal Aid Projects (the "Financed Projects") and (ii) pay the costs of issuing the Series 2015 Bonds.

Purpose of Bonds

Revenues Pledged for Payment

The Series 2015 Bonds are secured by and payable from two independent sources of funds. Act Number 2014-105, Acts of Alabama, irrevocably pledges and appropriates each year (1) the State's share of Net Gasoline Tax Proceeds and (2) all Federal Aid Funds for any Federal Aid Projects to be received by the Department from the United States Government, to the extent that such funds may be required to pay the principal of and interest on any obligations issued under Act Number 2014-105, Acts of Alabama. The Statutory Pledge of the State's share of Net Gasoline Tax Proceeds applies only to bonds issued by the Authority after March 1, 2014. In the Authorizing Resolution, the Authority has pledged, in accordance with the appropriation and pledge made in Act Number 2014-105, Acts of Alabama, the following Pledged Funds to secure the payment of principal of and interest on the Series 2015 Bonds: (i) the Project Agreement Revenues; (ii) so much as may be necessary of the Federal Aid Funds other than the Project Agreement Revenues; (iii) so much as may be necessary of the State's share of Net Gasoline Tax Proceeds; and, (iv) any moneys and investments held in the Debt Service Fund (page 8 of the Official Statement).

Legal Authority

Article 10 of Chapter 1 of Title 23 of the *Code of Alabama 1975*, as amended (this is the *Code of Alabama 1975*, Sections 23-1-300 through 23-1-318), and the Authorizing Resolution adopted by the Board of Directors at a meeting held on January 21, 2015.

Alabama Federal Aid Highway Finance Authority, Series 2012

Issue Date: December 18, 2012

Issued: \$327,935,000.00

Total Issuance Costs: \$1,288,729.90

% of Issuance Costs to Total Bonds Issued: 0.39%

Sources of Funds:

Principal Amount of Bonds	\$ 327,935,000.00
Bond Premium	73,357,652.90
Total Sources	<u>\$ 401,292,652.90</u>

Uses of Funds:

Deposit to Project Fund	\$ 400,003,923.00
Costs of Issuance	399,500.00
Underwriter's Discount	889,229.90
Total Uses	<u>\$ 401,292,652.90</u>

Purpose of Bonds

Act Number 2000-727, Acts of Alabama, authorizes the Authority to issue bonds in anticipation by the State of the federal share of the costs of constructing any roads, streets, parkways, right of ways, bridges, railroad crossings, drainage structures, signs, guard rails, structures, interstates, surfaces, resurfaces, shoulders, roadsides, or any work which is eligible for federal aid financing assistance under Title 23, Chapter 1, of the United States Code and applicable regulations (“Federal Aid Projects”). Act Number 2000-727, Acts of Alabama, also authorizes the Authority to issue bonds to refund bonds issued under this Act. The Series 2012 Bonds are being issued pursuant to such authorization and the Resolution adopted by the Board of Directors of the Authority at a meeting held on December 6, 2012 (the “Authorizing Resolution”) in order to (i) finance the federal share of the costs of certain road and bridge projects throughout the State which are eligible Federal Aid Projects (the “Financed Projects”) and (ii) pay the costs of issuing the Series 2012 Bonds.

The Series 2012 Bonds maturing in 2023 and after were refunded by the Series 2017B Bonds; the refunded bonds will be paid off in 2022. The Series 2012 Bonds maturing before 2023 were not refunded.

Revenues Pledged for Payment

Act Number 2000-727, Acts of Alabama, irrevocably pledges and appropriates each year all Federal Aid Funds for any Federal Aid Projects to be received by the Department from the United States government to the extent that such funds may be required to pay the principal of and interest on any obligations issued under Act Number 2000-727, Acts of Alabama (Project Agreement Revenues). The following funds are also pledged to secure the payment of principal of and interest on the Series 2012 Bonds: (i) the Project Agreement Revenues; (ii) so much as may be necessary of the Federal Aid Funds other than the Project Agreement Revenues; and (iii) any moneys and investments held in the Debt Service Fund (page 8 of the Official Statement).

Legal Authority

Article 10 of Chapter 1 of Title 23 of the *Code of Alabama 1975*, as amended (this is the *Code of Alabama 1975*, Sections 23-1-300 through 23-1-318).

Purpose of Bonds

Alabama Highway Finance Corporation, Series 2014

Issue Date: June 18, 2014

Issued: \$25,000,000.00

Total Issuance Costs: \$0.00

% of Issuance Costs to Total Bonds Issued: 0.00%

Sources of Funds:

Principal Amount of Bonds	\$ 25,000,000.00
Total Sources	<u>\$ 25,000,000.00</u>

Uses of Funds:

Project Fund	\$ 25,000,000.00
Total Uses	<u>\$ 25,000,000.00</u>

There was no Official Statement; this was a Lender Issue. The Series 2014 Bonds were issued using an Authorizing Resolution of the Alabama Highway Finance Corporation for the purpose of financing the cost of certain public road, bridge and other roadway improvements.

Revenues Pledged for Payment

Motor vehicle license taxes and registration fees of Division 1 of Article 5 of Chapter 12 of Title 40 of the *Code of Alabama 1975*; the State's share of the Net Gasoline Tax Proceeds as defined in the *Code of Alabama 1975*, Section 23-1-181(a) subdivision 7 (i.e., the 45% of the proceeds of the \$0.07 gas tax of the *Code of Alabama 1975*, Section 40-17-359(c)); the excise taxes levied by subdivision (2) of subsection (a) of the *Code of Alabama 1975*, Section 40-17-325 on distributors and storers of motor fuel – Article 1 of Chapter 17 of Title 40 of the *Code of Alabama 1975*; the excise tax levied by Article 3 of Chapter 17 of Title 40 of the *Code of Alabama 1975*, exclusive of that portion of the tax in respect of gasoline; the inspection fee on certain petroleum products imposed by Division 1 of Article 5 of Chapter 17 of Title 8 of the *Code of Alabama 1975*, of what is to be deposited in the Public Road and Bridge Fund; receipts from the fee in respect of identification markers on motor vehicles that is provided for in Section 40-17-150 of the *Code of Alabama 1975*; and moneys held in the Debt Service Fund (pages 10-11 of the Authorizing Resolution and *Code of Alabama 1975*, Section 23-1-181).

Legal Authority

The *Code of Alabama 1975*, Sections 23-1-170 through 23-1-181.

Purpose of Bonds

Alabama Building Renovation Finance Authority Refunding Bonds, Series 2010

Issue Date: August 11, 2010

Issued: \$26,990,000.00

Total Issuance Costs: \$253,669.02

% of Issuance Costs to Total Bonds Issued: 0.94%

Sources of Funds:

Principal Amount of Bonds	\$ 26,990,000.00
Bond Premium	2,234,089.65
Total Sources	<u>\$ 29,224,089.65</u>

Uses of Funds:

Deposit to Series 1999 Bonds Escrow Account	\$ 28,970,420.63
Issuance Costs	253,669.02
Total Uses	<u>\$ 29,224,089.65</u>

The Series 2010 Bonds were issued for the purpose of refunding the Series 1999 Bonds.

The Series 1999 Bonds were issued for the purpose of refunding the entire outstanding Principal amount of the Series 1990 Bonds, providing funds for the constructing and equipping of a new west wing for the Archives Building, and paying the costs of issuing the Series 1999 Bonds.

The Series 1990 Bonds were issued to provide funds for the purpose of the renovation, reconstruction, improvement, and alteration of certain State of Alabama office buildings (Folsom Administrative Building, State Office Building, Archives and History Building, Public Safety Building, Public Health Building, Judicial Building, and the Alabama State House) in the City of Montgomery, Alabama, and any equipment and other facilities necessary or useful in connection therewith.

Purpose of Bonds

Revenues Pledged for Payment

Pursuant to the Master Lease Agreement dated as of September 1, 1999 between the Authority and the State of Alabama, acting by and through the Department of Finance, seven public office buildings located in Montgomery, Alabama are leased by the Authority to the Department of Finance. Pursuant to the Original Master Lease, as amended and supplemented by a First Supplemental Lease Agreement dated as of August 1, 2006, the Buildings, as modified by the 2006 Project, were leased by the Authority to the Department of Finance. In connection with the issuance of the Series 2010 Bonds, the Authority and the Department of Finance will enter into a Second Supplemental Lease Agreement dated as of August 1, 2010, pursuant to which the Buildings, as modified by the 2006 Project, will continue to be leased by the Authority to the Department of Finance. The Original Master Lease had an initial term expiring on September 30, 1999, with successive renewal options of one year each, limited to ninety-nine (99) years from the date of the Original Master Lease. The Master Lease has been renewed each year since the expiration of its initial term and is in full force and effect on the date hereof. Rental payments and other amounts payable under the Master Lease during any annual term are designed to be sufficient to pay the principal of, premium, if any, and interest on the Series 2006 Bonds and the Series 2010 Bonds due in the same year and all operating and maintenance expenses of the Authority. The revenues from the Master Lease are pledged as security for the Series 2006 Bonds, the Series 2010 Bonds, and any additional bonds issued by the Authority under the Enabling Law, on a parity basis (pages 1-2 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Sections 41-10-450 through 41-10-477.

Alabama State Port Authority, Series 2018

Issue Date: March 29, 2018

Issued: \$50,000,000.00

Issuance Costs: \$0.00

% of Issuance Costs to Total Bonds Issued: 0.00%

The Series 2018 Bond Issue is a Private Placement with Regions Bank so there is no Official Statement. Interest is payable on the first day of each month, commencing May 1, 2018. The final payment on these bonds will be made on April 1, 2021. No issuance costs were shown in the September 30, 2018 Audit Report of the Alabama State Port Authority.

The Authority is using these funds to expand the container handling capacity of its operations at the Choctaw Point Container Terminal, including an approximately 400' by 200' dock extension, and paving, drainage, and lighting for an addition of approximately 20 acres to the container storage area. The Authority plans to issue long-term revenue bonds to replace the temporary financing prior to maturation (from page 11 of the September 30, 2018 Audit Report of the Alabama State Port Authority).

Purpose of Bonds

Pledged Revenues

All of the gross revenues of the Authority collateralizes the Docks Facilities Bonds Series 2018. Gross revenues are generated from services provided, including all special handling and processing charges, tariffs, surcharges, and for the use of docks facilities, and other fees and payments made under any lease (from page 33 of the September 30, 2018 Audit Report of the Alabama State Port Authority).

Legal Authority

The Series 2018 Bonds are being issued under the authority of the constitution and laws of the State of Alabama, including particularly Chapter 1 of Title 33 (Section 33-1-1 et seq.) and Article 7 of Chapter 2 of Title 33 (Sections 33-2-180 et seq.) of the *Code of Alabama 1975*.

Alabama State Port Authority, Series 2017A, 2017B, 2017-C, and 2017-D

Issue Date: March 8, 2017	Issued: \$123,770,000.00 (Series 2017A AMT)
	\$12,100,000.00 (Series 2017B non-AMT)
	\$6,130,000.00 (Series 2017C AMT)
	\$132,990,000.00 (Series 2017D Taxable)

Issuance Costs: \$4,227,667.42	% of Issuance Costs to Total Bonds Issued: 1.54%
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Sources of Funds:

Principal Amount of 2017A Bonds	\$ 123,770,000.00
Transfers from Prior Debt Service/ Reserve Funds	15,887,939.00
Plus: Original Issue Premium	14,748,297.45
Total Sources	<u>\$ 154,406,236.45</u>

Uses of Funds:

Deposit to Escrow Fund	\$ 152,479,393.65
Expenses of Issuance	1,926,842.80
Total Uses	<u>\$ 154,406,236.45</u>

Purpose of Bonds

<u>Sources of Funds:</u>	
Principal Amount of 2017B Bonds	\$ 12,100,000.00
Transfers from Prior Debt Service/ Reserve Funds	3,384,414.61
Plus: Original Issue Premium	1,011,965.35
Total Sources	<u>\$ 16,496,379.96</u>

<u>Uses of Funds:</u>	
Deposit to Escrow Fund	\$ 16,407,413.78
Expenses of Issuance	88,966.18
Total Uses	<u>\$ 16,496,379.96</u>

<u>Sources of Funds:</u>	
Principal Amount of 2017C Bonds	\$ 6,130,000.00
Transfers from Prior Debt Service/ Reserve Funds	1,763,643.76
Plus: Original Issue Premium	702,743.20
Total Sources	<u>\$ 8,596,386.96</u>

<u>Uses of Funds:</u>	
Deposit to Escrow Fund	\$ 8,484,790.57
Expenses of Issuance	111,596.39
Total Uses	<u>\$ 8,596,386.96</u>

<u>Sources of Funds:</u>	
Principal Amount of 2017D Bonds	\$ 132,990,000.00
Transfers from Prior Debt Service/ Reserve Funds	12,513,884.27
Plus: Original Issue Premium	115.20
Total Sources	<u>\$ 145,503,999.47</u>

<u>Uses of Funds:</u>	
Deposit to Escrow Fund	\$ 143,403,737.42
Expenses of Issuance	2,100,262.05
Total Uses	<u>\$ 145,503,999.47</u>

The Series 2017 Bonds are being issued for the purpose of (i) refunding certain outstanding debt of the Authority, (ii) funding a debt service reserve fund for the benefit of the Series 2017 Bonds, and (iii) paying the costs of issuing the Series 2017 Bonds. The Authority, however, has reserved the right under the Bond Order to use the proceeds of the Series 2017 Bonds for other legally permissible purposes.

Purpose of Bonds

The Authority has heretofore issued the Series 2006A Bonds, the Series 2006B Bonds, the Series 2006D Bonds, and the Series 2010 Bonds (collectively, the “Refunded Bonds”), all or a portion of which will be refunded contemporaneously with the issuance of the Series 2017 Bonds. The Series 2006A and Series 2006D Bonds, which are subject to the alternative minimum tax, will be currently refunded with proceeds of the Series 2017A Bonds [this was \$127,365,000 of Series 2006A Bonds and \$21,600,000 of Series 2006D Bonds, according to page 3 of the Official Statement]. The Series 2006B Bonds [\$42,195,000 according page 3 of the Official Statement], which are not subject to the alternative minimum tax, will be refunded, in part with proceeds of the Series 2017B Bonds, the Series 2017C Bonds, and the Series 2017D Bonds. The Series 2010 Bonds [\$106,045,000 according to page 3 of the Official Statement] will be refunded with proceeds of the Series 2017D Bonds.

The Series 2010 Bonds were issued for the purpose of (i) refunding certain outstanding debt of the Authority [the Series 2008B and 2009A Bond Anticipation Notes], (ii) funding a debt service reserve fund for the benefit of the Series 2010 Bonds, and (iii) paying the costs of issuing the Series 2010 Bonds.

The Series 2006 Bonds are being issued for the purpose of (i) refunding certain outstanding debt of the Authority, (ii) financing various capital improvements to facilities owned by the Authority, (iii) funding a debt service reserve fund for the benefit of the Series 2006 Bonds and (iv) paying the costs of issuing the Series 2006 Bonds (pages 2 and 3 of the Official Statement). A portion of the outstanding debt refunded was a capital lease that was in place with SunTrust Leasing Corporation.

Revenues Pledged for Payment

The Series 2017 Bonds are special, limited obligations of the Authority payable solely out of and secured by a pledge of and lien on (i) Docks Facilities Revenues and (ii) any income from the investment thereof. The Docks Facilities Revenues include all gross revenues of the Authority derived from fees and charges for services by the Authority for the use of the Authority’s Docks Facilities. Such fees and charges include, without limitation, handling and processing charges, tariffs, surcharges and other fees and lease and rental payments (page 11 of the Official Statement).

Legal Authority

The Series 2017 Bonds are being issued under the authority of the constitution and laws of the State of Alabama, including particularly Chapter 1 of Title 33 (Section 33-1-1 et seq.) and Article 7 of Chapter 2 of Title 33 (Sections 33-2-180 et seq.) of the *Code of Alabama 1975*.

Purpose of Bonds

Alabama State Port Authority, Series 2008A

Issue Date: April 18, 2008

Issued: \$61,300,000.00

Issuance Costs: \$188,147.00

% of Issuance Costs to Total Bonds Issued: 0.31%

Sources of Funds:

Principal Amount of Bonds	\$ 61,300,000.00
Total Sources	<u>\$ 61,300,000.00</u>

Uses of Funds:

Payment of Series 2006C Bonds	\$ 60,295,000.00
Deposit to Reserve Fund	816,853.00
Issuance Costs	188,147.00
Total Uses	<u>\$ 61,300,000.00</u>

The Series 2008A Bonds were issued to fully refund the Series 2006C Bonds.

The Series 2006C Bonds were issued to refund the Series 1996 Bonds.

Revenues Pledged for Payment

The Series 2008A Bonds are collateralized by the gross revenues of the Authority derived from charges made by the Authority for all services provided by the Authority to, and for the use of Docks Facilities (from the September 30, 2008 Audit Report of the Alabama State Port Authority).

The Series 2008A Bonds are variable rate bonds, based on 100 basis points (1.00%) plus 67% of LIBOR. The interest rate at September 30, 2008 was 2.6653721%. The interest rate at September 30, 2009 was 1.017336%. The interest rate at September 30, 2010 was 1.173785%. The interest rate at September 30, 2011 and September 30, 2012 was 1.16%. The interest rate at September 30, 2013 was 1.122%. The interest rate at September 30, 2014 was 1.1032%. The interest rate at September 30, 2015 was 1.134737%. The interest rate at September 30, 2016 was 1.3532374%. The interest rate at September 30, 2017 was 1.82475%. The interest rate at September 30, 2018 was 2.5314190%. The interest rate at September 30, 2019 was 2.39%.

Legal Authority

The Series 2008A Bonds are being issued under the authority of the constitution and laws of the State of Alabama, including particularly Chapter 1 of Title 33 (Section 33-1-1 et seq.) and Article 7 of Chapter 2 of Title 33 (Sections 33-2-180 et seq.) of the *Code of Alabama 1975*.

Purpose of Bonds

Alabama Incentives Financing Authority, Series 2019-A and 2019-B

Issue Date: September 25, 2019

Issued: 2019-A – \$21,060,000.00
2019-B – \$131,465,000.00

Total Issuance Costs: \$104,539.26 (2019-A) % of Issuance Costs to Total Bonds Issued: 0.52%
\$1,029,682.19 (2019-B) 0.78%

Sources of Funds:

Principal Amount of Series 2019-A Bonds	\$	21,060,000.00
Net Original Issue Premium		3,871,525.90
Transfer from Reserve Funds Established for Refunded Bonds		3,365,762.70
Total Sources	\$	<u>28,297,288.60</u>

Uses of Funds:

Deposit to Series 2009-A Escrow Fund	\$	14,876,538.23
Deposit to Series 2009-C Escrow Fund		11,210,211.11
Deposit to Reserve Fund		2,106,000.00
Underwriter's Discount		70,092.60
Costs of Issuance		34,446.66
Total Uses	\$	<u>28,297,288.60</u>

Sources of Funds:

Principal Amount of Series 2019-B Bonds	\$	131,465,000.00
Transfer from Reserve Funds Established for Refunded Bonds		13,359,544.40
Equity Contribution		2,985,000.00
Total Sources	\$	<u>147,809,544.40</u>

Uses of Funds:

Deposit to Series 2012-A Escrow Fund	\$	134,732,111.40
Deposit to Reserve Fund		12,042,263.60
Underwriter's Discount		437,546.16
Costs of Issuance		196,916.38
Bond Insurance (Costs of Issuance)		395,219.65
Disbursement Fund		5,487.21
Total Uses	\$	<u>147,809,544.40</u>

Purpose of Bonds

The Series 2019 Bonds are being issued for the purpose of: (a) refunding the Refunded Bonds, (b) funding the Series 2019 Reserve Funds, and (c) paying the costs of issuing the Series 2019 Bonds. The Series 2019-A Bonds current-refunded the Series 2009-A Bonds and the Series 2009-C Bonds. The Series 2019-B Bonds advance-refunded the Series 2012-A Bonds.

The final payment on the current-refunded Series 2009-A Bonds and Series 2009-C Bonds was made on October 25, 2019. The final payment on the advance-refunded Series 2012-A Bonds will be made on September 1, 2022.

The Series 2009-A Bonds fully refunded the Series 1999-A Bonds.

The 2009-C Bonds are being used for capital projects at the University of Alabama in Birmingham.

The Series 2012-A Bonds were issued for the purpose of: (a) financing certain capital improvements with respect to economic development projects in the State, (b) funding a portion of the Reserve Fund, and (c) paying the costs of issuing the Series 2012-A Bonds.

Revenues Pledged for Payment

The Series 2019 Bonds are limited obligations of the Authority, payable solely from and secured by a pledge and assignment of so much of the proceeds of the State's allocable share of the Net TVA (Tennessee Valley Authority) payments as may be necessary to pay debt service on the Series 2019 Bonds. In addition, the Authority and the State have entered into a Funding Agreement. Under federal law, the Tennessee Valley Authority ("TVA") is required to make certain payments in lieu of taxes (the "TVA Payments") directly to states and local governments in which the power operations of TVA are carried on. TVA has made these payments to the State since 1933. The TVA Payments made to the State are distributed to various counties in Alabama that are served by TVA according to a formula that takes into account power sales revenue generated in each such county and the book value of TVA property located in each such county. The State retains approximately 17% of the total TVA Payments and remits the remainder to the counties served by TVA (page 10 of the Official Statement).

As additional security for the benefit of the Senior Bonds (2019-A), the State has entered into an Agreement Respecting Alternative Revenue Sources dated September 24, 2009 as supplemented by a First Supplemental Funding Agreement to be dated as of the date of the delivery of the Series 2019 Bonds (the "Senior Funding Agreement") pursuant to which is has covenanted that (a) in the event of a draw on the Series 2019-A Reserve Fund (as hereinafter defined) or Series 2009-B Reserve Fund (as hereinafter defined) because the amount of Pledged Revenues (as hereinafter defined) received by the State is insufficient to pay debt service on the Senior Bonds in a given year, it will make funds available to replenish the Series 2019-A Reserve Fund or Series 2009-B Reserve Fund and (b) it will use its best efforts to obtain an alternative source of funds for the payment of debt service on the Senior Bonds if the amount of Pledged Revenues is insufficient to pay such debt service (from page 1 of the Official Statement).

Purpose of Bonds

As additional security for the benefit of the Series 2019-B Bonds, the State has entered into a Funding Agreement dated October 23, 2012, as supplemented by a First Supplemental Funding Agreement to be dated as of the date of delivery of the Series 2019 Bonds (the “Subordinate Funding Agreement”, and together with the Senior Funding Agreement, the “Funding Agreements”), pursuant to which it has covenanted that (a) in the event of a draw on the Subordinate Revenue Fund because the amount of Pledged Revenues received by the State is insufficient to pay debt service on the series 2019-b Bonds in a given year, it will make funds available to replenish the Subordinate Reserve Fund and (b) it will use its best efforts to obtain an alternative source of funds for the payment of debt service on the Subordinate Bonds if the amount of Pledged Revenues is insufficient to pay such debt service (after payment of debt service on the Senior Bonds) (from pages 1-2 of the Official Statement).

Legal Authority

Article 16 of Chapter 10 of Title 41 (Sections 41-10-540 to 41-10-594) of the *Code of Alabama 1975*.

Alabama Incentives Financing Authority Series 2012-A

Issue Date: October 23, 2012

Issued: \$124,225,000.00

Total Issuance Costs: \$888,009.76

% of Issuance Costs to Total Bonds Issued: 0.71%

Sources of Funds:

Principal Amount of Series 2012-A Bonds	\$ 124,225,000.00
Net Original Issue Premium	12,963,746.10
Contribution from State funds	1,725,081.05
Total Sources	<u>\$ 138,913,827.15</u>

Uses of Funds:

Economic Development Funding	\$ 125,011,067.39
Deposit to Reserve Fund	13,014,750.00
Expenses of Issuance	217,050.63
Underwriter's Discount	670,959.13
Total Uses	<u>\$ 138,913,827.15</u>

Purpose of Bonds

The Series 2012-A Bonds were issued for the purpose of (i) financing certain capital improvements with respect to economic development projects in the State, (ii) funding a portion of the Reserve Fund, and (iii) paying the costs of issuing the Series 2012-A Bonds (page 1 of the Official Statement). The Authority expects the economic development projects to include projects by, among others, Airbus Americas, Auburn University, Austal U.S.A., Golden Dragon Precise Copper Tube, Hyundai, Navistar, and the University of North Alabama. The Bond Resolution, however, permits the Authority to substitute or add specific projects to be financed, in its discretion, subject to compliance with certain conditions (pages 11-12 of the Official Statement). The Bond Resolution also created a Reserve Fund for the benefit of the Series 2012-A Bonds in which will be deposited an amount equal to the Minimum Reserve Requirement on the Series 2012-A Bonds (page 11 of the Official Statement).

The Series 2012-A Bonds are subordinate to the Series 2009-A, Series 2009-B, and Series 2009-C Bonds (page 8 of the Official Statement). \$840,000.00 of principal was paid on the Series 2012-A Bonds in the 2012-2013 fiscal year; after this, no principal payments will be made on the Series 2012-A Bonds until the 2029-2030 fiscal year, which is when the Series 2009-A, Series 2009-B, and Series 2009-C Bonds will be paid off.

The Series 2012-A Bonds were advance-refunded by the Series 2019-B Bonds. The final payment on the advance-refunded Series 2012-A Bonds will be made on September 1, 2022.

Revenues Pledged for Payment

The Series 2012-A Bonds are limited obligations of the Authority payable solely from and secured by a pledge and assignment of, so much of the proceeds of the State's allocable share of the Net TVA (Tennessee Valley Authority) payments as may be necessary to pay debt service on the Series 2012-A Bonds. In addition, the Authority and the State have entered into a Funding Agreement. Under federal law, the Tennessee Valley Authority ("TVA") is required to make certain payments in lieu of taxes (the "TVA Payments") directly to states and local governments in which the power operations of TVA are carried on. TVA has made these payments to the State since 1933. The TVA Payments made to the State are distributed to various counties in Alabama that are served by TVA according to a formula that takes into account power sales revenue generated in each such county and the book value of TVA property located in each such county. The State retains approximately 17% of the total TVA Payments and remits the remainder to the counties served by TVA (page 8 of the Official Statement). As additional security for the benefit of the Series 2012-A Bonds, the Authority and the State will enter into the Funding Agreement, pursuant to which the State will agree to make funds available to replenish the Reserve Fund for the Series 2012-A Bonds in the event of a draw on the Reserve Fund because the amount of pledged TVA payments received by the State is insufficient to pay debt service on the Series 2012-A Bonds. The Funding Agreement, however, will provide for payments solely out of revenues lawfully available to the State for that purpose during the fiscal year of the State during which any such amount is payable, and will have a term extending only until September 30, 2013, with annual renewal unless the Authority shall receive notice of non-renewal from the State (page 1 of the Official Statement).

Purpose of Bonds

Legal Authority

Article 16 of Chapter 10 of Title 41 (Sections 41-10-540 to 41-10-594) of the *Code of Alabama 1975*.

Alabama Incentives Financing Authority, Series 2009-A, 2009-B, and 2009-C

Issue Date: September 24, 2009

Issued: 2009-A – \$23,605,000.00
2009-B – \$98,945,000.00
2009-C – \$17,800,000.00

Total Issuance Costs: \$990,727.08

% of Issuance Costs to Total Bonds Issued: 0.71%

Sources of Funds:

Principal Amount of Series 2009 Bonds	\$ 140,350,000.00
Net Original Issue Premium	2,369,648.90
Transfers from 1999 Reserve Funds	25,900,869.10
Transfer from Special Fund	23,976,269.35
Total Sources	<u>\$ 192,596,787.35</u>

Uses of Funds:

Escrow Trust Fund (Refund Series 1999-B)	\$ 61,158,963.88
Escrow Trust Fund (Refund Series 1999-A)	25,267,739.34
Available for Release to General Fund	38,811,423.37
Refund of Series 1995-B Bonds	37,078,327.87
2009-C Project Fund	17,248,867.41
Debt Service Reserve Fund - 2009-A	1,918,862.50
Debt Service Reserve Fund - 2009-B	8,675,375.90
Debt Service Reserve Fund - 2009-C	1,446,500.00
Underwriter's Discount	725,227.08
Disbursement Fund Sub-Funds	265,500.00
Total Uses	<u>\$ 192,596,787.35</u>

The Series 2009-A Bonds were issued for the purpose of (i) refunding certain outstanding debt of the Authority, (ii) financing certain capital improvements in the State of Alabama, (iii) funding reserve funds, and (iv) paying the costs of issuing the Series 2009 Bonds.

Purpose of Bonds

The Series 2009-A Bonds fully refunded the Series 1999-A Bonds. The Series 1999-A Bonds were issued for the purpose of refunding the entire portion of the Series 1995-A Bonds issued by the Authority and refunding a portion of additional bond anticipation notes issued by the Authority. The 1995-A Bonds were issued for the construction and equipping of a training facility building on property owned by the Mercedes-Benz Corporation – including acquisition and installation of machinery, training equipment, furniture, fixtures and other property in the operation thereof as a facility for training workers in automobile manufacturing and related trades and skills.

The Series 2009-B Bonds fully refunded the Series 1995-B Bonds (\$37,078,327.87 was paid to the Department of Risk Management) and the Series 1999-B Bonds. In addition, \$38,800,000.00 was deposited in the State General Fund (0100); the difference between the \$38,811,423.57 available amount above and the \$38,800,000.00 deposited in the State General Fund is \$7,576.14 deposited in the AIFA Special Fund (Treasury Fund 0910) plus \$3,847.23 deposited in the AIFA Disbursement Fund (Treasury Fund 1227). The Series 1999-B Bonds were issued for the purposes of refunding a portion of the Series 1995-A Bonds issued by the Authority, which may not be refunded on a tax-exempt basis; and refunding a portion of additional bond anticipation notes issued by the Authority. The Series 1995-B Bonds were issued for the purpose of the construction and equipping of a training facility building on property owned by the Mercedes-Benz Corporation – including the acquisition and installation of machinery, training equipment, furniture, fixtures and other property in the operation thereof as a facility for training workers in automobile manufacturing and related trades and skills.

The 2009-C Bonds are being used for capital projects at the University of Alabama in Birmingham.

The Series 2009-A Bonds were current-refunded by the Series 2019-A Bonds. The Series 2009-C Bonds were current-refunded by the Series 2019-A Bonds. The final payment on the current-refunded Series 2009-A Bonds and Series 2009-C Bonds was made on October 25, 2019.

The Series 2009-B Bonds were not refunded by the Series 2019-A Bonds; the Series 2009-B Bonds are still active through the 2028-2019 fiscal year.

Revenues Pledged for Payment

The Series 2009-A, Series 2009-B, and Series 2009-C Bonds are limited obligations of the Authority payable solely from and secured by a pledge and assignment of the proceeds of the State's allocable share of certain payments in lieu of taxes made by the Tennessee Valley Authority to the State, after deducting such amounts of such payments as may be necessary to pay principal and interest on certain bonds issued by the Tennessee Valley Exhibit Commission (page 10 of the 2009-A, 2009-B, and 2009-C Official Statement). In addition, Reserve Funds have been set up for the Series 2009-A, 2009-B, and 2009-C Bonds, leading to interest income being earned (pages 13-14 of the Series 2009-A, 2009-B, and 2009-C Official Statement).

Purpose of Bonds

Legal Authority

The *Code of Alabama 1975*, Sections 41-10-540 through 41-10-556, 41-10-570, and 41-10-590 through 41-10-594.

Alabama Public School and College Authority, Series 2019-A

Issue Date: May 29, 2019

Issued: \$25,950,000.00

Total Issuance Costs: \$226,082.25

% of Issuance Costs to Total Bonds Issued: 0.87%

Sources of Funds:

Principal Amount of 2019-A Bonds	\$ 25,950,000.00
Net Original Issue Premium	3,867,257.30
Total Sources	<u>\$ 29,817,257.30</u>

Uses of Funds:

Deposit to Loan Fund	\$ 29,591,175.05
Issuance Costs	141,332.20
Underwriter's Discount	84,750.05
Total Uses	<u>\$ 29,817,257.30</u>

The Series 2019-A Bonds were issued for the purpose of making loans to local boards of education in the State of Alabama in order to finance capital improvements approved by the Authority and the State Superintendent of Education.

Revenues Pledged for Payment

The principal of and interest on the Series 2019-A Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax (page 12 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 2009-813, Acts of Alabama; and the Bond Resolution adopted by the Board of Directors of the Authority at a meeting held on May 15, 2019.

Purpose of Bonds

Alabama Public School and College Authority, Series 2017-A

Issue Date: November 8, 2017

Issued: \$18,455,000.00

Total Issuance Costs: \$252,508.30

% of Issuance Costs to Total Bonds Issued: 1.37%

Sources of Funds:

Principal Amount of 2017-A Bonds	\$	18,455,000.00
Net Original Issue Premium		1,421,018.00
Total Sources	\$	<u>19,876,018.00</u>

Uses of Funds:

Deposit to Loan Fund	\$	19,623,509.70
Issuance Costs		133,600.00
Underwriter's Discount		118,908.30
Total Uses	\$	<u>19,876,018.00</u>

The Series 2017-A Bonds were issued for the purpose of making loans to local boards of education in the State of Alabama in order to finance capital improvements approved by the Authority and the State Superintendent of Education.

Revenues Pledged for Payment

The principal of and interest on the Series 2017-A Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax (page 12 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 2009-813, Acts of Alabama; and the Bond Resolution adopted by the Board of Directors of the Authority at a meeting held on October 24, 2017.

Purpose of Bonds

Alabama Public School and College Authority, Series 2016-A

Issue Date: June 23, 2016

Issued: \$29,245,000.00

Total Issuance Costs: \$327,861.82

% of Issuance Costs to Total Bonds Issued: 1.12%

Sources of Funds:

Principal Amount of 2016-A Bonds	\$ 29,245,000.00
Net Original Issue Premium	3,043,663.60
Total Sources	<u>\$ 32,288,663.60</u>

Uses of Funds:

Deposit to Loan Fund	\$ 31,960,801.78
Issuance Costs	155,009.25
Underwriter's Discount	172,852.57
Total Uses	<u>\$ 32,288,663.60</u>

The Series 2016-A Bonds were issued for the purpose of making loans to local boards of education in the State of Alabama in order to finance capital improvements approved by the Authority and the State Superintendent of Education.

Revenues Pledged for Payment

The principal of and interest on the Series 2016-A Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax (page 14 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 1999-348, Acts of Alabama; and the Bond Resolution adopted by the Board of Directors of the Authority at a meeting held on June 23, 2016.

Purpose of Bonds

Alabama Public School and College Authority, Series 2015-C

Issue Date: May 5, 2015

Issued: \$46,775,000.00

Total Issuance Costs: \$255,792.40

% of Issuance Costs to Total Bonds Issued: 0.55%

Sources of Funds:

Principal Amount of 2015-C Bonds	\$	46,775,000.00
Net Original Issue Premium		6,297,085.65
Total Sources	\$	<u><u>53,072,085.65</u></u>

Uses of Funds:

Deposit to Loan Fund Agreement	\$	52,816,293.25
Issuance Costs		138,854.90
Underwriter's Discount		116,937.50
Total Uses	\$	<u><u>53,072,085.65</u></u>

The Series 2015-C Bonds were issued for the purpose of making loans to local boards of education in the State of Alabama in order to finance capital improvements by the Authority and the State Superintendent of Education.

Revenues Pledged for Payment

The principal of and interest on the Series 2015-C Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax (page 17 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama; and Act Number 2009-813, Acts of Alabama.

Purpose of Bonds

Alabama Public School and College Authority, Series 2015-B

Issue Date: May 5, 2015

Issued: \$47,610,000.00

Total Issuance Costs: \$271,795.14

% of Issuance Costs to Total Bonds Issued: 0.57%

Sources of Funds:

Principal Amount of 2015-B Bonds	\$ 47,610,000.00
Net Original Issue Premium	9,310,250.60
Prepayments of School Board	
Loan Bonds	2,061,401.97
Total Sources	<u>\$ 58,981,652.57</u>

Uses of Funds:

Deposit to Escrow Trust	
Agreement	\$ 58,709,857.43
Issuance Costs	152,770.14
Underwriter's Discount	119,025.00
Total Uses	<u>\$ 58,981,652.57</u>

The Series 2015-B Bonds were issued for the purpose of advance refunding a portion of the Series 2008-A Bonds – \$125,000 of the maturities each year from 2016 through 2018 and all Series 2008-A Bonds maturing in 2019 and thereafter; advance refunding a portion of the Series 2009-C Bonds payable in 2020 and thereafter; and paying the costs of issuing the Series 2015-B Bonds. Payment on the advance refunded Series 2008-A Bonds will be made on February 1, 2018. Payment on the advance refunded Series 2009-C Bonds will be made on May 1, 2019.

The Series 2009-C Bonds were issued for the purpose of making loans to local boards of education in the State of Alabama in order to finance capital improvements approved by the Authority and the State Superintendent of Education. The loans to participating local boards of education will be evidenced by obligations issued by such local boards in favor of the Authority payable solely from and secured by pledges of such local boards' respective allocable shares of the Capital Outlay Funds. Ten (10) local boards of education have requested loans to be funded from proceeds of the bonds.

The Series 2008-A Bonds were issued for the purpose to make loans to local boards of education in Alabama ("Local Boards") in order to finance capital improvements approved by the Authority and the State Superintendent of Education. The loans to participating Local Boards will be evidenced by obligations issued by such Local Boards in favor of the Authority payable solely from and secured by such Local Boards' respective allocable shares of the funds distributed to Local Boards of Education from the State of Alabama public school fund for capital purposes pursuant to Section 16-13-234, *Code of Alabama 1975* (the "Capital Outlay Funds").

Purpose of Bonds

Revenues Pledged for Payment

The principal of and interest on the Series 2015-B Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax (page 17 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama; and Act Number 2009-813, Acts of Alabama.

Alabama Public School and College Authority, Series 2015-A

Issue Date: May 5, 2015

Issued: \$33,635,000.00

Total Issuance Costs: \$187,167.15

% of Issuance Costs to Total Bonds Issued: 0.56%

Sources of Funds:

Principal Amount of 2015-A Bonds	\$ 33,635,000.00
Net Original Issue Premium	6,887,971.25
Total Sources	<u><u>\$ 40,522,971.25</u></u>

Uses of Funds:

Deposit to Escrow Trust Agreement	\$ 40,335,804.10
Issuance Costs	103,079.65
Underwriter's Discount	84,087.50
Total Uses	<u><u>\$ 40,522,971.25</u></u>

The Series 2015-A Bonds were issued for the purpose of advance refunding the Series 2009-A Bonds maturing from 2020 to 2024, and paying the costs of issuing the Series 2015-A Bonds. Payment on the advance refunded Series 2009-A Bonds will be made on May 1, 2019.

The 2009-A Bonds were issued to: (a) refund the Series 1998 Bonds maturing from 2009 to 2016, to refund the Series 1999-A Bonds, and refund the Series 1999-C Bonds; and, (b) pay the costs of issuing the Series 2009-A Bonds.

Revenues Pledged for Payment

The principal of and interest on the Series 2015-A Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax (page 17 of the Official Statement).

Purpose of Bonds

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 1999-348, Acts of Alabama; and a Bond Resolution made on April 16, 2015.

Alabama Public School and College Authority, Series 2014-B

Issue Date: July 10, 2014

Issued: \$546,850,000.00

Total Issuance Costs: \$1,730,086.65

% of Issuance Costs to Total Bonds Issued: 0.32%

Sources of Funds:

Principal Amount of 2014-B Bonds	\$ 546,850,000.00
Net Original Issue Premium	107,411,663.65
Total Sources	<u><u>\$ 654,261,663.65</u></u>

Uses of Funds:

Deposit to Refunded Bonds	
Escrow Account	\$ 652,531,577.00
Issuance Costs	510,611.15
Underwriter's Discount	1,219,475.50
Total Uses	<u><u>\$ 654,261,663.65</u></u>

The Series 2014-B Bonds were issued for the purpose of advance refunding a portion of the Series 2007 Bonds and paying the costs of issuing the Series 2014-B Bonds. The Series 2007 Bonds maturing on December 1, 2018 through December 1, 2026 were refunded by the Series 2014-B Bonds; the rest of the Series 2007 Bonds were not refunded. Payment on the refunded Series 2007 Bonds will be made on December 1, 2017.

The Series 2007 Bonds were issued for the purpose of making capital improvements to schools, colleges, state agencies, for Industrial Training, and to the Incentive Fund created by Act Number 2007-415, Acts of Alabama.

Revenues Pledged for Payment

The principal of and interest on the Series 2014-B Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax (pages 12-13 of the Official Statement).

Legal Authority

Act Number 2007-415, Acts of Alabama, and a Bond Resolution made on July 1, 2014.

Purpose of Bonds

Alabama Public School and College Authority, Series 2014-A

Issue Date: May 28, 2014

Issued: \$80,065,000.00

Total Issuance Costs: \$513,441.83

% of Issuance Costs to Total Bonds Issued: 0.64%

Sources of Funds:

Principal Amount of 2014-A Bonds	\$ 80,065,000.00
Net Original Issue Premium	11,928,638.05
Total Sources	<u>\$ 91,993,638.05</u>

Uses of Funds:

Deposit to Refunded Bonds	
Escrow Account	\$ 91,480,196.22
Issuance Costs	233,214.33
Underwriter's Discount	280,227.50
Total Uses	<u>\$ 91,993,638.05</u>

The Series 2014-A Bonds were issued for the purpose of advance refunding the Series 2005 Bonds and the Series 2006 Bonds, and paying the costs of issuing the Series 2014-A Bonds. Payment on the advance refunded Series 2005 Bonds will be made on February 1, 2015. Payment on the advance refunded Series 2006 Bonds will be made on March 1, 2016.

The Series 2006 Bonds were issued for the purpose to make loans to local boards of education in Alabama ("Local Boards") in order to finance capital improvements approved by the Authority and the State Superintendent of Education.

The Series 2005 Bonds were issued for the purpose to make loans to local boards of education in Alabama ("Local Boards") in order to finance capital improvements needed to eliminate portable and sub-standard classrooms and for other capital expenditures approved by the Authority and the State Superintendent of Education.

Revenues Pledged for Payment

The principal of and interest on the Series 2014-A Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax (page 13 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama, and a Bond Resolution made on May 15, 2014.

Purpose of Bonds

Alabama Public School and College Authority, Series 2013-C and Series 2013-D

Issue Date: October 15, 2013

Issued: \$80,000,000.00 (Series 2013-C)
\$23,985,000.00 (Series 2013-D)

Total Issuance Costs: \$1,468,133.00

% of Issuance Costs to Total Bonds Issued: 1.41%

Sources of Funds:

Principal Amount of 2013-C Bonds	\$ 80,000,000.00
Net Original Issue Premium	10,647,055.70
Total Sources	<u>\$ 90,647,055.70</u>

Uses of Funds:

Tornado Damage Projects	\$ 39,853,802.51
Career/Technical Education Projects	30,000,000.00
21st Century Workforce Fund	20,000,000.00
Issuance Costs	556,261.91
Underwriter's Discount	236,991.28
Total Uses	<u>\$ 90,647,055.70</u>

Sources of Funds:

Principal Amount of 2013-D Bonds	\$ 23,985,000.00
Net Original Issue Premium	158,203.25
Total Sources	<u>\$ 24,143,203.25</u>

Uses of Funds:

Deposit to Loan Fund	\$ 23,468,323.01
Issuance Costs	384,711.87
Underwriter's Discount	290,168.37
Total Uses	<u>\$ 24,143,203.25</u>

The Series 2013-C Bonds and Series 2013-D Bonds will be used by the Authority (i) for the purpose of (i) making capital improvements to certain schools damaged by tornadoes in 2011 and 2012, (ii) providing funds for career and technical education equipment for local boards of education in the State of Alabama, (iii) making loans to local boards of education in the State of Alabama in order to finance capital improvements, and (iv) paying the costs of issuing the bonds.

Purpose of Bonds

The proceeds of the Series 2013-C Bonds are issued pursuant to Act Number 2013-345, Acts of Alabama, Act Number 2013-381, Acts of Alabama, and the Bond Resolution for the purpose of (i) making capital improvements to certain schools damaged by tornadoes in 2011 and 2012 (\$30,000,000), (ii) providing funds for career and technical education equipment for local boards of education in the State of Alabama (\$50,000,000), and (iii) paying the costs of issuing the bonds. The Series 2013-C Bonds are issued as Capital Outlay Bonds.

The proceeds of the Series 2013-D Bonds will be loaned to certain specified local boards of education in order to finance capital improvements approved by the Authority and the State Superintendent of Education. The following local boards of education have requested loans to be funded from proceeds of the Series 2013-D Bonds: Etowah County Board of Education, Geneva County Board of Education, Hale County Board of Education, Shelby County Board of Education, City of Gadsden Board of Education, City of Oxford Board of Education, City of Tuscaloosa Board of Education, and City of Vestavia Hills Board of Education.

Revenues Pledged for Payment

The principal of and interest on the Series 2013-C and Series 2013-D Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax (pages 12-13 of the Official Statement).

Legal Authority

Act Number 2013-345, Acts of Alabama, Act Number 2013-381, Acts of Alabama (both Series 2013-C), Act Number 1998-373, Acts of Alabama (Series 2013-D), and two separate Bond Resolutions made on October 2, 2013 (both Series 2013-C and Series 2013-D).

Purpose of Bonds

Alabama Public School and College Authority, Series 2013-A and Series 2013-B

Issue Date: June 24, 2013

Issued: \$119,085,000.00 (Series 2013-A)
\$53,625,000.00 (Series 2013-B)

Total Issuance Costs: \$617,287.00

% of Issuance Costs to Total Bonds Issued: 0.36%

Sources of Funds:

Principal Amount of 2013-A Bonds	\$ 119,085,000.00
Net Original Issue Premium	6,012,556.00
Total Sources	<u>\$ 125,097,556.00</u>

Uses of Funds:

Deposit to Loan Fund	\$ 124,720,408.00
Issuance Costs	243,772.80
Underwriter's Discount	133,375.20
Total Uses	<u>\$ 125,097,556.00</u>

Sources of Funds:

Principal Amount of 2013-B Bonds	\$ 53,625,000.00
Net Original Issue Premium	2,536,900.65
Total Sources	<u>\$ 56,161,900.65</u>

Uses of Funds:

Deposit to Loan Fund	\$ 55,921,761.65
Issuance Costs	113,626.79
Underwriter's Discount	126,512.21
Total Uses	<u>\$ 56,161,900.65</u>

The Series 2013-A Bonds and Series 2013-B Bonds will be used by the Authority (i) for the renovation of existing school facilities and construction of new school facilities, and in connection therewith, the Authority will make loans to local boards of education in the State of Alabama and (ii) for the payment of the costs of issuing the Bonds. Act Numbers 2010-551 and 2012-562, Acts of Alabama, authorized bonds to be issued for school bus fleet renewal and to provide funds for the renovation of existing school facilities or construction of new school facilities.

Purpose of Bonds

The proceeds of the Series 2013-A Bonds will be loaned to certain specified local boards of education in order to finance capital improvements approved by the Authority and the State Superintendent of Education. The following fourteen (14) local boards of education have requested loans to be funded from proceeds of the Series 2013-A Bonds: City of Huntsville Board of Education, City of Madison Board of Education, Marshall County Board of Education, City of Albertville Board of Education, City of Arab Board of Education, City of Boaz Board of Education, City of Guntersville Board of Education, Limestone County Board of Education, City of Athens Board of Education, City of Decatur Board of Education, Morgan County Board of Education, City of Hartselle Board of Education, Jackson County Board of Education, and City of Scottsboro Board of Education.

The proceeds of the Series 2013-B Bonds will be loaned to a single local board of education, Madison County Board of Education, in order to finance capital improvements approved by the Authority and the State Superintendent of Education.

Revenues Pledged for Payment

The principal of and interest on the Series 2013-A and Series 2013-B Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax. These were listed in Section 1 of Act Number 2012-562, Acts of Alabama, and incorporated as Sections 16-16A-7(e)(1) to 16-16A-7(e)(4) of the *Code of Alabama 1975* (page 13 of the Official Statement).

Legal Authority

Act Numbers 2010-551 and 2012-562, Acts of Alabama, and a Bond Resolution made on June 11, 2013.

Purpose of Bonds

Alabama Public School and College Authority, Series 2012-C and Series 2012-D

Issue Date: October 31, 2012

Issued: \$5,735,000.00 (Series 2012-C)
\$27,265,000.00 (Series 2012-D)

Total Issuance Costs: \$40,795.00

% of Issuance Costs to Total Bonds Issued: 0.12%

Sources of Funds:

Principal Amount of 2012-C Bonds	\$ 5,735,000.00
Principal Amount of 2012-D Bonds	27,265,000.00
Total Sources	<u>\$ 33,000,000.00</u>

Uses of Funds:

School Bus Purchases	\$ 32,959,205.00
Issuance Costs	40,795.00
Total Uses	<u>\$ 33,000,000.00</u>

There is no Official Statement for the Series 2012-C and Series 2012-D Bonds. These were issued under the authority of Act Numbers 2010-551 and 2012-562, Acts of Alabama, plus the Bond Resolution of October 22, 2012. The Series 2012-C and Series 2012-D Bonds sum to the \$33,000,000 for school bus fleet purchases authorized in the *Code of Alabama 1975*, Section 16-16A-7(b)(1); the \$33,000,000 was to be allocated to local boards of education and the school bus fleet purchases were to be made by January 1, 2013. The Bond Resolution did not show any premium or discount on these bonds. The Series 2012-C Bonds are Tax-Exempt Capital Improvement Bonds; the Series 2012-D Bonds are Taxable Capital Improvement Bonds.

Revenues Pledged for Payment

The principal of and interest on the Series 2012-A and Series 2012-B Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax; (b) Utility Service Use Tax; (c) Sales Tax; and (d) Use Tax. These were listed in Section 1 of Act Number 2012-562, Acts of Alabama, and incorporated as Sections 16-16A-7(e)(1) to 16-16A-7(e)(4) of the *Code of Alabama 1975*.

Legal Authority

Act Number 2010-551, Acts of Alabama, and Act Number 2012-562, Acts of Alabama, plus the Bond Resolution of October 22, 2012.

Purpose of Bonds

Alabama Public School and College Authority, Series 2012-A and Series 2012-B

Issue Date: March 14, 2012

Issued: \$79,340,000.00 (Series 2012-A)
\$85,435,000.00 (Series 2012-B)

Total Issuance Costs: \$691,149.00

% of Issuance Costs to Total Bonds Issued: 0.42%

Sources of Funds:

Principal Amount of 2012-A Bonds	\$ 79,340,000.00
Original Issue Premium	14,348,161.85
Total Sources	<u>\$ 93,688,161.85</u>

Uses of Funds:

Deposit to Escrow Fund	\$ 93,407,062.52
Underwriter's Discount	94,089.31
Issuance Costs	187,010.02
Total Uses	<u>\$ 93,688,161.85</u>

Sources of Funds:

Principal Amount of 2012-B Bonds	\$ 85,435,000.00
Original Issue Premium	12,726,500.05
Total Sources	<u>\$ 98,161,500.05</u>

Uses of Funds:

Deposit to Escrow Fund	\$ 97,751,449.61
Underwriter's Discount	231,306.72
Issuance Costs	178,743.72
Total Uses	<u>\$ 98,161,500.05</u>

The Series 2012-A Bonds were issued to (i) refund, on a current basis, the outstanding Series 2002-A Bonds; (ii) to refund, on an advance basis, a portion of the Series 2003 Bonds, aggregating \$24,945,000 in principal amount; and, (iii) to pay the costs of issuing the Series 2012-A Bonds.

The Series 2012-B Bonds were issued to (i) refund, on an advance basis, the outstanding Series 2002-B Bonds; (ii) to refund, on an advance basis, a portion of the Series 2003 Bonds, aggregating \$65,970,000 in principal amount; and, (iii) to pay the costs of issuing the Series 2012-B Bonds.

Purpose of Bonds

The Series 2012-A and Series 2012-B Bonds are included together on this schedule because both refunded a part of the Series 2003 Bonds.

The Refunded Series 2002-A Bonds were called for redemption on April 16, 2012.

The principal and interest on the refunded Series 2002-B Bonds due June 1, 2012 through December 1, 2012 and the redemption price of all Series 2002-B Bonds maturing after December 1, 2012 will be called for redemption on December 1, 2012.

The principal and interest on the refunded Series 2003 Pool Bonds due on June 1, 2012 through December 1, 2013 and the redemption price of all refunded Series 2003 Non-Pool Bonds due on June 1, 2013 through December 1, 2013 will be called for redemption on December 1, 2013.

The Escrow Fund set up for the refunded Series 2002-A, Series 2002-B, and Series 2003 Bonds will result in the defeasance of the Series 2003 Pool Bonds and Series 2003 Non-Pool Bonds but will not result in the defeasance of the Series 2002-A Bonds or Series 2002-B Bonds (page 8 of the Official Statement).

The Series 2002-A Bonds were issued to provide funds to loan to local boards of education in Alabama in order to finance capital improvements needed to eliminate portable and sub-standard classrooms and for other capital expenditures approved by the Authority and the State Superintendent of Education.

The Series 2002-B Bonds were issued for the purpose of paying the costs of acquiring, constructing, improving and equipping certain worker training facilities and other related training costs for use by certain automobile manufacturing and assembly plants in the State of Alabama.

The Series 2003 Bonds were issued for the purposes of (i) making loans to Local Boards of Education in order to finance capital improvements needed to eliminate portable and sub-standard classrooms and for other capital expenditures approved by the Authority and State Superintendent of Education, (ii) paying the costs of acquiring, constructing, improving and equipping certain worker training facilities and other related training costs for use by certain automobile manufacturing and assembly plants in the State of Alabama, and (iii) paying the costs of rebuilding certain destroyed schools in Etowah, Henry and Walker Counties and the costs of certain emergency health and safety capital outlay needs at certain public schools in Lowndes County.

Purpose of Bonds

Revenues Pledged for Payment

The principal of and interest on the Series 2012-A and Series 2012-B Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the *Code of Alabama 1975*); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the *Code of Alabama 1975*) (pages 13-14 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama, Act Number 2003-436, Acts of Alabama, and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on February 29, 2012.

Alabama Public School and College Authority, Series 2011-B

Issue Date: May 17, 2011

Issued: \$26,900,000.00

Total Issuance Costs: \$139,168.00

% of Issuance Costs to Total Bonds Issued: 0.52%

Sources of Funds:

Principal Amount of 2011-B Bonds	\$	26,900,000.00
Original Issue Premium		3,596,961.80
Total Sources	\$	<u><u>30,496,961.80</u></u>

Uses of Funds:

Redemption of Series 2001-A Bonds	\$	30,357,794.44
Underwriter's Discount		51,739.46
Issuance Costs		87,427.90
Total Uses	\$	<u><u>30,496,961.80</u></u>

The Series 2011-B Bonds were issued to fully refund the Series 2001-A Bonds.

The Series 2001-A Bonds were issued to make loans to local boards of education in Alabama to finance capital improvements needed to eliminate portable and sub-standard classrooms and for other capital expenditures approved by the Authority and the State Superintendent of Education.

Purpose of Bonds

Revenues Pledged for Payment

The principal of and interest on the Series 2011-A and Series 2011-B Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the *Code of Alabama 1975*); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the *Code of Alabama 1975*) (page 16 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama, Act Number 2009-813, Acts of Alabama, and Act Number 2010-731, Acts of Alabama, and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on May 17, 2011.

Alabama Public School and College Authority, Series 2011-A Qualified Zone Academy Bonds (OZAB)

Issue Date: May 17, 2011

Issued: \$51,270,000.00

Total Issuance Costs: \$191,824.00

% of Issuance Costs to Total Bonds Issued: 0.37%

Sources of Funds:

Principal Amount of 2011-A Bonds	\$ 51,270,000.00
Total Sources	<u>\$ 51,270,000.00</u>

Uses of Funds:

Deposit to Loan Fund	\$ 51,078,176.00
Underwriter's Discount	35,889.00
Issuance Costs	155,935.00
Total Uses	<u>\$ 51,270,000.00</u>

The Series 2011-A Bonds were issued for the purpose: (i) to make loans to participating local boards of education for the rehabilitation and repair of qualifying public school facilities and to provide equipment at such schools, and (ii) to pay the costs of issuing the Series 2011-A Bonds.

Purpose of Bonds

In February 2009, as part of the American Recovery and Reinvestment Act of 2009 (ARRA), the United States Congress added Sections 54A and 54E to the Internal Revenue Code of 1986, as amended. Sections 54A and 54E authorize state or local governments to issue bonds for certain qualified purposes to benefit public schools (or academic programs within a public school) that are established by and operated under the supervision of certain eligible local education agencies to provide education and training below the postsecondary level. Those qualified purposes are (i) rehabilitating or repairing qualified public school facilities, (ii) providing equipment for use at such qualified public school facilities, (iii) developing course materials for education to be provided at such qualified public school facilities, and (iv) training teachers and other school personnel at such qualified public school facilities; provided however, that the proceeds of the Series 2011-A Bonds shall only be used for qualified purposes as described in (i) and (ii) above. The public schools that are established or operated by an eligible local education agency are referred to in the Code as “qualified zone academies”, and the bonds issued with respect to a qualified zone academy are referred to as “Qualified Zone Academy Bonds” (QZABs). Interest on QZABs is not excludable from gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code (page 5 of the Official Statement).

The Authority has designated the Series 2011-A Bonds as Qualified Zone Academy Bonds (QZABs) pursuant to the provisions of Section 54E of the Internal Revenue Code (page 5 of the Official Statement).

A Sinking Fund is to be set up with Wells Fargo Bank, N.A., in which the State of Alabama will make annual \$2,568,402.10 principal payments into the Sinking Fund at Wells Fargo Bank, N.A. (starting on May 1, 2012), and Wells Fargo Bank, N.A., will only make one principal payment of \$51,270,000 on May 2026. The Sinking Fund is expected to earn approximately \$12,743,969 of interest between May 1, 2012 and May 1, 2026 to come up to the \$51,270,000 amount. The State of Alabama will also make semiannual interest payments every year of \$1,179,210.00 (\$2,358,420.00 annually) starting in November 2011 (the first interest payment will be slightly lower – \$976,123.84) and the Authority is going to file with the IRS to receive an interest subsidy of \$1,179,210.00 semi-annually (\$2,358,420.00 annually) that will reduce its interest costs.

There is a provision that if the bond proceeds were not expended fully by 3 years after the closing date that the Bonds would be redeemed (page 6 of the Official Statement).

APSCA Series 2011-A QZAB Sinking Fund

Annual Principal payment starting May 1, 2012	\$	2,568,402.10
Times 15 years through May 1, 2026, inclusive		15
Equals	\$	38,526,031.50
Plus Interest expected to be earned by May 1, 2026	\$	12,743,968.50
Total Principal payment to be made on May 1, 2026	\$	<u>51,270,000.00</u>

Purpose of Bonds

A bank account has been set up for the APSCA 2011-A QZABs. The first interest payment was deposited in the bank in November 2011, and the first principal payment was deposited in the Sinking Fund in May 2012.

Revenues Pledged for Payment

The principal of and interest on the Series 2011-A and Series 2011-B Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the *Code of Alabama 1975*); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the *Code of Alabama 1975*) (page 16 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama, Act Number 2009-813, Acts of Alabama, and Act Number 2010-731, Acts of Alabama, and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on May 17, 2011.

Alabama Public School and College Authority, Series 2010-C and Series 2010-D

Issue Date: November 29, 2010

Issued: 2010-C – \$53,000,000.00
2010-D – \$13,500,000.00

Total Issuance Costs: \$104,878.98

% of Issuance Costs to Total Bonds Issued: 0.16%

Sources of Funds:

Principal Amount of 2010-C Bonds	\$ 53,000,000.00
Principal Amount of 2010-D Bonds	13,500,000.00
Less Origination Fee	(14,700.00)
Total Sources	<u>\$ 66,485,300.00</u>

Uses of Funds:

Deposit to 2010-C Disb. Fund	\$ 52,920,508.00
Deposit to 2010-D Disb. Fund	13,474,613.02
Issuance Costs	90,178.98
Total Uses	<u>\$ 66,485,300.00</u>

The Series 2010-C Bonds and Series 2010-D Bonds were issued for the purpose of paying and/or reimbursing the costs of school bus fleet renewal by local boards of education in the State of Alabama. There is no Official Statement but there is a Financing Agreement as of November 24, 2010 with Branch Bank and Trust (BB&T) Governmental Finance.

Purpose of Bonds

The Series 2010-C and Series 2010-D bonds were issued under the provisions of Act Number 2010-720, Acts of Alabama. Section 9(b)(1) of this Act required that \$32,302,687.00 of bond proceeds be transferred to the Alabama Education Trust Fund (0200) to repay the Education Trust Fund for appropriations made in Act Number 2009-339, Acts of Alabama, to local boards of education for the purpose of school bus fleet renewal; the \$32,302,687.00 transfer was made from Fund 1272 to Fund 0200 in December 2010. Act Number 2010-720, Acts of Alabama, Section 9(b)(2) authorizes \$33,040,170.00 to be allocated to local boards of education for school buses (these sum to \$65,342,857.00).

The Series 2010-C Bonds are Tax-Exempt Capital Improvement Direct Loan Bonds. The Series 2010-D Bonds are Taxable Capital Improvement Direct Loan Bonds.

Revenues Pledged for Payment

Section 6b of Act Number 2010-720, Acts of Alabama, appropriates such amount as may be necessary from the excise taxes pledged and appropriated in Section 6 of Act Number 2007-415, Acts of Alabama. Section 6 of Act Number 2007-415, Acts of Alabama, authorizes a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the *Code of Alabama 1975*); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the *Code of Alabama 1975*).

Legal Authority

Act Number 2010-720, Acts of Alabama, and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on November 19, 2010.

Alabama Public School and College Authority, Series 2010 Qualified School Construction Bonds (OSCB)

Issue Date: September 8, 2010

Issued: \$154,727,000.00

Total Issuance Costs: \$300,000.00

% of Issuance Costs to Total Bonds Issued: 0.19%

Sources of Funds:

Principal Amount of Bonds	\$ 154,727,000.00
Less Origination Fee	(300,000.00)
Total Sources	<u>\$ 154,427,000.00</u>

Uses of Funds:

Deposit to Loan Fund	\$ 154,427,000.00
Issuance Costs	-
Total Uses	<u>\$ 154,427,000.00</u>

There was no Official Statement prepared for these Bonds; instead, a Bond Resolution and a Request for Proposal were prepared.

Purpose of Bonds

The American Recovery and Reinvestment Act of 2009 granted a national allocation of \$11 billion to provide for the issuance of qualified school construction bonds. The Bonds are being issued pursuant to the Authorizing Acts for the purpose of making loans to certain Local Boards to finance capital expenditures authorized by the Authorizing Acts and the *Code of Alabama 1975*, and approved by the Authority and the State Superintendent of Education (page 5 of the Bond Resolution).

Proceeds from the Bonds (including investment earnings on the Bond proceeds) will be loaned to local boards of education (the “Local Boards”) and applied solely to the construction, rehabilitation or repair of public school facilities (including the acquisition of equipment to be used in such portion or portions of the public school facilities that are being constructed, rehabilitated, or repaired with the proceeds of the Bonds), or the acquisition of land on which such facilities are to be constructed with part of the proceeds of the Bonds, and to payment of certain costs of issuing the Bonds not in excess of two percent of the issue price of the bonds. The Authority reasonably expects that all available project proceeds will be spent for such qualified purposes within three years of the date of issuance of the Bonds, and that a binding commitment with a third party to spend at least 10 percent of such available project proceeds will be incurred within the six month period beginning on the date of issuance of the Bonds. Seventeen (17) local boards of education have requested loans to be funded from proceeds of the bonds (page 16 of the Request for Proposal).

A Sinking Fund is to be set up with Wells Fargo Bank, N.A., in which the State of Alabama will make annual \$6,895,316.91 principal payments into the Sinking Fund at Wells Fargo Bank, N.A. (starting on September 1, 2011), and Wells Fargo Bank, N.A., will only make one principal payment of \$154,727,000 on September 1, 2027. The Sinking Fund is expected to earn approximately \$37,506,613 of interest between September 1, 2011 and September 1, 2027 to come up to the \$154,727,000 amount. The State of Alabama will also make semiannual interest payments every year of \$3,984,220.25 (\$7,968,440.50 annually) starting in March 2011 (the first interest payment will be slightly lower – \$3,829,278.35) and the Authority is going to file with the IRS to receive an interest subsidy of \$3,651,557.20 semi-annually (\$7,303,114.40 annually) that will reduce its interest costs. There is a provision that if the bond proceeds were not expended fully by 3 years after the closing date that the Bonds would be redeemed (page 18 of the Request for Proposal and page 12 of the Bond Resolution).

APSCA Series 2010 QSCB Sinking Fund

Annual Principal payment starting September 1, 2011	\$	6,895,316.91
Times 17 years through September 1, 2027, inclusive		<u>17</u>
Equals	\$	117,220,387.47
Plus Interest expected to be earned by September 1, 2027	\$	<u>37,506,612.53</u>
Total Principal payment to be made on September 1, 2027	\$	<u><u>154,727,000.00</u></u>

Purpose of Bonds

Bank accounts were set up in the 2010-2011 fiscal year for the APSCA Series 2010 QSCB, as the first interest payment was deposited in the bank in March 2011, and the first principal payment was deposited in the Sinking Fund in September 2011.

Revenues Pledged for Payment

Seventeen (17) local boards of education have requested loans to be funded from proceeds of the bonds (from page 16 of the Request for Proposal). Such loans will be evidenced by obligations issued by the Local Boards in favor of the Authority which will be payable from and secured by pledges of such Local Boards' respective allocable shares of the Capital Outlay Funds or other local funds available to any such Local Board as may be acceptable to the Authority and approved by the Alabama State Superintendent of Education. Although the Authority expects that the revenues pledged by participating Local Boards will be approximately equal to and may be used for payment of debt service on the Bonds, such revenues will not be pledged as security for the Bonds and holders of the Bonds will have no recourse against such revenues (page 16 of the Request for Proposal). Financing Agreements will be signed between the Authority and the entities that receive the money.

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 2009-813, Acts of Alabama, enacted at the 2009 Special Session of the Legislature, and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on August 26, 2010.

Alabama Public School and College Authority, Series 2010-A

Issue Date: April 22, 2010

Issued: \$109,775,000.00

Total Issuance Costs: \$773,023.00

% of Issuance Costs to Total Bonds Issued: 0.70%

Sources of Funds:

Principal Amount of Bonds	\$ 109,775,000.00
Bond Premium	12,472,398.00
Total Sources	<u>\$ 122,247,398.00</u>

Uses of Funds:

Deposit to Escrow Defeasance Fund	\$ 121,474,375.00
Issuance Costs	773,023.00
Total Uses	<u>\$ 122,247,398.00</u>

Purpose of Bonds

The Series 2010-A Bonds were issued for the purpose of: (a) fully refunding the Series 1998 Bonds maturing in November 2017 and November 2018 in the 2009-2010 fiscal year and refunding the Series 2009-A Bonds maturing from 2025 to 2029 (these will be defeased and called for redemption on May 1, 2019), and (b) paying the costs of issuing the Series 2010-B Bonds.

The final payment on the Series 2010-A Bonds was made in the 2018-2019 fiscal year.

The 2009-A Bonds were issued to: (a) refund the Series 1998 Bonds maturing from November 2009 to November 2016, to refund the Series 1999-A Bonds, and refund the Series 1999-C Bonds; and, (b) pay the costs of issuing the Series 2009-A Bonds.

The Series 1998 Bonds were issued for the purpose of financing capital improvements to public elementary and secondary school facilities, financing capital improvements for public education and to abate emergency situations due to the windstorm and tornado damage of April 1998, financing capital improvements and acquiring instructional equipment for public elementary and secondary school career/technical programs, financing fleet renewal by local boards of education, financing capital improvements to facilities of the Department of Youth Services, financing capital improvements and fleet renewal by the Alabama Institute for Deaf and Blind and the Southwest School for Deaf and Blind, financing capital improvements for postsecondary education facilities, and financing capital improvements for public institutions of higher education.

Revenues Pledged for Payment

The principal of and interest on the Series 2010-A Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the ***Code of Alabama 1975***); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the ***Code of Alabama 1975***); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the ***Code of Alabama 1975***); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the ***Code of Alabama 1975***) (page 13 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 1999-348, Acts of Alabama; and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on April 14, 2010.

Purpose of Bonds

Alabama Public School and College Authority, Series 2009-D Qualified School Construction Bonds (OSCB)

Issue Date: December 16, 2009

Issued: \$145,880,000.00

Total Issuance Costs: \$1,293,505.00

% of Issuance Costs to Total Bonds Issued: 0.88%

Sources of Funds:

Principal Amount of Bonds	\$ 145,880,000.00
Total Sources	<u>\$ 145,880,000.00</u>

Uses of Funds:

Deposit to Loan Fund	\$ 144,586,495.00
Issuance Costs	192,111.00
Underwriter's Discount	1,101,394.00
Total Uses	<u>\$ 145,880,000.00</u>

The Series 2009-D Bonds will be used to make loans to local boards of education in the State of Alabama in order to finance capital improvements approved by the Authority and the State Superintendent of Education. The loans to participating local boards of education will be evidenced by obligations issued by such local boards in favor of the Authority payable solely from and secured by pledges of such local boards' respective allocable shares of the Capital Outlay Funds. Thirty-six (36) local boards of education have requested loans to be funded from proceeds of the bonds (page 6 of the Official Statement).

Purpose of Bonds

The Series 2009-D Bonds are Capital Improvement Pool Qualified School Construction Bonds and Tax Credit Bonds. In accordance with the Resolution, the Authority will make Cumulative Sinking Fund Deposits with the Paying Agent/Registrar (Wells Fargo Bank, N.A.) for the Bonds in December in each of the years and in the respective amounts: \$7,591,769.02 each year from 2011 to 2025, starting on December 15, 2011 (this totals \$113,876,535.30). The Authority expects to enter into a repurchase agreement with Bayerische Landesbank for the investment of the Cumulative Sinking Fund Deposits. Based upon an investment return rate of 3.40%, approximately \$32,003,465 will be available to offset the Cumulative Sinking Fund Deposit on the final maturity date of the Bonds shown above (page 7 of the Official Statement). The Bonds will mature on December 15, 2025 in the principal amount of \$145,880,000. The Bonds will bear interest at a rate of 1.865% per annum and such interest will be payable quarterly on June 15, 2010, and quarterly on each September 15, December 15, March 15, and June 15, thereafter until maturity or prior redemption. Additionally, the owner of the Bonds will be eligible to receive federal tax credits determined at the Tax Credit Rate set forth on the cover page (5.76%) in accordance with Section 54A of the Internal Revenue Code (page 13 of the Official Statement). Sections 54A and 54F of the Code allow a federal income tax credit to a Bondholder who owns a "Qualified School Construction Bond" on a Tax Credit Allowance Date. The Tax Credit Allowance Dates for the Bonds are March 15, June 15, September 15, and December 15, commencing March 15, 2010, as well as the last date a Bond is outstanding (page 17 of the Official Statement). Three bank accounts have been set up for these Bonds – a bank account that receives quarterly interest payments; a rebate fund; and the sinking fund.

APSCA Series 2009-D Sinking Fund

Annual Principal payment starting December 15, 2011	\$	7,591,769.02
Times 15 years through December 15, 2025, inclusive		<u>15</u>
Equals	\$	113,876,535.30
Plus Interest expected to be earned by December 15, 2025	\$	<u>32,003,464.70</u>
Total Principal payment to be made on December 15, 2025	\$	<u><u>145,880,000.00</u></u>

Purpose of Bonds

Extraordinary Mandatory Redemption Due to Unexpended Proceeds – To the extent that 100% of the Available Project Proceeds are not expended for Qualified Purposes by December 15, 2012, or if an extension of such expenditure period has been received by the Authority from the United States Secretary of Treasury, on a Tax Credit Allowance Date that occurs on or before the close of the extended period, the Authority shall redeem the Nonqualified Bonds (as defined in Section 54A of the Code) in Authorized Denominations (rounded up to the next highest Authorized Denomination) within 90 days after the end of such period, at a redemption price equal to the principal amount of such Nonqualified Bonds plus any interest accrued to the redemption date, payable from such unexpended proceeds of sale of the Bonds held by the Authority (page 7 of the Official Statement). The Bonds shall not be subject to defeasance, and the Authority shall not pay or discharge (including through defeasance) all or any portion of the Bonds prior to their scheduled maturity dates, except pursuant to the extraordinary mandatory redemption provisions described above (page 13 of the Official Statement).

Revenues Pledged for Payment

The principal of and interest on the Series 2009-D Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the ***Code of Alabama 1975***); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the ***Code of Alabama 1975***); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the ***Code of Alabama 1975***); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the ***Code of Alabama 1975***) (page 22 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 2009-813, Acts of Alabama; and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on December 3, 2009.

Purpose of Bonds

Alabama Public School and College Authority, Series 2009-C

Issue Date: October 28, 2009

Issued: \$37,750,000.00

Total Issuance Costs: \$230,983.75

% of Issuance Costs to Total Bonds Issued: 0.61%

Sources of Funds:

Principal Amount of Bonds	\$ 37,750,000.00
Bond Premium	1,049,501.85
Total Sources	<u>\$ 38,799,501.85</u>

Uses of Funds:

Deposit to Loan Fund	\$ 38,568,518.10
Issuance Costs	230,983.75
Total Uses	<u>\$ 38,799,501.85</u>

The 2009-C Bonds will be used to make loans to local boards of education in the State of Alabama in order to finance capital improvements approved by the Authority and the State Superintendent of Education. The loans to participating local boards of education will be evidenced by obligations issued by such local boards in favor of the Authority payable solely from and secured by pledges of such local boards' respective allocable shares of the Capital Outlay Funds. Ten (10) local boards of education have requested loans to be funded from proceeds of the bonds.

The Series 2015-B Bonds defeased the Series 2009-C Bonds maturing from 2020 and thereafter. The Series 2009-C Bonds maturing from 2016 to 2019 were not refunded. Final payment on the refunded Series 2009-C Bonds was made on May 1, 2019. The final payment on the non-refunded Series 2009-C Bonds was made in the 2018-2019 fiscal year.

Revenues Pledged for Payment

The principal of and interest on the Series 2009-C Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the *Code of Alabama 1975*); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the *Code of Alabama 1975*) (page 20 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 2009-813, Acts of Alabama; and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on October 21, 2009.

Purpose of Bonds

Alabama Public School and College Authority, Series 2009-B

Issue Date: October 28, 2009

Issued: \$174,960,000.00

Total Issuance Costs: \$1,023,064.48

% of Issuance Costs to Total Bonds Issued: 0.58%

Sources of Funds:

Principal Amount of Bonds	\$ 174,960,000.00
Bond Premium	12,193,548.45
Total Sources	<u>\$ 187,153,548.45</u>

Uses of Funds:

Deposit to Current Refunded Bonds Escrow Account	\$ 156,199,314.97
Deposit to Refunded Series 2001-A Bonds Escrow Account	29,931,169.00
Issuance Costs	1,023,064.48
Total Uses	<u>\$ 187,153,548.45</u>

The 2009-B Bonds were issued to: (a) fully refund the Series 1999-D Bonds; (b) refund the 2001-A Bonds that matured from 2014 to 2018 (the principal from 2009 to 2013 and 2019 to 2021 was not refunded and is still outstanding); and (c) to pay the costs of issuing the Series 2009-B Bonds.

The Series 1999-D Bonds were issued to provide funds to loan to local boards of education in Alabama in order to finance capital improvements needed to eliminate portable and sub-standard classrooms and for other capital expenditures approved by the Authority and the State Superintendent of Education.

The Series 2001-A Bonds were issued to make loans to local boards of education in Alabama to finance capital improvements needed to eliminate portable and sub-standard classrooms and for other capital expenditures approved by the Authority and the State Superintendent of Education.

The final payment on the Series 2009-B Bonds was made in the 2018-2019 fiscal year.

Revenues Pledged for Payment

The principal of and interest on the Series 2009-B Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the *Code of Alabama 1975*); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the *Code of Alabama 1975*) (page 20 of the Official Statement).

Purpose of Bonds

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 1999-348, Acts of Alabama; and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on October 21, 2009.

Alabama Public School and College Authority, Series 2009-A

Issue Date: October 28, 2009

Issued: \$467,325,000.00

Total Issuance Costs: \$2,911,116.37

% of Issuance Costs to Total Bonds Issued: 0.62%

Sources of Funds:

Principal Amount of Bonds	\$ 467,325,000.00
Bond Premium	34,459,604.70
Total Sources	<u>\$ 501,784,604.70</u>

Uses of Funds:

Deposit to Current Refunded Bonds	
Escrow Account	\$ 498,873,488.33
Issuance Costs	2,911,116.37
Total Uses	<u>\$ 501,784,604.70</u>

The 2009-A Bonds were issued to: (a) refund the Series 1998 Bonds maturing from 2009 to 2016, to refund the Series 1999-A Bonds, and refund the Series 1999-C Bonds; and, (b) pay the costs of issuing the Series 2009-A Bonds.

The Series 1999-C Bonds were issued for the purpose of financing capital improvements to public elementary and secondary school facilities, financing capital improvements for public education, to abate emergency situations due to the windstorm and tornado damage of April 1998, financing capital improvements and acquisitions of instructional equipment for public elementary and secondary school career/technical programs, financing fleet renewal by local boards of education, financing capital improvements to facilities of the Department of Youth Services, financing capital improvements and fleet renewal by the Alabama Institute for Deaf and Blind and Southwest School for Deaf and Blind, financing capital improvements for postsecondary education facilities, and financing capital improvements for public institutions of higher education.

The Series 1999-A Bonds were issued for the purpose of acquiring the Tuscaloosa Training Facility, constructing the Troy State Training Facility, and paying the issuance expenses related to the Series 1999-A Bonds.

Purpose of Bonds

The Series 1998 Bonds were issued for the purpose of financing capital improvements to public elementary and secondary school facilities, financing capital improvements for public education and to abate emergency situations due to the windstorm and tornado damage of April 1998, financing capital improvements and acquiring instructional equipment for public elementary and secondary school career/technical programs, financing fleet renewal by local boards of education, financing capital improvements to facilities of the Department of Youth Services, financing capital improvements and fleet renewal by the Alabama Institute for Deaf and Blind and the Southwest School for Deaf and Blind, financing capital improvements for postsecondary education facilities, and financing capital improvements for public institutions of higher education.

The Series 2010-A Bonds defeased the Series 2009-A Bonds from 2025 to 2029 and the final payment for these was made on May 1, 2019. The Series 2015-A Bonds defeased the Series 2009-A Bonds from 2020 to 2024 and the final payment for these was made on May 1, 2019.

The final payment on the non-refunded Series 2009-A Bonds that mature from 2016 through 2019 was made in the 2018-2019 fiscal year.

Revenues Pledged for Payment

The principal of and interest on the Series 2009-A Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the ***Code of Alabama 1975***); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the ***Code of Alabama 1975***); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the ***Code of Alabama 1975***); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the ***Code of Alabama 1975***) (page 20 of the Official Statement).

Legal Authority

Act Number 1998-373, Acts of Alabama; Act Number 1999-348, Acts of Alabama; and the bond resolution adopted by the Board of Directors of the Authority at a meeting thereof held on October 21, 2009.

Purpose of Bonds

Alabama Public School and College Authority, Series 2007

Issue Date: December 7, 2007

Issued: \$1,070,585,000.00

Total Issuance Costs: \$3,799,366.15

% of Issuance Costs to Total Bonds Issued: 0.35%

Sources of Funds:

Principal Amount of Bonds	\$ 1,070,585,000.00
Bond Premium	46,336,470.75
Total Sources	<u>\$ 1,116,921,470.75</u>

Uses of Funds:

Capital Improvements	\$ 1,113,122,104.60
Issuance Costs	3,799,366.15
Total Uses	<u>\$ 1,116,921,470.75</u>

The Series 2007 Bonds were issued for the purpose of making capital improvements to schools, colleges, state agencies, for Industrial Training, and to the Incentive Fund created by Act Number 2007-415, Acts of Alabama. This Act authorized the issuance of \$1,070,585,022.00 of bonds, and \$1,070,585,000.00 was issued. Of this amount, approximately \$690.6 million was allocated for Kindergarten through 12th grade schools, approximately \$251.4 million was allocated for 2-year and 4-year colleges, approximately \$53.5 million was to go to various state agencies, approximately \$20 million was to be used for industrial training, and \$55 million was to go to the Incentive Fund authorized in Section 10. Act Number 2007-415, Section 10, created the Alabama Public School and College Education Incentive Fund and its Council; the Council will allocate the \$55 million in the Incentive Fund as needed for capital expenditures. Authorized expenditures of the Incentive Fund shall include, but not be limited to, matching local funds for the consolidation of schools; the advancement of technology; capital losses as the result of natural disasters; infrastructure for fast growing school systems or institutions; career technical facilities; public libraries; and capital needs to assist schools that are not accredited by the Southern Association of Colleges and Schools.

The Series 2007 Bonds maturing on December 1, 2018 through December 1, 2026 were advance refunded by the Series 2014-B Bonds; the rest of the Series 2007 Bonds were not refunded. Payment on the advance refunded Series 2007 Bonds was made on December 1, 2017.

Purpose of Bonds

Revenues Pledged for Payment

The Bonds will be limited obligations of the Authority payable solely from and secured by a pledge and assignment of the proceeds of certain taxes leveled by the State of Alabama (page 1 of the Official Statement). The principal of and interest on the Series 2007 Bonds are payable solely from, and are secured pro rata, one with the other, by an irrevocable pledge of the following revenues: (a) Utility Gross Receipts Tax (Article 3 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (b) Utility Service Use Tax (Article 4 of Chapter 21 of Title 40 of the *Code of Alabama 1975*); (c) Sales Tax (Division I of Article 1 of Chapter 23 of Title 40 of the *Code of Alabama 1975*); and (d) Use Tax (Article 2 of Chapter 23 of Title 40 of the *Code of Alabama 1975*) (page 9 of the Official Statement).

Legal Authority

Act Number 2007-415, Acts of Alabama.

Alabama Mental Health Finance Authority, Series 2012

Issue Date: July 10, 2012

Issued: \$15,700,000.00

Total Issuance Costs: \$78,500.00

% of Issuance Costs to Total Bonds Issued: 0.5%

Sources of Funds:

Principal Amount of Bonds	\$ 15,700,000.00
Less Origination Fee	(78,500.00)
Total Sources	<u>\$ 15,621,500.00</u>

Uses of Funds:

Deposit into the Building Fund	\$ 15,621,500.00
Total Uses	<u>\$ 15,621,500.00</u>

The Series 2012 Bonds were issued to: (i) to acquire, construct and equip certain mental health facilities and certain additions, improvements and modifications to existing mental health facilities; and (ii) at least 50% of the bonds issued under the authority of the Act will have been designated for Community Facilities and other community based mental health facilities.

Purpose of Bonds

Revenues Pledged for Payment

The principal of, premium, if any, and interest on the Series 2012 Bonds are payable solely from, and each Series 2012 Bond is secured pro rata by an irrevocable pledge of so much as may be necessary for that purpose of, (a) the receipts from the taxes levied in respect of the sales, storage, use or other consumption of cigarettes by Sections 40-25-2 and 40-25-41 of the *Code of Alabama 1975* (the Cigarette Tax) that are required to be distributed to the Authority in accordance with the provisions of Section 40-25-23 of the *Code of Alabama 1975*, and (b) the receipts from the tax levied in respect of the sales of spirituous or vinous liquors (the Liquor Tax) by Section 28-3-203 of the *Code of Alabama 1975* (pages 2-3 of the Authorizing Resolution).

Legal Authority

Act Number 1988-475, Acts of Alabama, as amended by Act Number 1988-862, Acts of Alabama, and Act 2004-545, Acts of Alabama.

Alabama 21st Century Authority, Series 2012-A

Issue Date: March 15, 2012

Issued: \$92,810,000.00

Total Insurance Costs: \$692,803.00

% of Issuance Costs to Total Bonds Issued: 0.75%

Sources of Funds:

Principal Amount of 2012-A Bonds	\$ 92,810,000.00
Original Issue Premium	13,009,613.45
Funds on Deposit under Indenture	15,632,774.00
Total Sources	<u>\$ 121,452,387.45</u>

Uses of Funds:

Deposit to Escrow Funds	\$ 105,148,834.01
Deposit to Reserve Fund	15,610,750.00
Underwriter's Discount	401,717.68
Issuance Costs	291,085.76
Total Uses	<u>\$ 121,452,387.45</u>

The Series 2012-A Bonds were issued to (i) refund the Series 2000 Bonds and the Series 2001 Bond; (ii) pay the costs of issuance of the Series 2012-A Bonds; and (iii) to fund the Reserve Fund established under the Indenture.

The Series 2000 Bonds were refunded on June 1, 2012. The Series 2001 Bonds were refunded on April 16, 2012.

Purpose of Bonds

The Series 2000 Bonds were issued for the purpose of providing moneys to finance a portion of the costs of acquisition of a site in Talladega County, Alabama, and infrastructure improvements thereof (roads, sewers, water lines, drainage, etc.), in preparation for conveyance of the improved site to American Honda Motor Co., Inc. for its construction of the Plant, the costs of acquiring, constructing, and equipping a public training facility, and Training Costs incurred in a program to be administered by Alabama Industrial Development Training, a public corporation and instrumentality of the State. The remaining portion of the costs of the Bond Financed Facilities will be financed from other public and private funds.

The Series 2001 Bonds were issued for the purpose of providing funds (i) to make grants for the benefit of certain eligible companies in order to facilitate various economic development projects located in the State and (ii) to provide funds for the improvement of flood levies in Geneva and Elba, Alabama. Companies whose projects will benefit from the proceeds of the Series 2001 Bonds include American Honda Motor Co., Inc., Mercedes-Benz U. S. International, Inc., Toyota Motor Manufacturing, Alabama, Inc., Teksid Aluminum Components, Inc., CRH North America, Inc., Sykes, Inc., The Boeing Company and Bunkhouse Conversion, Inc.

Revenues Pledged for Payment

A Master Settlement Agreement (MSA) was entered into on November 23, 1998 among the attorneys of 46 States (including Alabama) and the 4 largest United States tobacco manufacturers (Philip Morris, R. J. Reynolds, Brown and Williamson Corporation, and Lorillard Tobacco Companies). Under the MSA, the State of Alabama is entitled to 1.6161308% of the initial payments and Annual Payments and 0.7549361% of the Strategic Fund Payments made by Participating Manufacturers (PM) under the MSA (page S-2 of the Official Statement).

The payments are called Tobacco Settlement Revenues (TSRs). The Enabling Law requires that all TSRs be deposited in the Alabama 21st Century Fund. The Enabling Law requires that the Pledged Revenues in the 21st Century Fund be applied first for payment of debt service on all Senior Debt, including the Series 2012-A Bonds (pages S-6 and 1 of the Official Statement).

Bonds issued by the authority shall be solely and exclusively an obligation of the authority and shall not create an obligation or debt of the state. Such bonds shall not be general obligations of the authority but shall be payable solely from one or more of the following sources: (1) Appropriated funds. (2) The income or proceeds realized by the authority under any mortgage or security granted to the authority. (3) Amounts derived from any letter of credit, insurance policy, or other form of credit enhancement applicable to the bonds. (4) Any reserve or other fund established for such purpose by the authority. (5) Any earnings on the proceeds of bonds invested by the authority pending their disbursement. (6) Any other revenues that may hereafter be available to the authority (*Code of Alabama 1975*, Section 41-10-626(b)).

The bonds authorized hereby will be payable solely out of and secured by a pledge and assignment of tobacco revenues held in the Alabama 21st Century Fund (*Code of Alabama 1975*, Section 41-10-671).

Purpose of Bonds

Legal Authority

A Trust Indenture dated March 1, 2012 between the Authority and Synovus Bank. The *Code of Alabama 1975*, Section 41-10-626, and Act Number 2001-691, Acts of Alabama.

Alabama Revolving Loan Fund Authority Refunding Bonds, Series 2010

Issue Date: December 1, 2010

Issued: \$20,755,000.00

Total Issuance Costs: \$373,533.34

% of Issuance Costs to Total Bonds Issued: 1.80%

Sources of Funds:

Principal Amount of Bonds	\$ 20,755,000.00
Plus: Net Original Issue Premium	51,435.00
Less: Underwriter's Discount	(240,772.74)
Total Sources	<u>\$ 20,565,662.26</u>

Uses of Funds:

Deposit to 2010 Grant Fund	\$ 11,728,097.94
Deposit to Issuance Cost Fund	132,760.60
Deposit to 2000 Escrow Fund	8,704,803.72
Total Uses	<u>\$ 20,565,662.26</u>

The Series 2010 Bonds were issued for (a) grants to the twelve existing Regional Planning and Development Commissions, and (b) for the current refunding of the Series 2000 Bonds.

The Series 2000 Bonds were issued for the purposes of providing funds for grants to the several existing Regional Planning and Development Commissions. The grants may be combined with, or used to facilitate access to, either federal funds or foundation grants or loans, or to leverage private sector financing that may be available for initial or seed capital, long or short term fixed asset or equipment loans or working capital for local economic development projects for improving, developing, or financing new, existing, or expanding business or industry, to preserve or create employment.

Purpose of Bonds

Revenues Pledged for Payment

The Enabling Law provides for the appropriation and irrevocable pledge of an amount of receipts from the Pledged Tax necessary for the Authority to pay principal of and interest on such bonds, including the Series 2010 Bonds, as the Authority may issue under the Enabling Law. The Pledged Tax is a privilege or license tax against every provider of cellular radio telecommunication services doing business in the State. The amount of the Pledged Tax is 6% of the gross sales or gross receipts, as the case may be, of the monthly charges from the furnishing of mobile telecommunication services to a customer with a place of primary use in the State (page 8 of the Official Statement). The *Code of Alabama 1975*, Section 40-21-121 also authorizes the cellular telephone tax and the *Code of Alabama 1975*, Section 11-85-108 authorizes the money to be used to pay the bond principal and interest.

Legal Authority

Constitution of Alabama 1901, Amendment Number 616, and the *Code of Alabama 1975*, Sections 11-85-100 through 11-85-111.

Alabama Housing Finance Authority, Mortgage Revenue Bonds

The Alabama Housing Finance Authority is a public corporation and an instrumentality of the State of Alabama. One of the Authority's purposes is to issue bonds and use the proceeds to finance the acquisition of residential housing for persons and families of low and moderate income. The Authority issues these bonds to make loans to low income families and first-time buyers at below market interest rates.

The Authority has the power to purchase mortgage loans from mortgage lenders and to contract with mortgage lenders with regard to the origination and servicing of mortgage loans. The Authority is also empowered to issue and sell bonds in order to provide funds for any of its corporate purposes, to grant security interests in any or all of its mortgage loans and mortgages, and to pledge revenues from which its bonds are payable. In addition, the Authority may take such other action as may be necessary or desirable to accomplish any purpose for which the Authority is organized or to exercise any power granted. There are no debt ceilings imposed by State law on the Authority.

These bonds are variable rate bonds and bear interest at a weekly rate set by the Remarketing Agent.

Purpose of Bonds

Revenues Pledged for Payment

Bonds issued by the Authority shall be payable solely out of revenues or property of the Authority specified in the resolutions authorizing the issuance of such bonds. To the extent permitted by any contracts with the holders of outstanding bonds and any other contractual obligations or requirements, the Authority may pledge any, or all, of its revenues or mortgages or assign any, or all, of its assets (whether real or personal and whether tangible or intangible) to secure the payment of any of its bonds. Revenues and property out of which bonds may be payable shall include, without limitation: (1) Payments of principal, interest, premiums and penalties in respect to mortgage loans, loans to mortgage lenders, mortgages and mortgaged property; (2) Proceeds referable to the foreclosure of mortgages or otherwise realized, by any and all means, upon any mortgaged property; (3) Payments made in redemption of the equity of such mortgages or similar payments with respect to any redemption of mortgaged property; (4) Proceeds from the leasing or sale of property which was formerly mortgaged property and which was acquired in the process of enforcing mortgage loans or loans to mortgage lenders; (5) Proceeds from the sale of mortgage loans, loans to mortgage lenders, mortgages and mortgaged property; (6) Insurance proceeds referable to mortgage loans, loans to mortgage lenders, mortgages and mortgaged property including, but without limitation, proceeds from casualty insurance and mortgage payment guarantee insurance; (7) Proceeds from bond insurance; (8) Grants or subsidies available in connection with any of the foregoing; (9) Any of the foregoing sources of revenues as may be designated in the proceedings of the board pursuant to which the bonds shall be authorized to be issued (*Code of Alabama 1975*, Section 24-1A-6).

Legal Authority

The *Code of Alabama 1975*, Section 24-1A-6.

Purpose of Bonds

Alabama Water Pollution Control Authority, Series 2010-C

Issue Date: December 15, 2010

Issued: \$36,850,000.00

Total Issuance Costs: \$784,337.55

% of Issuance Costs to Total Bonds Issued: 2.13%

Sources of Funds:

Principal Amount of Bonds	\$	36,850,000.00
Liquidation of Existing Reserves		13,131,782.27
Premium		1,023,209.70
Total Sources	<u>\$</u>	<u>51,004,991.97</u>

Uses of Funds:

Deposit to Escrow Fund	\$	44,567,624.42
Deposit to Main Debt Service Reserve Account		3,685,000.00
Deposit to Loan Subsidy Account		1,968,030.00
Issuance Costs		353,235.04
Underwriter's Discount		431,102.51
Total Uses	<u>\$</u>	<u>51,004,991.97</u>

The Series 2010-C Bonds fully refunded the Series 2000 Bonds.

The Series 2000 Bonds were issued for the purpose of financing loans to local governmental entities in the State to pay certain costs of planning, designing, acquiring, or constructing improvements to the sanitary sewer systems owned and operated by the local governmental entities eligible for financial assistance under federal law. The following governmental units received loans from the Series 2000 Bond proceeds: City of Dothan, City of Huntsville, City of Madison – Water and Wastewater Board, and the City of Mobile – Board of Water and Sewer Commissioners.

Revenues Pledged for Payment

The Indenture provides that payment of the principal of (and premium, if any) and interest on the Series 2010-C Bonds is to be made from and is secured by a pledge and assignment of (a) amounts received by the Authority from each Loan Recipient as repayment of each Pledged Loan made under the Indenture, exclusive of administrative fees payable to Alabama Department of Environmental Management (the “Loan Payments”), (b) amounts on deposit in and interest earned on the special funds created in the Indenture (except the Operating Fund and the Rebate Fund and subject to the right of the Authority to withdraw from the Indenture excess Loan Payments not needed to pay principal of and interest on the Bonds), and (c) amounts received from the optional prepayment of Pledged Bond Loans (page 8 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Section 22-34-7.

Purpose of Bonds

Alabama Water Pollution Control Authority, Series 2010-B

Issue Date: August 13, 2010

Issued: \$64,750,000.00

Total Issuance Costs: \$1,714,574.30

% of Issuance Costs to Total Bonds Issued: 2.65%

Sources of Funds:

Principal Amount of Bonds	\$ 64,750,000.00
Liquidation of Existing Reserves	17,295,513.87
ADEM Contribution	2,332,074.43
Premium	440,341.00
Total Sources	<u>\$ 84,817,929.30</u>

Uses of Funds:

Deposit to 1998A Debt Service Fund	\$ 37,138,283.13
Deposit to 1998B Debt Service Fund	38,152,171.87
Deposit to Main Debt Service Reserve Account	6,475,000.00
Deposit to Loan Subsidy Account	1,337,900.00
Issuance Costs	374,896.80
Underwriter's Discount	1,339,677.50
Total Uses	<u>\$ 84,817,929.30</u>

The Series 2010-B Bonds fully refunded the Series 1998-A Bonds and the Series 1998-B Bonds.

The Series 1998-A Bonds were issued for the purpose of making loans to local governmental units to provide funds to pay certain costs of planning, designing, acquiring, or constructing wastewater treatment and related facilities eligible for financial assistance under federal law. The following governmental units received loans from the Series 1998-A Bond proceeds: City of Florence, City of Huntsville, City of Pelham, and City of Tuscaloosa.

The Series 1998-B Bonds were issued for the purpose of making loans to local governmental units in the State to provide funds to pay certain costs of planning, designing, acquiring, or constructing wastewater treatment and related facilities eligible for financial assistance under federal law. The following governmental units received loans from the Series 1998-B Bond proceeds: City of Florence; City of Huntsville; and, the City of Pelham.

Purpose of Bonds

Revenues Pledged for Payment

The Indenture provides that payment of the principal of (and premium, if any) and interest on the Series 2010-B Bonds is to be made from and is secured by a pledge and assignment of (a) amounts received by the Authority from each Loan Recipient as repayment of each Pledged Loan made under the Indenture, exclusive of administrative fees payable to Alabama Department of Environmental Management (the "Loan Payments"), (b) amounts on deposit in and interest earned on the special funds created in the Indenture (except the Operating Fund and the Rebate Fund and subject to the right of the Authority to withdraw from the Indenture excess Loan Payments not needed to pay principal of and interest on the Bonds), and (c) amounts received from the optional prepayment of Pledged Bond Loans (page 8 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Section 22-34-7.

Alabama Water Pollution Control Authority, Series 2010-A

Issue Date: July 13, 2010

Issued: \$36,440,000.00

Total Issuance Costs: \$856,880.40

% of Issuance Costs to Total Bonds Issued: 2.35%

Sources of Funds:

Principal Amount of Bonds	\$ 36,440,000.00
Liquidation of Existing Reserves	12,956,673.90
ADEM Contribution	80,869.65
Premium	873,873.10
Total Sources	<u><u>\$ 50,351,416.65</u></u>

Uses of Funds:

Deposit to Escrow Account	\$ 43,826,846.25
Deposit to Main Debt Service Reserve Account	3,644,000.00
Deposit to Loan Subsidy Account of DS Reserve	2,023,690.00
Issuance Costs	350,000.00
Underwriter's Discount	506,880.40
Total Uses	<u><u>\$ 50,351,416.65</u></u>

The Series 2010-A Bonds fully refunded the Series 1999 Bonds.

The Series 1999 Bonds were issued for the purpose of making loans to local governmental entities in the State to provide funds to pay certain costs of planning, designing, acquiring, or constructing wastewater treatment and related facilities eligible for financial assistance under federal law. The following governmental units received loans from the Series 1999 Bond proceeds: City of Decatur, City of Dothan, City of Florence, and the City of Huntsville.

Purpose of Bonds

Revenues Pledged for Payment

The Indenture provides that payment of the principal of (and premium, if any) and interest on the Series 2010-A Bonds is to be made from and is secured by a pledge and assignment of (a) amounts received by the Authority from each Loan Recipient as repayment of each Pledged Loan made under the Indenture, exclusive of administrative fees payable to Alabama Department of Environmental Management (the "Loan Payments"), (b) amounts on deposit in and interest earned on the special funds created in the Indenture (except the Operating Fund and the Rebate Fund and subject to the right of the Authority to withdraw from the Indenture excess Loan Payments not needed to pay principal of and interest on the Bonds), and (c) amounts received from the optional prepayment of Pledged Bond Loans (pages 7-8 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Section 22-34-7.

Alabama Drinking Water Finance Authority, Series 2015-A

Issued: January 29, 2015

Issued: \$15,720,000.00

Total Issuance Costs: \$367,388.24

% of Issuance Costs to Total Bonds Issued: 2.34%

Sources of Funds:

Principal Amount of Bonds	\$ 15,720,000.00
Liquidation of Existing Reserves	945,972.87
ADEM Contribution	6,663,301.09
Net Original Issue Premium	2,379,190.45
Total Sources	<u>\$ 25,708,464.41</u>

Uses of Funds:

Deposit to Debt Service Fund for Refunded Bonds	\$ 23,909,976.17
Deposit to Loan Subsidy Fund	1,431,100.00
Issuance Costs	310,875.59
Underwriter's Discount	56,512.65
Total Uses	<u>\$ 25,708,464.41</u>

The Series 2015-A Bonds were issued to current refund the Series 2004-A Bonds.

The Series 2004-A Bonds were issued for the purpose of providing funds to the Authority to enable it to make a loan (the "Pledged Loan") to Shelby County, Alabama in order to provide funds to pay certain costs of planning, designing, acquiring, constructing, and equipping certain drinking water and related facilities eligible for financial assistance under federal law. The refunded Series 2004-A Bonds were fully paid on March 2, 2015.

Purpose of Bonds

Revenues Pledged for Payment

The Indenture provides that payment of the principal of (and premium, if any) and interest on the Series 2015-A Bonds is to be made from and is secured by a pledge and assignment of (a) amounts received by the Authority from the Loan Recipient as repayment of each Pledged Loan made under the indenture, exclusive of administrative fees payable to [the] Alabama Department of Environmental Management (the "Loan Payments"), (b) amounts on deposit in and interest earned on the special funds created in the Indenture (except the Operating Fund and the Rebate Fund and subject to the right of the Authority to withdraw from the Indenture excess Loan Payments not needed to pay principal of and interest on the Bonds), and (c) amounts received from the optional prepayment of Pledged Bond Loans (page 7 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Section 22-23B-7.

Alabama Drinking Water Finance Authority, Series 2013-A

Issued: December 11, 2013

Issued: \$10,035,000.00

Total Issuance Costs: \$486,113.73

% of Issuance Costs to Total Bonds Issued: 4.84%

Sources of Funds:

Principal Amount of Bonds	\$ 10,035,000.00
Liquidation of Existing Reserves	11,108,684.41
ADEM Contribution	10,760,000.00
Net Original Issue Premium	238,065.50
Total Sources	<u>\$ 32,141,749.91</u>

Uses of Funds:

Deposit to Debt Service Fund for Refunded Bonds	\$ 29,872,406.18
Deposit to Main Debt Service Reserve Account of Debt Service Reserve Fund	1,003,500.00
Deposit to Loan Subsidy Account of Debt Service Reserve Fund	779,730.00
Issuance Costs	303,242.71
Underwriter's Discount	182,871.02
Total Uses	<u>\$ 32,141,749.91</u>

Purpose of Bonds

The Series 2013-A Bonds were issued to current refund the Series 2003-A Bonds.

The Series 2003-A Bonds were issued for the purpose of making loans to governmental entities in the State to provide funds to pay certain costs of planning, designing, acquiring, constructing, and equipping sanitary drinking water and related facilities eligible for financial assistance under federal law. The following public entities received loans from the 2003-A Bond issue proceeds: City of Tuscaloosa, Utilities Board of the Town of Citronelle, Water and Wastewater Board of the City of Madison, and the West Morgan – East Lawrence Water Authority.

Revenues Pledged for Payment

The Indenture provides that payment of the principal of (and premium, if any) and interest on the Series 2013-A Bonds is to be made from and is secured by a pledge and assignment of (a) amounts received by the Authority from each Loan Recipient as repayment of each Pledged Bond Loan made under the indenture and amounts received by the Authority as repayment of each Pledged Additional Loan, exclusive of administrative fees payable to [the] Alabama Department of Environmental Management (the “Loan Payments”), (b) amounts on deposit in and interest earned on the special funds created in the Indenture (except the Operating Fund and the Rebate Fund and subject to the right of the Authority to withdraw from the Indenture excess Loan Payments not needed to pay principal of and interest on the Bonds), and (c) amounts received from the optional prepayment of Pledged Bond Loans (page 7 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Section 22-23B-7.

Purpose of Bonds

Alabama Drinking Water Finance Authority, Series 2012-A

Issued: February 13, 2012

Issued: \$45,210,000.00

Total Issuance Costs: \$1,122,345.02

% of Issuance Costs to Total Bonds Issued: 2.48%

Sources of Funds:

Principal Amount of Bonds	\$	45,210,000.00
Liquidation of Existing Reserves		22,882,200.19
ADEM Contribution		959,785.00
Loan Prepayments		5,036,187.60
Net Original Issue Premium		861,277.55
Total Sources	<u>\$</u>	<u>74,949,450.34</u>

Uses of Funds:

Deposit to Escrow Funds	\$	68,346,320.32
Deposit to Main Debt Service Reserve		
Account of Debt Service Reserve Fund		4,521,000.00
Deposit to Loan Subsidy Account		
of Debt Service Reserve Fund		959,785.00
Issuance Costs		599,207.00
Underwriter's Discount		523,138.02
Total Uses	<u>\$</u>	<u>74,949,450.34</u>

The Series 2012-A Bonds were issued to current refund the Series 1998-A Bonds, the Series 2000-A Bonds, the Series 2000-C Bonds, and the Series 2002-A Bonds.

The Series 1998-A Bonds were issued for the purpose of financing a program of loans by the Authority to local governmental units in the State to provide funds to pay certain costs of planning, designing, acquiring, or constructing sanitary drinking water and related facilities eligible for financial assistance under federal law. The following local governmental units received loans from the 1998-A Bond issue proceeds: Madison County, City of Cullman – Utilities Board, Dale County Water Authority, Marbury Water System, City of Northport, City of Eufaula – Water Works and Sewer Board, City of Ozark – Utilities Board, City of Demopolis – Utilities Board, and the Wall Street Water Authority.

The Series 2000-A Bonds were issued for the purpose of financing a program of loans by the Authority to local governmental units in the State to provide funds to pay certain costs of planning, designing, acquiring, constructing, and equipping sanitary drinking water and related facilities eligible for financial assistance under federal law. The bonds were issued by the Authority as tax-exempt bonds to fund loans to entities which are eligible to receive tax-exempt financing pursuant to the Internal Revenue Code of 1986, as amended. The following local governmental units received loans from the 2000-A Bond issue proceeds: City of Boaz – Board of Water and Sewer Commissioners, Chilton Water Authority, City of Northport, Northeast Alabama Water, Sewer and Fire Protection District, Russell County Water Authority, and the City of Leeds – Water Works Board.

Purpose of Bonds

The Series 2000-C Bonds were issued for the purpose of making loans to governmental entities in the State to provide funds to pay certain costs of planning, designing, acquiring, constructing, and equipping sanitary drinking water and related facilities eligible for financial assistance under federal law. The following public entities received loans from the 2000-C Bond issue proceeds: Carroll’s Creek Water Authority, City of Evergreen, Harvest-Monrovia – Water and Fire Protection Authority, Inc., Limestone County – Water and Sewer Authority, City of Bay Minette – Utilities Board, and the City of Oneonta – Utilities Board.

The Series 2002-A Bonds were issued for the purpose of making loans to governmental entities in the State to provide funds to pay certain costs of planning, designing, acquiring, constructing, and equipping sanitary drinking water and related facilities eligible for financial assistance under federal law. The following public entities received loans from the 2002-A Bond issue proceeds: Central Elmore Water and Sewer Authority, City of Cullman, Hartselle Utilities, Harvest-Monrovia Water and Fire Protection Authority, the Water Works and Sewer Board of the City of Jackson, the Water Works and Sewer Board of the City of Andalusia, and the Water Works and Sewer Board of the City of Albertville.

Revenues Pledged for Payment

The Indenture provides that payment of the principal of (and premium, if any) and interest on the Series 2012-A Bonds is to be made from and is secured by a pledge and assignment of (a) amounts received by the Authority from each Loan Recipient as repayment of each Pledged Bond Loan made under the indenture and amounts received by the Authority as repayment of each Pledged Additional Loan, exclusive of administrative fees payable to [the] Alabama Department of Environmental Management (the “Loan Payments”), (b) amounts on deposit in and interest earned on the special funds created in the Indenture (except the Operating Fund and the Rebate Fund and subject to the right of the Authority to withdraw from the Indenture excess Loan Payments not needed to pay principal of and interest on the Bonds), and (c) amounts received from the optional prepayment of Pledged Bond Loans (page 8 of the Official Statement).

Legal Authority

The *Code of Alabama 1975*, Section 22-23B-7.

Purpose of Bonds

Alabama Space Science Exhibit Finance Authority, Series 2014

Issue Date: July 15, 2014

Issued: \$11,660,000.00

Total Issuance Costs: Unknown

% of Issuance Costs to Total Bonds Issued: N/A

Sources of Funds:

Principal Amount of 2014 Bonds	\$ 11,660,000.00
Total Sources	<u>\$ 11,660,000.00</u>

Uses of Funds:

Deposit to Escrow Account for Payment of Outstanding Bonds	\$ 11,660,000.00
Total Uses	<u>\$ 11,660,000.00</u>

There was no Official Statement for the Series 2014 Bonds. It is bank qualified debt held by Iberia Bank. The following information came from the September 28, 2014 Audit Report: “The Series 2014 Bonds were issued on July 15, 2014 in the amount of \$11,660,000 to refund the Authority’s Revenue Refunding Bonds, Series 2005-B with an aggregate principal amount of \$7,875,000 outstanding as of July 15, 2014 and the Series 2009-A Bonds with an aggregate principal amount of \$3,785,000 outstanding as of July 15, 2014. The new bonds bear an interest rate of 2.72% and are due in monthly installments of \$68,330 until August 2021, at which time the interest rate will increase to 5.09% and monthly installments will increase to \$77,170.”

The Series 2009-A Bonds were issued to refund the Series 2005-A Bonds.

The Series 2005-A Bonds and 2005-B Bonds were issued to refund the Series 1992, 1995, and 2001 Bond Issues on June 27, 2005; and to increase borrowing by \$2,224,449 in order to finance the remaining 20% match for the Federal Transit Authority grant.

Revenues Pledged for Payment

The September 28, 2014 Audit Report, page 27 reads, in part, “The Series 2014 Bonds are secured by leases between the Authority and the Commission for certain facilities, real estate, certain restricted cash accounts, and substantially all equipment of ASSEC/ASSFA. The Commission is obligated under the leases to pay all interest and principal on the bonds as rent.”

Legal Authority

Act Number 1986-546, Acts of Alabama, as incorporated in the *Code of Alabama 1975*, Sections 41-10-300 through 41-10-332.

Purpose of Bonds

Alabama Economic Settlement Authority, Series 2016-A and Series 2016-B

Issue Date: December 15, 2016

Issued: \$80,925,000.00 (Series 2016-A)
\$547,790,000.00 (Series 2016-B)

Total Issuance Costs: \$2,565,310.30

% of Issuance Costs to Total Bonds Issued: 0.41%

Sources of Funds:

Principal Amount of 2016-A Bonds	\$ 80,925,000.00
Bond Discount - Series 2016-A	(2,586,813.45)
Total Sources	<u>\$ 78,338,186.55</u>

Uses of Funds:

Deposit to District 91 Project Fund	\$ 40,073,460.30
Deposit to District 92 Project Fund	33,908,312.57
Deposit to Series 2016-A Capitalized Interest Fund	4,046,250.00
Costs of Issuance	53,331.00
Underwriter's Discount	256,832.68
Total Uses	<u>\$ 78,338,186.55</u>

Sources of Funds:

Principal Amount of 2016-B Bonds	\$ 547,790,000.00
Total Sources	<u>\$ 547,790,000.00</u>

Uses of Funds:

Deposit to General Fund Rainy Day Account	\$ 161,565,874.00
Deposit to Alabama Trust Fund	238,434,126.00
Deposit to Alabama Medicaid Agency Fund	120,000,000.00
Deposit to Series 2016-B Capitalized Interest Fund	25,534,853.38
Costs of Issuance	376,528.86
Underwriter's Discount	1,878,617.76
Total Uses	<u>\$ 547,790,000.00</u>

Purpose of Bonds

Act 2016-469 set up the Alabama Economic Settlement Authority and authorized it to issue bonds. Act 2016-469 also set up the BP [British Petroleum] Settlement Fund, which will use BP Settlement revenues to pay the bonds. It also amends legislation relating to the Alabama Trust Fund and the General Fund Rainy Day Account. The AESA is authorized to issue bonds to provide funds to be transferred to and deposited in the Alabama Trust Fund and the General Fund Rainy Day Account of the Alabama Trust Fund (ATF), to provide additional funds to the Alabama Medicaid Agency (AMA), and paying costs of certain transportation projects. Section 21 amends Section 29-10-1 and gives the amounts to be paid back to the ATF each year through 9/30/2033, including the \$238,434,126 by 9/30/2017. Section 8(a)(1) states that the bonds are to be issued to: 1) Repay the General Fund Rainy Day account for \$161,565,874 transferred to the State General Fund in 2010 pursuant to Amendment 803; 2) Repay the Alabama Trust Fund for \$238,434,126 transferred to the State General Fund in Fiscal Years 2013, 2014, and 2015 pursuant to Amendment 856; 3) Provide \$120,000,000 to the Alabama Medicaid Agency to be distributed as \$15 million in 2017 and \$105 million in 2018 – pages 47-48 of the Official Statement required that earnings on the AMA money are to be transferred to the Alabama Trust Fund; 4) The remaining proceeds, not to exceed \$120,000,000 are to supplement existing revenues whether federal, state, or local to be split as \$65 million to the Alabama Department of Transportation (ALDOT) District 91 for Highway 98/Highway 158 from Mississippi to I-65 and \$55 million to ALDOT District 92 [$\$161,565,874 + \$238,434,126 + \$120,000,000 + \$120,000,000 = \$640,000,000$ that can be issued from Section 8(a)(1)]; 5) The remaining proceeds after 1-4 will repay the Alabama Trust Fund for money transferred to the State General Fund in 2013, 2014, and 2015 pursuant to Section 4 of Amendment 856. Section 8(a)(2) states that a Reserve Fund can be also funded with Bond proceeds; thus, more than \$640,000,000 of bonds can be issued. In addition, a 2016-A Capitalized Interest Fund (\$4,046,250) and a 2016-B Capitalized Interest Fund (\$25,534,853.38) were set up to pay interest on the bonds until and including March 15, 2018.

Revenues Pledged for Payment

The State is party to an agreement entered into on October 5, 2015 (the “Settlement Agreement”) among the State, Florida, Louisiana, Mississippi, and Texas (such states, the “Gulf States”) and BP p.l.c., a company incorporated in England (“BP p.l.c.”), BP Corporation North America, Inc., and BP Exploration & Production Inc. (BPXP,” and together with BPCNA and BP p.l.c., the “BP Settlement Agreement Parties”). The Settlement Agreement became effective upon entry of a Consent Decree and Final Judgment in the United States District Court for the Eastern District of Louisiana on April 4, 2016. Under the Settlement Agreement, BPXP is required to pay certain amounts to the State and the other Gulf States as outlined in Attachment I to the Settlement Agreement. All such payments by BPXP are primarily guaranteed by BPCNA and are secondarily guaranteed by BP p.l.c. Although the Settlement Agreement payments to the State are guaranteed by BPCNA and BP p.l.c., the Series 2016 Bonds are not guaranteed by BPCNA, BP p.l.c., or any other BP entities (page 1 of the Official Statement).

Purpose of Bonds

All BP Settlement Revenues received by the State are required to be deposited in the BP Settlement Fund. Pursuant to the Enabling Law, “Appropriated Funds,” being the funds on deposit in the BP Settlement Fund and earnings thereon, are irrevocably pledged and appropriated in such amounts as shall be necessary to pay and to redeem prior to their respective maturities the principal, interest, and premium (if any) on the Series 2016 Bonds and any Additional Bonds. The application of the Appropriated Funds to the payment of such debt service is to be the first use of any moneys in the BP Settlement Fund. Pursuant to the Enabling Law, any amounts in the BP Settlement Fund determined by the Board of Directors of the Authority to be in excess of the amounts needed for the payment of all amounts due with respect to the Series 2016 Bonds and any Additional Bonds each year may be transferred to and deposited in the Alabama Trust Fund or the General Fund Rainy Day Account, to provide additional funds to the Alabama Medicaid Agency, or to pay the costs of certain transportation projects (page 6 of the Official Statement).

Legal Authority

Act Number 2016-469, Acts of Alabama, which will be incorporated in the *Code of Alabama 1975*, Sections 29-13-1 through 29-13-20.

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