

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 18, 2020

**Book-Entry Only
New Issue
Taxable, Non-Bank Qualified**

**Rating: [Rating]
See “Rating” herein**

In the opinion of Bond Counsel, under existing law (i) interest on the Bonds is included in the gross income of the holders thereof for purposes of federal and Kentucky income taxation, all subject to the qualifications described herein under the heading “LEGAL MATTERS - Tax Treatment.” The Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky.

\$36,830,000*
CITY OF OWENSBORO, KENTUCKY
TAXABLE GENERAL OBLIGATION REFUNDING
BONDS, SERIES 2019E

Dated: Date of Delivery

Due: June 1st, as shown below

Year	Amount*	Interest Rate	Price	Yield	Year	Amount*	Interest Rate	Price	Yield
2020	\$1,330,000	%			2032	\$1,595,000	%		
2021	1,295,000				2033	1,630,000			
2022	1,310,000				2034	1,670,000			
2023	1,330,000				2035	1,715,000			
2024	1,355,000				2036	1,755,000			
2025	1,380,000				2037	1,805,000			
2026	1,405,000				2038	1,855,000			
2027	1,430,000				2039	1,905,000			
2028	1,455,000				2040	1,960,000			
2029	1,490,000				2041	2,015,000			
2030	1,520,000				2042	2,070,000			
2031	1,555,000								

Depository Trust Company (“DTC”) or its nominee. There will be no distribution of Bonds to owners of book entry interests. DTC will receive all payments of principal and interest with respect to the Bonds from U.S. Bank National Association, Louisville, Kentucky, as Paying Agent and Bond Registrar. DTC is required by its rules and procedures to remit such payments to participants in DTC for subsequent disbursement to the owners of book entry interests. So long as DTC or its nominee is the registered owner of the Bonds, references herein to the Bondholders or registered owners (other than under the captions “LEGAL MATTERS - Tax Treatment” and “CONTINUING DISCLOSURE”) shall mean DTC or its nominee, and not the owners of book entry interests in the Bonds. The Bonds will be issued in denominations of \$5,000 each or integral multiples thereof.

The Bonds are subject to redemption prior to maturity as described herein.

The Bonds are offered when, as and if issued, subject to the approval of legality and tax treatment by Dinsmore & Shohl LLP, Bond Counsel, Covington, Kentucky. Certain legal matters have been passed upon for the City by Steve Lynn, Esq., City Attorney. The Bonds are expected to be available for delivery on or about March 11, 2020.

FIRST KENTUCKY SECURITIES CORPORATION
Financial Advisor

* Preliminary, subject to change as set out in the Official Terms and Conditions of Bond Sale.

REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Bonds. No dealer, broker, salesman, or other person has been authorized by the City to give any information or to make any representation, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

Upon issuance, the Bonds will not be registered by the City under any federal or state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal, or other governmental entity or agency except the City will have, at the request of the City, passed upon the accuracy or adequacy of this Official Statement or approved the Bonds for sale.

All financial and other information presented in this Official Statement has been provided by the City from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future.

Insofar as the statements contained in this Official Statement involve matters of opinion or estimates, even if not expressly stated as such, such statements are made as such and not as representations of fact or certainty, no representation is made that any of such statements have been or will be realized, and such statements should be regarded as suggesting independent investigation or consultation of other sources prior to the making of investment decisions. Certain information may not be current; however, attempts were made to date and document sources of information. Neither this Official Statement nor any oral or written representations by or on behalf of the City preliminary to sale of the Bonds should be regarded as part of the City's contract with the holders of the Bonds.

References herein to provisions of Kentucky law, whether codified in the Kentucky Revised Statutes ("KRS") or uncodified, or to the provisions of the Kentucky Constitution or the City's ordinances or resolutions, are references to such provisions as they presently exist. Any of these provisions may from time to time be amended, repealed, or supplemented.

As used in this Official Statement, "debt service" means principal of, interest and any premium on, the obligations referred to; "City" means the City of Owensboro, Kentucky; and "Kentucky" or "Commonwealth" means the Commonwealth of Kentucky.

CITY OF OWENSBORO, KENTUCKY

Mayor

Thomas H. Watson

Board of Commissioners

Larry Maglinger
Pam Smith-Wright
Larry Conder
Jeff Sanford

City Manager

Nate Pagan

City Attorney

Steve Lynn

City Clerk

Beth Cecil

Finance and Support Services Director

Angela Hamric

BOND COUNSEL

Dinsmore & Shohl LLP
Covington, Kentucky

FINANCIAL ADVISOR

First Kentucky Securities Corporation
Lexington, Kentucky

BOND REGISTRAR AND PAYING AGENT

U.S. Bank National Association
Louisville, Kentucky

CUSIPS

Maturity Date	CUSIP[†]	Maturity Date	CUSIP[†]
June 1, 2020		June 1, 2032	
June 1, 2021		June 1, 2033	
June 1, 2022		June 1, 2034	
June 1, 2023		June 1, 2035	
June 1, 2024		June 1, 2036	
June 1, 2025		June 1, 2037	
June 1, 2026		June 1, 2038	
June 1, 2027		June 1, 2039	
June 1, 2028		June 1, 2040	
June 1, 2029		June 1, 2041	
June 1, 2030		June 1, 2042	
June 1, 2031			

[†] Copyright, American Bankers Association. CUSIP data herein is provided by CUSIP Global Services managed by Standard & Poor's Financial Services LLC on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP Numbers are provided for convenience of reference only. Neither the City, the Financial Advisor, the Underwriter, nor Bond Counsel takes any responsibility for the accuracy of such numbers.

TABLE OF CONTENTS

Page

INTRODUCTION.....	1
The City.....	1
Sources of Payment for the Bonds	1
Purpose of the Bonds.....	1
Description of the Bonds.....	1
Interest.....	1
Redemption	1
Book Entry	2
Tax Treatment	2
Parties to the Issuance of the Bonds	2
Authority for Issuance	2
Offering and Delivery of the Bonds	2
Disclosure Information.....	2
Additional Information.....	3
DESCRIPTION OF THE BONDS.....	3
General	3
Book Entry Only System.....	3
Redemption Provisions.....	3
Security and Source of Payment for Bonds.....	4
Statutory Lien.....	5
THE PROJECTS	5
SOURCES AND USES OF FUNDS	5
INVESTMENT CONSIDERATIONS	5
Limitation on Enforcement of Remedies.....	5
Risk of Bankruptcy.....	5
Suitability of Investment	6
Additional Debt.....	6
General Economic Conditions.....	6
Market for the Bonds.....	7
Bond Rating.....	7
Tax Implications.....	7
PROFILE OF THE ISSUER AND SURROUNDING AREA.....	7
CITY GOVERNMENT.....	7
Organization and Major Offices.....	7
Elected and Appointed Officials	7
Financial Matters.....	7
Financial Management	8
Financial Reports and Examinations of Accounts.....	8

Budgeting and Appropriations Procedures.....	8
Investment Policies.....	8
Debt Limitation	9
Tax Limitation	10
Bond Anticipation Notes	10
Future Borrowings of the City.....	10
LEGAL MATTERS	10
General Information	10
Transcript and Closing Certificates	10
Litigation	11
Tax Treatment	11
RATING.....	15
CONTINUING DISCLOSURE	15
UNDERWRITING.....	17
FINANCIAL ADVISOR.....	17
LEGAL MATTERS	17
General Information	17
Transcript and Closing Certificates	18
MISCELLANEOUS.....	18
APPENDICES:	
APPENDIX A - City of Owensboro, Kentucky Demographic, Economic, and Financial Data	
APPENDIX B - Comprehensive Annual Financing Report of the City of Owensboro, Kentucky Report for the Fiscal Year Ending June 30, 2019	
APPENDIX C - Statement of Indebtedness	
APPENDIX D - Form of Legal Approving Opinion of Bond Counsel	
APPENDIX E - Book Only Entry System	
APPENDIX F - Official Terms and Conditions of Bond Sale	
APPENDIX G - Official Bid Form	

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and appendices hereto, is to provide certain information with respect to the issuance of \$36,830,000* aggregate principal amount of Taxable General Obligation Refunding Bonds, Series 2019E (the "Bonds") of the City of Owensboro, Kentucky (the "City") as specified on the cover page hereof.

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

The City

The Bonds are being issued by the City of Owensboro, Kentucky, a municipal corporation and political subdivision of the Commonwealth of Kentucky. The City is in Daviess County in West Central Kentucky.

Sources of Payment for the Bonds

The Bonds are general obligation debt of the City. The basic security for the Bonds is the City's ability to levy an annual tax to pay the interest on and principal of the Bonds as and when the same become due and payable. (See "DESCRIPTION OF THE BONDS - Security and Source of Payment for the Bonds," herein.)

Purpose of the Bonds

The Bonds are being issued for the purpose of (i) refunding, paying, and discharging the City of Owensboro, Kentucky General Obligation Refunding and Improvement Bonds, Series 2012B (the "Prior Bonds") and (ii) paying the costs of issuing the Bonds. The proceeds of the Prior Bonds were used to (i) refund the outstanding principal amount of the City of Owensboro, Kentucky General Obligation Bond Anticipation Notes, Series 2009, the proceeds of which were used to finance, on an interim basis, a portion of the costs of a downtown revitalization project, (ii) financing a portion of the costs of the third phase of the downtown and riverfront redevelopment project, including construction of a convention center and surrounding infrastructure in the City, and (iii) paying the costs of issuing the Prior Bonds.

Description of the Bonds

The Bonds will mature as set forth on the cover page hereof. The Bonds are being offered in denominations of \$5,000 or any integral multiple thereof.

Interest

The Bonds will bear interest at the rates set forth on the cover page hereof, payable semi-annually on June 1st and December 1st, beginning June 1, 2020.

The record dates for all interest payment dates for the Bonds will be the fifteenth day of the month immediately preceding any interest payment date.

Redemption

The Bonds maturing on or after June 1, 2028 are subject to redemption prior to stated maturity on any date falling on or after June 1, 2027 (less than all of a single maturity to be selected by lot), in whole or in part, at a redemption price equal to the principal amount redeemed, plus accrued interest to the date of redemption. See "DESCRIPTION OF THE BONDS - Redemption Provisions - Optional Redemption" herein).

[The Bonds maturing on June 1, 20[] are subject to mandatory sinking fund redemption commencing June 1, 20[]. See "DESCRIPTION OF THE BONDS - Redemption Provisions- Mandatory Sinking Fund Redemption," herein.]

* Preliminary, subject to change as set out in the Official Terms and Conditions of Bond Sale.

If any Bonds are called for redemption, notice shall be given by mailing a copy of the redemption notice at least thirty days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed (see “DESCRIPTION OF THE BONDS - Redemption Provisions - Notice of Redemption,” herein).

Book Entry

The Bonds are issuable only as fully registered Bonds, without coupons. The Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Purchasers will not receive certificates representing their ownership interest in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of and interest due on the Bonds will be made directly to DTC. Principal of, redemption premium, if any, and interest on the Bonds will be paid directly to DTC by U.S. Bank National Association, Louisville, Kentucky, as Bond Registrar and Paying Agent (the “Registrar and Paying Agent”). See “APPENDIX E - Book Only Entry System.”

Tax Treatment

Under the laws, regulations, rulings, and judicial decisions in effect as of the date hereof, interest, including original issue discount, if any, on the Bonds is includible in gross income for Federal income tax purposes, pursuant to the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the Bonds is also exempt from income taxation and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. Bond Counsel expresses no other opinion as to the federal or state tax consequences of purchasing, holding or disposing of the Bonds.

The City has **not** designated the Bonds as “qualified tax-exempt obligations” with respect to certain financial institutions under Section 265 of the Code.

See Appendix D hereto for the form of the opinion of Bond Counsel to be delivered in connection with the Bonds.

Parties to the Issuance of the Bonds

The Registrar and Paying Agent is U.S. Bank National Association, Louisville, Kentucky. Legal matters incident to the issuance of the Bonds and with regard to the tax treatment status of the interest on the Bonds are subject to the approving legal opinion of Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel. The Underwriter is identified under the heading “UNDERWRITER.” The Financial Advisor to the City is First Kentucky Securities Corporation.

Authority for Issuance

Authority for the issuance of the Bonds is provided by Sections 66.011 through 66.171 of the Kentucky Revised Statutes and an ordinance for the Bonds adopted by the Fiscal Court of the City on September 17, 2019 (the “Bond Ordinance”).

Further, under Kentucky law, the City may not issue bonds which, together with all other net indebtedness of the City plus the principal amount of any outstanding self-supporting obligations, is in excess of ten percent (10.0%) of the value of the taxable property therein, as determined by the next preceding certified assessment. As described in “APPENDIX C - STATEMENT OF INDEBTEDNESS”, the issuance of the Bonds and the City’s other outstanding obligations is in compliance with this requirement. See “CITY GOVERNMENT - Debt Limitation” herein for additional information.

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued by the City. The Bonds will be delivered on or about March 11, 2020 in New York, New York through DTC.

Disclosure Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement and continuing disclosure documents of the City are intended to be made available through to the Electronic Municipal Market Access (“EMMA”) system as described in 1934 Act Release No. 59062, or any similar system that is acceptable to the Securities and Exchange Commission. Copies of the basic documentation relating to the Bonds, including the authorizing ordinance are available from the City.

Additional Information

Additional information concerning this Official Statement, as well as copies of the basic documentation relating to the Bonds, is available from First Kentucky Securities Corporation, Financial Advisor to the City of Owensboro, Kentucky, 1500 Leestown Road, Suite 330, Kentucky 40511, telephone (859) 425-1100, Attention: Stan Kramer.

DESCRIPTION OF THE BONDS

General

The Bonds are dated their date of initial issuance and delivery and bear interest from their dated date at the rates set forth on the cover page of this Official Statement, calculated on the basis of a 360 day year with 30 day months. The Bonds are being issued as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof.

The Bonds will bear interest at the rates set forth on the cover page hereof, payable semi-annually on June 1st and December 1st, beginning June 1, 2020.

Book Entry Only System

The Bonds initially will be issued solely in book-entry form to be held in the book-entry-only system maintained by DTC. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of Bonds and, except as otherwise provided herein with respect to tenders by Beneficial Owners of Beneficial Ownership Interests, each as hereinafter defined, Beneficial Owners will not be or be considered to be, and will not have any rights as, holders of the Bonds. For additional information about DTC and the book-entry-only system see "APPENDIX E - Book Entry Only System."

Redemption Provisions

Optional Redemption

The Bonds maturing on or after June 1, 2028 are subject to redemption prior to stated maturity on any date falling on or after June 1, 2027 (less than all of a single maturity to be selected by lot), in whole or in part, at a redemption price equal to the principal amount redeemed, plus accrued interest to the date of redemption.

[Mandatory Sinking Fund Redemption

The Bonds maturing on the dates set forth below are subject to mandatory sinking fund redemption prior to maturity at a redemption price equal to the principal amount to be redeemed, plus accrued interest to the redemption date, on the dates, in the years and in the principal amounts as follows:

Maturing June 1, 20[]

Date	Amount
June 1, 20[]	\$([])
June 1, 20[]*	\$([])
* Maturity]	

Notice of Redemption

If less than all Bonds that are payable by their terms on the same date are to be called, the particular Bonds or portions of Bonds payable on such same date and to be redeemed shall be selected by lot by the Registrar and Paying Agent, in such manner as the Registrar and Paying Agent in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof, and that, in selecting Bonds for redemption, the Registrar and Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

At least thirty days before the redemption date of any Bonds the Registrar and Paying Agent shall cause a notice of such redemption either in whole or in part, signed by the Registrar and Paying Agent, to be mailed, postage prepaid, to all registered owners of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books kept by the Registrar and Paying Agent, but failure so to mail any such notice to any owner shall not affect the validity of the proceedings for such redemption with respect to any other owner. Each such notice shall set forth the date fixed for

redemption, the redemption price to be paid and, if less than all of the Bonds being payable by their terms on a single date then outstanding shall be called for redemption, the distinctive numbers or letters, if any, of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date upon surrender of such Bonds, a new Bond in principal amount equal to the unredeemed portion of such Bonds will be issued.

On the date so designated for redemption, notice having been sent in the manner and under the conditions hereinabove provided and moneys for payment of the redemption price being held in separate accounts by the Registrar and Paying Agent for the holders of the Bonds or portions thereof to be redeemed, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, and the holders of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and to receive Bonds for any unredeemed portions of Bonds.

If at the time of mailing of notice of any optional redemption there shall not have been deposited with the Paying Agent and Registrar moneys in an amount sufficient to redeem all the Bonds called for redemption, such notice shall state that it is conditional in that it is subject to the deposit of such moneys with the Paying Agent and Registrar not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

In case part but not all of an outstanding Bond shall be selected for redemption, the registered owner thereof or his attorney or legal representative shall present and surrender such Bond to the Registrar and Paying Agent for payment of the principal amount hereof so called for redemption, and the City shall execute and the Registrar and Paying Agent shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond of the same maturity and bearing interest at the same rate.

Security and Source of Payment for Bonds

The Bonds are general obligations of the City and the full faith, credit, and taxing power of the City is irrevocably pledged to the payment of principal of and interest on the Bonds when due. Authority for the issuance of the Bonds is provided by Sections 66.011 through 66.171 of the Kentucky Revised Statutes and the Bond Ordinance.

The basic security for the general obligation debt of the City, including the Bonds, is the City's ability to levy, and its pledge to levy, an annual tax to pay the interest on and principal of the Bonds as and when the same become due and payable. The tax must be levied in sufficient amount to pay, as the same become due, the principal of and interest on the Bonds as well as the principal of and interest on all outstanding general obligation bonds of the City. The Constitution of the Commonwealth mandates the collection of a tax sufficient to pay the interest on an authorized indebtedness and the creation of a sinking fund for the payment of the principal thereof. The Bond Ordinance levies such annual tax which shall be collected to the extent other lawfully available monies of the City are not provided. The Bond Ordinance also creates or requires the maintenance of a sinking fund into which the proceeds of such tax or other lawfully available monies of the City are to be deposited for payment of the interest on and principal of the Bonds authorized by the Bond Ordinance and shall not be used for any other purpose.

Chapter 9 of the Federal Bankruptcy Code contains provisions relating to the adjustment of debts of a state's political subdivisions, public agencies and instrumentalities ("eligible entity"), such as the City. Under the Bankruptcy Code and in certain circumstances described therein, an eligible entity may be authorized to initiate Chapter 9 proceedings without prior notice to or consent of its creditors, which proceedings may result in material and adverse modification or alteration of the rights of its secured and unsecured creditors, including holders of its bonds and notes.

Section 66.400 of the Kentucky Revised Statutes permits a political subdivision, such as the City, for the purpose of enabling such subdivision to take advantage of the provisions of the Bankruptcy Code, and for that purpose only, to file a petition stating that the subdivision is insolvent or unable to meet its debts as they mature, and that it desires to effect a plan for the composition or readjustment of its debts, and to take such further proceedings as are set forth in the Bankruptcy Code as they relate to such subdivision. In addition, the City does not need the approval or permission of the State Local Debt Officer or any other governmental authority before availing itself of the bankruptcy process.

Statutory Lien

In April 2019, the Kentucky General Assembly enacted amendments to KRS Chapter 58 via Senate Bill 192 (the “2019 Amendments”) to provide a statutory lien on tax revenues pledged for the benefit of general obligation debt.

The 2019 Amendments creating the statutory lien, provide, among other things, that the tax revenues pledged for the repayment of principal of, premium and interest on all general obligation bonds and notes, whether or not the pledge is stated in the bonds and notes or in the proceedings authorizing the issue and the pledge constitutes a first lien on such tax revenues. In addition, the legislation creates a statutory lien on annual appropriations for the payment of obligations subject to annual renewal, including without limitation leases entered into under KRS Chapter 58 and KRS Chapter 65.

The validity and priority of the statutory lien have not been adjudicated in any Chapter 9 bankruptcy proceeding or otherwise.

THE PROJECTS

The Bonds are being issued for the purpose of (i) refunding, paying, and discharging the City of Owensboro, Kentucky General Obligation Refunding and Improvement Bonds, Series 2012B (the “Prior Bonds”) and (ii) paying the costs of issuing the Bonds. The proceeds of the Prior Bonds were used to (i) refund the outstanding principal amount of the City of Owensboro, Kentucky General Obligation Bond Anticipation Notes, Series 2009, the proceeds of which were used to finance, on an interim basis, a portion of the costs of a downtown revitalization project, (ii) financing a portion of the costs of the third phase of the downtown and riverfront redevelopment project, including construction of a convention center and surrounding infrastructure in the City, and (iii) paying the costs of issuing the Prior Bonds.

SOURCES AND USES OF FUNDS

Sources:

Par amount of Bonds	\$[_____]
[Plus][Less] original issue [premium][discount]	[_____]
Total Sources	\$[_____]

Uses:

Underwriter’s Discount	\$[_____]
Deposit to Escrow Fund	[_____]
Costs of Issuance	[_____]
Total Uses	\$[_____]

INVESTMENT CONSIDERATIONS

The following is a discussion of certain investment considerations for investors to consider of risks that could affect payments to be made with respect to the Bonds. Such discussion is not exhaustive and should be read in conjunction with all other parts of this Official Statement, and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Bonds should analyze carefully the information contained in this Official Statement, including the Appendices hereto, and additional information in the form of the complete documents summarized herein, copies of which are available as described in this Official Statement.

Limitation on Enforcement of Remedies

Enforcement of the remedies applicable to the Bonds under their authorizing Bond Ordinance may be limited or restricted by laws relating to bankruptcy and insolvency, and rights of creditors under application of general principles of equity, and may be substantially delayed in the event of litigation or statutory remedy procedures. All legal opinions delivered in connection with the Bonds relating to enforceability contain an exception relating to the limitations that may be imposed by bankruptcy and insolvency laws, and the rights of creditors under general principals of equity.

Risk of Bankruptcy

The obligations of the City under the Bonds and the Bond Ordinance are general obligations of the City and are secured only by the pledge to the bondholders of the City’s full faith, credit, and taxing power, any monies held in the City’s

Debt Sinking Fund (on a parity with other general obligation debt), the Bond Payment Fund established under the authorizing Bond Ordinance (the “Bond Payment Fund”), and the statutory lien provided by KRS 66.400. A bondholder’s enforcement of any remedies provided under an applicable Bond Ordinance may be limited or delayed in the event of application of federal bankruptcy laws or other laws affecting creditors’ rights and may be substantially delayed and subject to judicial discretion in the event of litigation or the required use of statutory remedial procedures. The validity and priority of the statutory lien provided under KRS 66.400 have not been adjudicated in any Chapter 9 bankruptcy proceeding or otherwise.

KRS 66.400 permits the City to file a petition for relief under Chapter 9 of Title 11 of the United States Code (the “Bankruptcy Code”) without the prior approval of any official or department of state government. If the City were to file such a petition, the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against the City and any interest in monies contained in the sinking fund, applicable Payment Fund, the City’s general fund revenues or the City’s taxing power. However, the petition does not stay the application of pledged special revenues as defined by the Bankruptcy Code.

During its bankruptcy, the City could use its property, including its tax receipts and proceeds thereof, but excluding pledged special revenues, for the benefit of the City’s bankruptcy estate despite the claims of its creditors. Notwithstanding the foregoing, it is possible that pledged special revenues could also be used by the City post-petition to pay certain operating expenses.

In a Chapter 9 proceeding under the Bankruptcy Code, only the City, and not any other creditor or party in interest, could file a proposed plan of adjustment. The plan is the vehicle for satisfying, and provides for the comprehensive treatment of, all claims against the City, and could result in the modification of rights of any class of creditors, secured or unsecured, and which modification of rights could be contrary to state law. To confirm a plan of adjustment, with one exception discussed below, it must be approved by the vote of each class of impaired creditors. A class approves a plan if, of those who vote, those holding more than one-half in number and at least two-thirds in amount vote in favor of a plan. If fewer than all of the impaired classes accept the plan, the plan may nevertheless be confirmed by the bankruptcy court, and all claims and interests would be bound thereby regardless of whether or how they voted. For this “cramdown” to occur, at least one of the impaired classes must vote to accept the plan and the bankruptcy court must determine that the plan does not “discriminate unfairly” and is “fair and equitable” with respect to the non-consenting class or classes. To be confirmed, the bankruptcy court must also determine that the plan, among other requirements, is proposed in good faith and is in the best interest of creditors such that the plan represents a reasonable effort by the City to satisfy its debts that is a better alternative than dismissal of the bankruptcy case. Unlike in Chapter 11, in Chapter 9 this standard does not include use of a liquidation analysis.

Generally speaking, the City would likely receive a discharge after (1) the plan is confirmed; (2) the City deposits any consideration to be distributed under the plan with a disbursing agent appointed by the bankruptcy court; and (3) the bankruptcy court determines that the securities deposited with the disbursing agent will constitute valid and legal obligations of the City and that any provision made to pay or secure payment of such obligations is valid.

Prospective bondholders should consult their legal counsel regarding the impact of a bankruptcy filing by the City on the payment and security of the Bonds.

Suitability of Investment

An investment in the Bonds involves a certain degree of risk. The interest rates borne by the Bonds is intended to compensate the investor for assuming this element of risk. Prospective investors should carefully examine this Official Statement, including the Appendices hereto, and assess their ability to bear the economic risk of such an investment and determine whether or not the Bonds are an appropriate investment for them.

Additional Debt

The City may from time to time issue additional general obligation bonds or notes. Such issuances of general obligation bonds or notes would increase debt service requirements and could adversely affect debt service coverage on the Bonds. See “DESCRIPTION OF THE BONDS - Security and Source of Payment for Bonds”.

General Economic Conditions

Adverse general economic conditions may result in, among other adverse circumstances, reduction in occupational license fee and general tax revenues or declines in investment portfolio values, resulting in increased funding requirements; negatively impacting the results of operations and the overall financial condition of the City.

Market for the Bonds

There is presently no secondary market for the Bonds and no assurance that a secondary market will develop. Consequently, investors may not be able to resell the Bonds purchased should they need or wish to do so for emergency or other purposes.

Bond Rating

There can be no assurance that the rating assigned to the Bonds at the time of issuance will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price for and marketability of the Bonds. See the information under the heading "RATING" herein for more information.

Tax Implications

Prospective purchasers of the Bonds may need to consult their own tax advisors before any purchase of the Bonds as to the impact of the Internal Revenue Code of 1986, as amended (the "Code"), upon their acquisition, holding, or disposition of the Bonds.

PROFILE OF THE ISSUER AND SURROUNDING AREA

Demographic, economic, and financial information with respect to the City and the surrounding area are set forth in Appendix A attached hereto.

CITY GOVERNMENT

Organization and Major Offices

The City operates pursuant to the general statutes of the Commonwealth of Kentucky governing municipalities.

Elected and Appointed Officials

The City operates under a City Manager form of government. The Owensboro Board of Commissioners (the "Board") is made up of a Mayor and four Commissioners elected at large by the citizens on a non-partisan ballot. The Mayor is elected for a four-year term and Commissioners for a two-year term. The Mayor and Commissioners have equal voting power.

The Board sets the policies that govern the City. It appoints advisory citizen groups that help in the decision making process. The City Manager is hired by the Board and is responsible for the day-to-day operations of the City's employees. The department managers are responsible for their various departments and report to the City Manager.

Financial Matters

The Finance and Support Services Director is the chief fiscal officer of the City, and is appointed by and serves at the pleasure of the Board. The Finance and Support Services Director is responsible for the accounting, collection, custody and disbursement of the funds of the City.

The City's fiscal year commences July 1st and ends the following June 30th.

The administrative functions of the City are performed by or under the supervision of the following:

1. Establishment of overall financial policy, the Board.
2. Planning and development, the Mayor and Manager.
3. Assessment of real and personal property, the Daviess County Property Valuation Administrator.
4. Financial control functions, the Manager and the Finance and Support Services Director.
5. Inspection and supervision of the accounts and reports of the City as required by law, by the Kentucky Auditor of Public Accounts and by independent certified public accountants.

Financial Management

The Board is responsible for appropriating the funds used to support the various City activities. The Board exercises its legislative powers by budgeting, appropriating, levying taxes, issuing bonds and notes, and letting contracts for public works and services to provide this financial management.

Financial Reports and Examinations of Accounts

Each city in the State is required to keep its accounting records and render financial reports in such a way as to: (a) determine compliance with statutory provisions; (b) determine fairly and with full disclosure the financial operations of consistent funds and account groups of the city in conformity with generally accepted governmental accounting principles; and (c) readily provide such financial data as may be required by the federal revenue sharing program.

Municipal accounting systems are required to be organized and operated on a fund basis. The City maintains its accounts and other fiscal records on an appropriation and modified accrual basis in accordance with the procedures established and prescribed by the Kentucky Department for Local Government.

As required by law, financial reports are prepared annually by the City and filed with the Kentucky Department of Local Government. Audits are required to be completed by the February 1st immediately following the fiscal year being audited.

The accounting procedures prescribed by the Kentucky Department of Local Government are generally applicable to all cities in Kentucky and may be different from generally accepted government accounting principles as presented and recommended in the National Council on Governmental Accounting publication "Governmental Accounting Auditing and Financial Reporting," and the Industry Audit Guide of the American Institute of Certified Public Accountants, entitled "Audits of State and Local Governmental Units." Those publications, among other things, provide for a modified accrual basis of accounting for the general fund, all special revenue funds and the debt service fund, and for a full accrual basis of accounting for all other funds, and further provide for the preparation for each fund of balance sheets, statements of revenues and expenditures, and statements showing changes in fund balances.

Budgeting and Appropriations Procedures

Detailed provisions for City budgeting, tax levies and appropriations are made in the Kentucky Revised Statutes. Cities are required to operate under an annual budget ordinance and no City may expend any moneys from a governmental or proprietary fund except in accordance with such budget. A budget proposal must be submitted to the City's legislative body no later than 30 days prior to the beginning of the fiscal year covered by the budget. No budget ordinance may be adopted which provides for appropriations to exceed revenues in a fiscal year. The full amount estimated to be required for debt service during the budget year must be appropriated.

Investment Policies

Section 66.480 of the Kentucky Revised Statutes sets forth the requirements and limitations for investments of the state's political subdivisions, including the City. Under that Section, the City must adopt an investment policy and may invest its funds only in the classifications of obligations which are eligible for investment, which are as follows:

- (a) Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, if delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian. These investments may be accomplished through repurchase agreements reached with sources including without limitation national or state banks chartered in Kentucky;
- (b) Obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States or a United States governmental agency, including without limitation:
 - 1. United States Treasury;
 - 2. Export-Import Bank of the United States;
 - 3. Farmers Home Administration;
 - 4. Governmental National Mortgage corporation; and
 - 5. Merchant Marine bonds;
- (c) Obligations of any corporation of the United States government, including without limitation:

1. Federal Home Loan Mortgage Corporation;
 2. Federal Farm Credit Banks;
 3. Bank for Cooperatives;
 4. Federal Intermediate Credit Banks;
 5. Federal Land Banks;
 6. Federal Home Loan Banks;
 7. Federal National Mortgage Association; and
 8. Tennessee Valley Authority;
- (d) Certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, by any obligations permitted by KRS 41.240(d);
- (e) Uncollateralized certificates of deposit issued by any bank or savings and loan institutions rated in one of the three highest categories by a nationally recognized rating agency;
- (f) Bankers' acceptances for banks rated in one of the three highest categories by a nationally recognized rating agency;
- (g) Commercial paper rated in the highest category by a nationally recognized rating agency;
- (h) Bonds or certificates of indebtedness of this state and of its agencies and instrumentalities;
- (i) Securities issued by a state or local government, or any instrumentality of agency thereof, in the United States, and rated in one of the three highest categories by a nationally recognized rating agency; and
- (j) Shares of mutual funds, each of which shall have the following characteristics;
1. The mutual fund shall be an open-end diversified investment company registered under the Federal Investment Company Act of 1940, as amended;
 2. The management company of the investment company shall have been in operation for at least five years; and
 3. All of the securities in the mutual fund shall be eligible investments pursuant to this section.

The City's current investment policy permits all investments permitted by the laws of the Commonwealth.

Debt Limitation

Kentucky Constitution Section 158 provides that cities having a population of more than fifteen thousand shall not incur indebtedness to an amount exceeding ten percent (10.0%) of the value of the taxable property therein, to be estimated by the last assessment previous to the incurring of the indebtedness.

The foregoing limitation does not apply to the issue of renewal bonds, bonds to fund the floating indebtedness of the City, or bonds issued in the case of an emergency, when the public health or safety should so require. Subject to the limits and conditions set forth in that section and elsewhere in the Constitution, the General Assembly has the power to establish additional limits on indebtedness and conditions under which debt may be incurred by the City.

KRS 66.041 provides the same limitations as are set forth in the Constitution, describing that the limitations apply to "net indebtedness." In calculating "net indebtedness," KRS 66.031 provides that certain obligations are not to be considered in the calculation, including self-supporting obligations, revenue bonds, and special assessment debt. (For a complete list of exempt debt see the Statement of Indebtedness attached in Appendix C.)

Appendix C of this Official Statement is a Statement of Indebtedness for the City, calculating the amount of the outstanding obligations of the City (including the Bonds) that are subject to the total direct debt limit (10.0% limit). The total principal amount of general obligation debt that could be issued by the City, subject to the 10.0% total direct debt limitation is \$379,001,277 and the City's net debt subject to such limitation presently outstanding (including the Bonds) is \$131,939,447* leaving a balance of \$247,061,830* borrowing capacity issuable within such limitation.

* Preliminary, subject to change.

However, as described below, the City's ability to incur debt in these amounts may be restricted by tax limitations. In the case of general obligation debt, both the debt limitations and tax limitations must be met.

Tax Limitation

The Kentucky Constitution Section 157 indirectly imposes a debt limitation on general obligation indebtedness of cities having a population of fifteen thousand or more by limiting the tax rates such cities may impose upon the value of taxable property to one dollar and fifty cents (\$1.50) on each hundred dollars of assessed valuation.

Section 159 of the Kentucky Constitution requires the adoption, at the time indebtedness is authorized, of an annual tax sufficient to pay the interest on contracted indebtedness and to retire indebtedness over a period not exceeding forty years. If the maximum tax rate will not result in the collection of sufficient taxes to pay indebtedness at the time the indebtedness is authorized, the two constitutional provisions operate as a limit on general obligation debt. Because this indirect debt limit results from tax limitations and the requirement to levy taxes to pay indebtedness, it has application only to debts which are payable from taxes either initially or in the event other pledged non-tax revenues prove to be insufficient. It does not have any application where the type of debt being issued does not pledge the credit of the City or when the debt is payable solely out of the revenues of non-tax sources, such as utility income. The tax rate limit also does not apply if the indebtedness was legally incurred (within both the direct and indirect limits) but a tax rate above the one dollar and fifty cents (\$1.50) limit becomes necessary to pay the indebtedness.

Bond Anticipation Notes

Under Kentucky law, notes, including renewal notes, issued in anticipation of and payable from the proceeds of general obligation bonds (or renewal notes) may be issued from time to time upon the same terms and conditions as bonds. The ability of the City to retire bond anticipation notes from the proceeds of the sale of either renewal notes or bonds will be dependent upon the marketability of such renewal notes or bonds under market conditions then prevailing when the bonds are issued or the notes are renewed.

Future Borrowings of the City

The City reserves the right to issue additional general obligation bonds in the future, although no such additional general obligation debt is presently contemplated.

LEGAL MATTERS

General Information

Legal matters incident to the issuance of the Bonds and with regard to the tax treatment of the same are subject to the approving legal opinion of Dinsmore & Shohl LLP, Bond Counsel. Upon delivery of the Bonds the Bonds will be accompanied by an approving opinion dated the date of such delivery, rendered by Dinsmore & Shohl LLP. A draft of the legal opinion is attached in Appendix D.

Bond Counsel has performed certain functions to assist the City in the preparation by the City of this Official Statement. However, Bond Counsel assumes no responsibility for, and will express no opinion regarding the accuracy or completeness of this Official Statement or any other information relating to the City or the Bonds that may be made available by the City or others.

The engagement of Bond Counsel is limited to the preparation of certain of the documents contained in the transcript of proceedings related to the Bonds, and an examination of such transcript of proceedings incident to rendering its legal opinion. Bond Counsel has reviewed the information in this Official Statement under Sections entitled "INTRODUCTION," "DESCRIPTION OF THE BONDS," "THE PROJECTS," "CITY GOVERNMENT - Debt Limitation" and "TAX LIMITATIONS" and "LEGAL MATTERS - General Information - Tax Matters," which review did not include any independent verification of financial statements and statistical data included therein, if any.

Transcript and Closing Certificates

A complete transcript of proceedings, a no-litigation certificate, and other appropriate closing documents will be delivered by the City when the Bonds are delivered to their respective original purchasers. The City will also provide to the original purchaser of the Bonds, at the time of such delivery, a certificate from the Mayor relating to the accuracy and completeness of this Official Statement.

Litigation

To the knowledge of the City, no litigation or administrative action or proceeding is pending or threatened directly affecting the Bonds, the security for the Bonds, or the improvements being refinanced from the proceeds of the Bonds. A No-Litigation Certificate to that effect will be delivered to the purchaser at the time of the delivery of the Bonds.

Tax Treatment

In the opinion of Bond Counsel for the Bonds, based upon an analysis of existing laws, regulations, rulings, and court decisions, interest on the Bonds will be includable in gross income for Federal and Kentucky income tax purposes. Bond Counsel for the Bonds is of the opinion that Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.

The City has **not** designated the Bonds as “qualified tax-exempt obligations” with respect to certain financial institutions under Section 265 of the Code.

A copy of the opinion of Bond Counsel for the Bonds is set forth in Appendix D, attached hereto.

General

The following is a summary of the principal federal income tax consequences relating to the acquisition, ownership and disposition of the Bonds for certain U.S. Holders (as defined below). It does not provide a complete analysis of all potential tax considerations relating to the acquisition, ownership, and disposition of the Bonds. This summary is based on the tax laws of the United States, including the current provisions of the Code, its legislative history, current final, temporary and proposed Treasury regulations thereunder, published rulings and pronouncements of the IRS and court decisions, all as currently in effect and all of which are subject to change at any time, possibly with retroactive effect, so as to result in federal income tax consequences different from those described below. There can be no assurance that the IRS will not take a contrary view or that a court would not sustain a contrary view, and no ruling from the IRS has been, or is expected to be, sought on the issues discussed herein. Legislative, judicial, or administrative changes or interpretations may occur that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may or may not be retroactive and could affect the tax consequences discussed below.

EACH PROSPECTIVE PURCHASER SHOULD SEEK ADVICE BASED ON THE PROSPECTIVE PURCHASER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR. THIS SUMMARY DOES NOT ADDRESS FEDERAL GIFT, GENERATION SKIPPING, OR ESTATE TAX CONSEQUENCES OR ALTERNATIVE MINIMUM, FOREIGN, STATE, LOCAL, OR OTHER TAX CONSEQUENCES, NOR DOES THIS SUMMARY ADDRESS FEDERAL INCOME TAX CONSEQUENCES FOR BONDHOLDERS OTHER THAN U.S. HOLDERS (AS DEFINED BELOW). EACH PROSPECTIVE PURCHASER CONSIDERING THE PURCHASE OF BONDS SHOULD CONSULT ITS OWN TAX ADVISOR CONCERNING THESE MATTERS AND CONCERNING THE TAX TREATMENT OF BONDS UNDER STATE AND LOCAL TAX LAWS AND REGULATIONS.

The following summary deals only with Bonds held as capital assets within the meaning of Section 1221 of the Code (generally assets that are held for investment rather than as inventory or as property used in a trade or business) and not with special classes of holders, such as dealers in securities or currencies, financial institutions, insurance companies, S corporations, grantor trusts, certain former citizens or residents of the United States, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, dealers, persons holding Bonds as part of a hedging transaction, straddle, conversion transaction, synthetic security transaction, or other risk reduction or integrated transaction, persons whose functional currency is not the U.S. dollar, persons who acquire the Bonds in connection with their employment or other performance of services, tax-exempt persons, mutual funds, small business investment companies, real estate mortgage investment conduits, or real estate investment trusts.

If a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) acquires Bonds, the federal income tax treatment of a partner generally will depend on the status of the partner and the activities of the partnership. A partnership holding Bonds, and partners in such a partnership, should consult its and their own tax advisors with regard to the federal income tax consequences of the acquisition, ownership, and disposition of the Bonds by the partnership.

The federal income tax discussion that appears below is included in this Official Statement for the general information of a prospective purchaser. Some or all of the discussion may not apply to a particular purchaser depending upon the particular situation of that purchaser. Each prospective purchaser should consult its own tax advisor concerning the tax

consequences to such purchaser of owning and disposing of the Bonds, including the tax consequences under state, local, and other tax laws and the possible effects of changes in federal or other tax laws.

As used in this Official Statement, the term “U.S. Holder” means a beneficial owner of a Bond that is, for federal income tax purposes (a) a citizen or resident of the United States for federal income tax purposes; (b) a corporation (or other entity treated as a corporation for federal income tax purposes) created or organized in or under the laws of the United States, any of the states thereof or the District of Columbia; (c) an estate, the income of which is includible in gross income for federal income tax purposes regardless of its source; (d) a trust that is subject to the supervision of a court within the United States and one or more United States persons as described in Section 7701(a)(30) of the Code has the authority to control all of the substantial decisions with respect to such trust; or (e) certain trusts with a valid election in effect under applicable Treasury regulations to be treated as a United States person within the meaning of the Code.

Notwithstanding the rules described below, it should be noted that, under law enacted in December 2017 that is effective for tax years beginning after December 31, 2018 in the case of original issue discount, certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain, and loss with respect to the Bonds at the time that such income, gain, or loss is recognized on such financial statements instead of under the rules described below. However, recently proposed regulations permit a taxpayer to apply the rules described below rather than the applicable financial statement regime as long as the taxpayer consistently applies all the rules of the proposed regulation to all items of income during the taxable year.

BECAUSE INDIVIDUAL CIRCUMSTANCES MAY DIFFER, PROSPECTIVE PURCHASERS AND BENEFICIAL OWNERS OF THE BONDS ARE STRONGLY URGED TO CONSULT WITH THEIR OWN TAX ADVISORS WITH RESPECT TO THEIR PARTICULAR TAX SITUATIONS AND AS TO ANY FEDERAL, FOREIGN, STATE, LOCAL, OR OTHER TAX CONSIDERATIONS (INCLUDING ANY POSSIBLE CHANGES IN TAX LAW) AFFECTING THE ACQUISITION, OWNERSHIP, AND DISPOSITION OF THE BONDS.

Tax Status of the Bonds

The Bonds are taxable debt instruments for federal income tax purposes. As such, interest on the Bonds is not excludible from the gross income of Bondholders under Section 103 of the Code and will be fully subject to federal income taxation.

Interest

Interest on the Bonds will be taxable to a Bondholder as ordinary interest income. A Bondholder using the accrual method of accounting for federal income tax purposes generally must include such interest in income as the interest accrues, while a Bondholder using the cash receipts and disbursements method of accounting generally must include such interest in income when payments are actually or constructively received. There is an exception if the Bondholder makes a constant yield election (“Constant Yield Election”) and for original issue discount.

Original Issue Discount Income

A Bond will have original issue discount (“OID”) if it is acquired by a Bondholder at its original issuance at a discount, other than a specific de minimis discount. For purposes of this Tax Matters section, a Bond having OID is referred to as an “OID Bond.” A Bond is purchased at a discount if the “stated redemption price at maturity” (“SRPM”) of such Bond exceeds the Bond’s “issue price.” Such excess is also the amount of OID. The SRPM of a bond generally will be equal to the sum of all payments, whether principal or interest, to be made on the bond other than “Qualified Stated Interest” payments. Under applicable regulations, “Qualified Stated Interest” payments are stated interest payments based on a single fixed rate of interest or, under certain circumstances, a variable rate tied to an objective index, that are actually and unconditionally payable in cash or property (other than a debt instrument of the issuer) at fixed periodic intervals of one year or less during the entire term of the bond. In general, the “issue price” of a bond is the initial offering price to the public at which a substantial amount of bonds are sold, ignoring sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers. The discount is de minimis if it is less than 0.25% of the Bond’s SRPM multiplied by the number of years to the Bond’s maturity. For the treatment of Bonds with de minimis OID (see “–De Minimis OID”).

Bondholders will include OID in ordinary income in accordance with special tax accounting rules for original issue discount obligations provided by the Code and U.S. Treasury Regulations (the “OID Regulations”). In general, and regardless of whether a Bondholder uses the cash or accrual method of tax accounting, the OID Regulations require that Bondholders of OID Bonds with a maturity greater than one year include in ordinary gross income the sum of the “daily portions” of

original issue discount on that Bond for all days during the taxable year that such Bondholder owns the Bond. The daily portions are computed using the constant yield method (except in certain circumstances explained in the OID Regulations). The constant yield method provides that the daily portions of original issue discount on OID Bonds are determined by allocating to each day in any accrual period a ratable portion of the original issue discount allocable to that period. Accrual periods may be of any length and may vary in length over the term of the OID Bonds, provided that each accrual period is not longer than one year and each scheduled payment of principal or interest occurs either on the first or last day of an accrual period. The amount of original issue discount on OID Bonds allocable to each accrual period is generally determined by (a) calculating the product of (1) the “adjusted issue price” of the OID Bond at the beginning of the accrual period multiplied by a (2) a fraction, the numerator of which is the “yield to maturity” of the OID Bond and the denominator of which is the number of accrual periods in a year and (b) subtracting from that product, the amount, if any, payable as Qualified Stated Interest allocable to that accrual period. The “adjusted issue price” of an OID Bond at the beginning of any accrual period will generally be the sum of the issue price of the OID Bond and the amount of original issue discount allocable to all prior accrual periods (determined without regard to the amortization of any acquisition or bond premium, as described below), reduced by the amount of all prior payments made on the OID Bond, other than Qualified Stated Interest, on or before the first day of the accrual period. The yield to maturity of an OID Bond is the discount rate (appropriately adjusted to reflect the length of accrual periods) that causes the sum of the present values on the OID Bond to equal the issue price.

All payments on an OID Bond (other than Qualified Stated Interest) will generally be viewed first as payments of previously accrued original issue discount, with payments considered made from the earliest accrual periods first, and then as a payment of principal.

As described in “– Constant Yield Election”, a Bondholder may make an irrevocable election to include in income its entire return on a Bond, including payments of Qualified Stated Interest and OID.

De Minimis OID

If a Bond has de minimis OID, Bondholders generally must include the de minimis OID in ordinary income as stated principal payments on the Bond are made. The amount of de minimis original issue discount includible in income with respect to each principal payment on the Bonds equals the product of the total amount of de minimis original issue discount on the Bond and a fraction, the numerator of which is the amount of principal payment made and the denominator of which is the stated principal amount of the Bond. Any amount of de minimis original issue discount included in income upon sale, exchange, retirement or other taxable disposition of a bond will be treated as capital gain if the Bond is a capital asset in the holder’s hands.

Constant Yield Election

Under applicable regulations, a Bondholder may elect to include in gross income all income that accrues on a Bond (including stated interest, acquisition discount, market discount, de minimis market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium) in accordance with the constant yield method. Bondholders should consult their own tax advisors about how this election would apply to them.

Market Discount

A Bond purchased by a Bondholder after its original issue at a price lower than the Bond’s SRPM (or its “revised issue price” in the case of an OID Bond, i.e., its issue price increased for the aggregate original issue discount included in income by all holders prior to its acquisition by the Bondholder) will be considered to bear “market discount” in an amount equal to such difference except if the difference is less than a specific de minimis amount. The market discount is de minimis if it is less than the product of 0.25% of the Bond’s stated principal amount, multiplied by the remaining number of years to maturity for such Bond at the time of purchase.

In general, any partial payment of principal or any gain recognized on the maturity or disposition of a Bond having market discount will be treated as ordinary income to the extent that the gain does not exceed the “accrued market discount” on such Bond. Generally, the accrued market discount will be the total market discount on a Bond multiplied by a fraction, the numerator of which is the number of days the Bondholder held the Bond and the denominator of which is the number of days from the date the Bondholder acquired the Bond until its maturity date. A Bondholder may elect, however, to determine accrued market discount under the constant-yield method.

Bondholders who acquire Bonds at a market discount may be required to defer, until the maturity date of such Bonds or the earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the Bondholder paid or accrued during the taxable year on indebtedness incurred or continued to purchase or carry a Bond in excess of the

aggregate amount of interest (including original issue discount) includible in such Bondholder's gross income for the taxable year with respect to such Bond. The amount of such net direct interest expense deferred in a taxable year will not exceed the amount of market discount accrued on the Bond for the days during the taxable year on which the Bondholder held the Bond and, in general, would be deductible when such market discount is includible in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the Bondholder elects to include such market discount in income currently as described above.

If the Bond is disposed of in a nontaxable transaction (other than as provided in Code Section 1276(c) and (d)), accrued market discount will be includible as ordinary income to the Bondholder as if the holder had sold the Bond at its then fair market value. Alternatively, a Bondholder may elect to recognize market discount as ordinary income currently as it accrues (on either a ratable or constant-yield basis), in lieu of treating a portion of any gain realized on a sale of the Bond as ordinary income. The adjusted basis of a Bond subject to this election will be increased to reflect market discount included in income, thereby reducing any gain or increasing any loss on a sale or taxable disposition. Also, if a Bondholder elects to include market discount on a current basis, the interest deduction deferral rule described above do not apply. If a Bondholder does make such election, it will apply to all market discount debt instruments that a Bondholder acquires on or after the first day of the first taxable year to which the election applies. The election may not be revoked without the consent of the IRS.

Acquisition Premium; Amortizable Bond Premium

A Bondholder that purchases a Bond for an amount that is greater than its adjusted issue price but equal to or less than the sum of all amounts payable on the Bond after the purchase date other than payments of payments of Qualified Stated Interest will be considered to have purchased the Bond at an acquisition premium. Under the acquisition premium rules, the amount of original issue discount that the holder must include in its gross income for the Bond for any taxable year will be reduced (but not below zero) by the portion of acquisition premium properly allocable to that year.

If a Bondholder purchases a Bond for an amount in excess of the sum of all amounts payable on the Bond after the acquisition date (other than payments of Qualified Stated Interest), the Bondholder will be considered to have purchased the Bond with amortizable Bond premium equal in amount to that excess and may elect to amortize this premium over the remaining term of the Bond, based on the Bondholder's yield to maturity for the Bond as determined under the Bond premium rules. If the Bond is redeemable prior to maturity, the amount of amortizable premium is determined with reference either to the amount payable on maturity or, if it results in a smaller premium attributable to the earlier redemption period, with reference to the amount payable on the earlier redemption date. A Bondholder may generally use the amortizable Bond premium allocable to an accrual period to offset Qualified Stated Interest required to be included in the Bondholder's income for the Bond in that accrual period. Under applicable regulations, if the amortizable Bond premium allocable to an accrual period exceeds the amount of Qualified Stated Interest allocable to the accrual period, the excess would be allowed as a deduction for the accrual period, but only to the extent of the Bondholder's prior interest inclusions on the Bond. Any excess is generally carried forward and allocable to the next accrual period. A Bondholder who elects to amortize Bond premium must reduce his, her or its tax basis in the Bond by the amount of the premium amortized during the holding period of the Bondholder, as further described below under "– Sale, Exchange, Retirement, or Other Taxable Disposition of Bonds." An election to amortize Bond premium applies to all taxable debt obligations held by the Bondholder on or after the beginning of the first taxable year to which the election applies and may be revoked only with the consent of the IRS. Applicable regulations provide limited automatic consent for a Bondholder to change its method of accounting for Bond premium to the constant yield method if the change is made for the first taxable year (by a statement on the relevant return) for which the Bondholder must account for a Bond under those regulations. If a Bondholder does not elect to amortize Bond premium, the amount of premium will be included in its tax basis in the Bond; therefore, such premium generally would produce a capital loss, which capital loss may be subject to limitations on deductibility.

Sale, Exchange, Retirement, or Other Taxable Disposition of Bonds

Upon the sale, exchange, redemption, retirement, or other taxable disposition of a Bond, a Bondholder generally will recognize gain or loss equal to the difference between (i) the amount of cash proceeds and the fair market value of any property received for the Bond (which excludes payments for accrued interest not previously reported in income), and (ii) the Bondholder's adjusted basis in the Bond or applicable portion of the adjusted basis. The Bondholder's adjusted basis generally will equal the cost of the Bond to the Bondholder, increased by any original issue discount and market discount previously included in the Bondholder's ordinary income for the Bond and reduced by any principal payments on the Bond previously received by the holder and by any amortizable Bond premium used to offset Qualified Stated Interest and certain other amortizable Bond premium allowed as a deduction under the regulations described above under the section entitled "–

Acquisition Premium; Amortizable Bond Premium.” Except as discussed above under the section entitled “– Market Discount” for Bonds with market discount, or to the extent cash received is attributable to accrued Qualified Stated Interest, any gain or loss recognized upon a sale, exchange, redemption, retirement, or other disposition of a Bond will be capital gain or loss and will be long-term capital gain or loss if the Bondholder’s holding period in the Bond exceeds one year on the date of the disposition. The deductibility of capital losses is subject to limitations. Prospective investors should consult their tax advisors regarding the treatment of capital gains and losses as it applies to them.

Defeasance or Material Modification

The legal defeasance or other significant modification of Bonds may result in a deemed disposition of such Bonds and a deemed reissuance of a “new” Bond to the Bondholder for federal income tax purposes, in which event a Bondholder will recognize taxable gain or loss equal to the difference between the amount realized from the deemed exchange and the Bondholder’s adjusted tax basis in the Bond. The “new” Bond deemed reissued in such a defeasance or significant modification may be treated as issued with original issue discount in an amount equal to the excess, if any, of the stated principal amount of the “new” Bond over its deemed issue price. Prospective investors should consult their tax advisors regarding the tax consequences of a defeasance or material modification of the Bonds.

Medicare Tax

The income of a Bondholder that is an individual, certain trusts or an estate from a Bond is potentially subject to the 3.8% Medicare tax under Section 1411 of the Code. Bondholders are urged to consult with their tax advisors regarding the applicability of the Medicare tax to income and gains in respect of their investment in the Bonds.

Backup Withholding and Information Reporting

A backup withholding tax, currently at a 24% rate, and information reporting requirements generally apply to specified payments of principal, premium and interest (including original issue discount in some instances) made to, and to the proceeds of sale before maturity by, Bondholders (other than certain exempt recipients, such as organizations exempt from taxation under Section 501(a) of the Code) who fail to provide and certify certain identifying information (e.g., the holder’s taxpayer identification number) in the required manner. Under current Treasury regulations, backup withholding will not apply to payments made on a Bond or proceeds from the sale of a Bond if the Bondholder:

- (a) provides its U.S. taxpayer identification number (typically on IRS Form W-9 or a successor form), certifies that it is a U.S. person, and certifies that (1) it is exempt from backup withholding, (2) it has not been notified by the IRS that it is subject to backup withholding or (3) it has been notified by the IRS that it is no longer subject to backup withholding; or
- (b) establishes an exemption from backup withholding.

Any amounts withheld from a payment to a Bondholder under the backup withholding rules will be refunded or credited against that Bondholder’s federal income tax liability. The amount of any “reportable payments” for each calendar year and the amount of tax withheld, if any, with respect to those payments will be reported to the Bondholders of the Bonds and to the IRS.

RATING

The Bonds have been rated “[Rating]” by Moody’s Investor’s Service, Inc. (“Moody’s”). The rating reflects only the view of the rating agency and any explanation of the significance of the rating may be obtained only from the rating agency. Generally, a rating agency bases its rating on information and materials furnished to it and on investigations, studies and assumptions made by the rating agency. There is no assurance that the rating will continue for any given period of time or that the rating will not be revised downward or withdrawn entirely if, in the judgment of the applicable rating agency, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE

In accordance with the Securities and Exchange Commission Rule 15c2-12 (the “Rule”) and so long as the Bonds are outstanding, the City (the “Obligated Person”) agrees pursuant to an Undertaking (the “Disclosure Undertaking”), to cause the following information to be provided:

- (i) to the Municipal Securities Rulemaking Board (“MSRB”), for each fiscal year of the City, (a) the operating data of the City for such fiscal year that is included within this Official Statement that is also included in the Comprehensive Annual Financial Report of the City, which at a minimum shall include (1) tax levies, rates, and collections, (2), assessed valuation, and (3) the City’s indebtedness (with respect to direct debt only); and (b) audited financial statements prepared in accordance with generally accepted accounting principles as applied to governmental units, generally consistent with the information contained in “Appendix B” of this Official Statement and which may also be included in the Comprehensive Annual Financial Report of the City; all such information shall be provided on or before January 25th following the fiscal year ending on the preceding June 30th, commencing with the fiscal year ended June 30, 2020, provided that the audited financial statements may not be available by such date, but will be made available immediately upon delivery thereof by the auditor to the Obligated Person;

- (ii) to the MSRB through EMMA, in a timely manner, not in excess of ten business days after the occurrence of the event, notice of the occurrence of the following events with respect to the Bonds:
 - (a) Principal and interest payment delinquencies;
 - (b) Non-payment related defaults, if material;
 - (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (e) Substitution of credit or liquidity providers, or their failure to perform;
 - (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security;
 - (g) Modifications to rights of security holders, if material;
 - (h) Bond calls, if material, and tender offers (except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event);
 - (i) Defeasances;
 - (j) Release, substitution or sale of property securing repayment of the securities, if material;
 - (k) Rating changes;
 - (l) Bankruptcy, insolvency, receivership or similar event of the obligated person (Note: For the purposes of this event, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person);
 - (m) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (o) Incurrence of a Financial Obligation of the City or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City or obligated person, any of which affect security holders, if material; and
 - (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City or obligated person, any of which reflect financial difficulties.

- (iii) in a timely manner, to the MSRB through EMMA, notice of a failure (of which the Obligated Persons have knowledge) of the Obligated Person to provide the required Annual Financial Information on or before the date specified in the Disclosure Agreement.

“Financial Obligation” shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either (a) or (b). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The Disclosure Undertaking provides bondholders, including beneficial owners of the Bonds, with certain enforcement rights in the event of a failure by the Obligated Person to comply with the terms thereof; however, a default under the Disclosure Undertaking does not constitute an event of default under the Bond Ordinance for the Bonds. The Disclosure Undertaking may also be amended or terminated under certain circumstances in accordance with the Rule, accompanied with an opinion of nationally recognized bond counsel, as more fully described therein.

For purposes of this transaction with respect to events as set forth in the Rule:

- (a) there are no debt service reserve funds applicable to the Bonds;
- (b) there are no credit enhancements applicable to the Bonds;
- (c) there are no liquidity providers applicable to the Bonds; and
- (d) there is no property securing the repayment of the Bonds.

The City has entered into previous disclosure undertakings regarding its general obligation debt under the Rule. To the best of the City's knowledge, the City has been in compliance with its continuing disclosure undertakings for the past five years, with the following exceptions: the Comprehensive Annual Financing Report (audit) and operating data for the City's Fiscal Year 2016 were filed past the date set forth in the City's governing continuing disclosure undertakings, as were the related failure to file notices. Information for Fiscal Year 2016 was published after the date set forth in the City's governing continuing disclosure agreements. In addition, certain prior undertakings provided for continuing disclosure of debt service schedules for certain Bonds. There has been no change in these schedules since the initial filing, so these disclosures have not been updated on EMMA. Certain demographic and economic and tax information related to Daviess County, Kentucky, contained in Official Statement Appendices which were the subject of prior continuing disclosure undertakings do not constitute operating data of the City and the City has not updated this data on EMMA. Other demographic and economic and tax information related to the City has been updated by inclusion in the annual audited financial report.

The City has also entered into previous disclosure undertakings regarding water and sewer revenue bonds and notes and electric revenue bonds and notes. These utilities are operated by Owensboro Municipal Utilities. In the past five years there have been numerous rating actions reported by Moody's Investors Service, Standard & Poor's Rating Corporation and Fitch Ratings affecting the municipal bond insurance companies, some of which had insured bonds previously issued by the City and its related utility revenue entities. Due to widespread knowledge of these rating actions, material event notices were not filed by the City in every instance.

UNDERWRITING

The Bonds are being purchased for reoffering by [____] (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at an aggregate purchase price of \$[____] (reflecting the par amount of the Bonds, plus original issue premium of \$[____], less underwriter's discount of \$[____]). The initial public offering prices which produce the yields set forth on the cover page of this Official Statement may be changed by the Underwriter and the Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the offering prices which produce the yields set forth on the cover page.

FINANCIAL ADVISOR

First Kentucky Securities Corporation, Lexington, Kentucky, has acted as Financial Advisor to the City in connection with the issuance of the Bonds and will receive a fee, payable from bond proceeds, for their services as Financial Advisor, contingent upon the issuance and sale of the Bonds.

LEGAL MATTERS

General Information

Legal matters incident to the issuance of the Bonds and with regard to the tax treatment thereof are subject to the approving legal opinion of Dinsmore & Shohl LLP, Bond Counsel. Upon delivery of the Bonds the Bonds will be accompanied by an approving opinion dated the date of such delivery, rendered by Dinsmore & Shohl LLP. A draft of each such legal opinion is attached in Appendix D.

Bond Counsel has performed certain functions to assist the City in the preparation by the City of this Official Statement. However, Bond Counsel assumes no responsibility for, and will express no opinion regarding the accuracy or completeness of this Official Statement or any other information relating to the City or the Bonds that may be made available by the City or others.

The engagement of Bond Counsel is limited to the preparation of certain of the documents contained in the transcript of proceedings related to the Bonds, and an examination of such transcript of proceedings incident to rendering its legal opinion. Bond Counsel has reviewed the information in this Official Statement under Sections entitled "INTRODUCTION," "DESCRIPTION OF THE BONDS," "THE PROJECT," "CITY GOVERNMENT - Debt Limitation" and "TAX LIMITATIONS" and "LEGAL MATTERS - General Information - Tax Treatment," which review did not include any independent verification of financial statements and statistical data included therein, if any.

Transcript and Closing Certificates

A complete transcript of proceedings, a no-litigation certificate, and other appropriate closing documents will be delivered by the City when the Bonds are delivered to the original purchaser. The City will also provide to the original purchaser, at the time of such delivery, a certificate from the Mayor relating to the accuracy and completeness of this Official Statement.

MISCELLANEOUS

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the City from official and other sources and is believed by the City to be reliable, but such information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the holders of the Bonds.

[Signature page to follow]

[SIGNATURE PAGE TO OFFICIAL STATEMENT]

This Official Statement has been duly executed and delivered for and on behalf of the City of Owensboro, Kentucky, by its Mayor.

Dated _____, 2020

CITY OF OWENSBORO, KENTUCKY

By: _____
Mayor

APPENDIX A

**CITY OF OWENSBORO, KENTUCKY
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019E**

DEMOGRAPHIC, ECONOMIC, AND FINANCIAL DATA

[This page intentionally left blank]

City of Owensboro

General Information

Owensboro, originally known as “Yellowbanks” in reference to the color of the soil along the Ohio River banks, was first settled in 1797. By 1810, David Morton had opened a general store and population of the settlement grew to 100 by 1815. An 1817 Act of the Kentucky Legislature incorporated the town as “Owensborough”, later shortened to “Owensboro.” The Owensboro area has grown steadily, while retaining the “small town quality” of a friendly city of warm-hearted and hospitable people. Owensboro ranks as Kentucky’s fourth largest city in terms of population and is the industrial and cultural capital of western Kentucky.

In August 2019, 24/7 Wall Street reported Daviess County the best place to retire in Kentucky. In 2015, SmartAsset.com said Kentucky was best state for early retirees to call home.

A 2017 USA Today article ranked Owensboro #11 in the country for percentage of new mortgages being closed by millennials, citing our recent downtown makeover as one of the factors attracting this demographic.

In 2017 Owensboro ranked 17th in The Best Place to Work in Manufacturing by SmartAsset.com. This is based on manufacturing as a percent of workforce, job growth, income growth, and income after housing.

In 2016 Milken Institute named Owensboro as one of the Best-Performing Cities by how well they are creating and sustaining jobs and economic growth. The components include job, wage and salary, and technology growth.

In 2013, Owensboro was named an All-American city by the National Civic League, one of only ten communities selected nationwide. Forbes Magazine ranked Owensboro #6 on their 2013 “Best Small Cities for Jobs” rankings and #62 “Best Small Places for Business and Careers,” including a #24 in job growth and #37 ranking for “Low Cost of Doing Business.” Other recent national recognitions include being named Kentucky’s representative on Money Magazine #93 ranking on their Top 100 list of “America’s Best Places to Live.”

Location & Transportation



Owensboro lies on the southern banks of the Ohio River, one of the nation’s major waterways, in the western Kentucky coal field region. It is situated 32 miles southeast of Evansville, IN; 123 miles north of Nashville, TN; and 109 miles southwest of Louisville, KY and has direct access via highway, rail, river and air. The William H. Natcher Bridge connects to the four-lane route north, Interstate 64 in Indiana, where work is continuing on the I-69 spur. The William Natcher Parkway South has recently been redesignated I-165, linking Owensboro to I-65. The Owensboro–Daviess County Regional Airport serves access to the national air transportation system and has recently positioned itself to receive \$1 million in Federal Aviation Administration funding.

Education

Quality education is a priority and education facilities in the area abound. The Owensboro Independent and Daviess County public school districts, and the parochial school system provide elementary, middle and secondary school students with a quality education. The average student-teacher ratio for the public schools is 20-and 25-to-1. In 2018,

Owensboro Independent had a graduation rate of 85.7% and an in-state college-going rate of 51%. In 2018, Daviess County had a graduation rate of 92.8% and an in-state college-going rate of 64%.



Brescia University and Kentucky Wesleyan College are four-year education institutions offering Bachelor of Science and Arts degrees. Both schools made the 2020 U.S. News & World Report's Best Regional Colleges in the South list. The University of Louisville School of Nursing facilitates a BSN (Bachelor of Science degree in Nursing) and a MEPN (Master's Entry into Professional Nursing) program locally in conjunction with Owensboro Health System. Owensboro Community and Technical College offers two-year Associate of Arts and Science degrees, and several doctoral degree programs via telecommunications. Graduate programs are offered through Brescia, Western Kentucky University and Murray State University. Western Kentucky University-Owensboro offers a host of undergraduate and graduate degree programs on their recently expanded Owensboro campus. These programs provide area residents with the opportunity to earn post-graduate degrees without leaving the city.

Medical Facilities



Owensboro Health is a nonprofit health system with a mission to heal the sick and to improve the health of the communities it serves in Kentucky and Indiana. The system includes Owensboro Health Regional Hospital, nationally

recognized for design, architecture and engineering and the only hospital in the world to be designated a Signature Sanctuary by Audubon International; Owensboro Health Muhlenberg Community Hospital; the Owensboro Health Medical Group comprised of over 200 providers at more than 20 locations; three outpatient Healthplex facilities, a certified medical fitness facility, the Healthpark; a surgical weight loss center and program, and the Mitchell Memorial Cancer Center. The \$385 million, 477 -bed state-of-the-art hospital facility opened June 1, 2013. OHRH leads two key initiatives for cancer research in the Owensboro region, and is accredited by the Commission on Cancer of the American College of Surgeons as a Comprehensive Cancer Center. For more information, visit OwensboroHealth.org.

Arts, Entertainment & Recreation

Owensboro offers a wide range of cultural and recreational activities. The City has everything from live performances of the Owensboro Symphony Orchestra to fishing on a nearby lake. Cultural activities play a major role in the everyday lives of Owensboro residents and visitors. The Owensboro RiverPark Center, a performing arts civic center boasts a 1,500 seat multi-purpose auditorium, and experimental theatre, a riverfront plaza, and an open-air courtyard, meeting/reception rooms. The City is also home to the Owensboro Museum of Fine Arts and the Owensboro Museum of Science and History, as well as the Owensboro Symphony Orchestra.

In Fall 2018, The Bluegrass Music Hall of Fame & Museum opened its new facility in the City's newly redeveloped downtown area. It is a cultural destination which strives to be the world center for the presentation of the history, culture, and future of bluegrass music. With a state-of-the-art facility designed for exhibits and live music, the Hall of Fame presents concerts on two stages, displays and preserves artifacts of the genre, and teaches hundreds how to play bluegrass music through educational programming.



The City offers a wide range of recreational activities, including hiking and biking trails, golfing at one of the two municipal golf courses, playing tennis at the City's new Tennis Facility that has indoor and outdoor courts, ice-skating in the only year-round municipal ice arena in Kentucky, softball, football and soccer. The City maintains two swimming pools and 3 sprayparks.

The City has twenty-four parks. Two are especially notable: Smothers Park and Legion Park. Smothers Park was built as part of the City's downtown revitalization and includes the Lazy Dayz Children's Playground, **named the #1 playground in the world by the Landscape Architects Network in 2013.** Legion Park, an older, well-maintained park, recently received new playground equipment, a zipline and dog park, enhancements to a beautiful park that features basketball courts, a walking trail, playground equipment, and covered shelters.



Owensboro hosts many local, state, regional and national softball and baseball tournaments at the softball complex located at Jack C. Fisher Park, which is getting a renovation this year.

Economic Development

Over the years, the City has been proactive in annexing land into the city corporate boundaries through incentive programs. The city annexed over 338 acres for three large commercial developments that are all performing well. Of recent, an 81-acre residential development has been annexed. The city is currently in the process of executing several smaller annexations.

The City has also has two incentive agreements with the State of Kentucky. The State has approved two Tax Increment Financing Districts (TIFs) for the City; the Gateway Commons TIF on highway 54 and the Downtown Riverfront TIF. A TIF district reallocates funds from property taxes to encourage investment within the district. The State will be reimbursing the City for taxes (sales tax, payroll withholding and property tax) generated in the TIF designated areas. The City is slated to receive up to \$20.5 million for the Gateway Commons TIF and up to \$24.5 million for the Downtown Riverfront TIF.

Demographics

Total Population

	2013	2014	2015	2016	2017
Labor Market Area	494,508	495,272	496,711	497,330	496,673
Daviess County	98,311	98,416	99,333	99,674	100,374
Owensboro	58,442	58,512	59,088	59,273	59,404

Source: U.S. Department of Commerce, Bureau of the Census, Annual Estimates.

Population by Selected Age Groups, 2017

	Daviness County		Labor Market Area	
	Number	Percent	Number	Percent
Under 16	21,849	21.8	100,611	20.3
16-24	10,809	10.8	55,859	11.2
25-44	24,690	24.6	123,179	24.8
45-64	26,315	26.2	132,772	26.7
65-84	14,490	14.4	73,440	14.8
85 and older	2,221	2.2	10,812	2.2
Median Age	38.8		39.9	

Source: U.S. Department of Commerce, Bureau of the Census.

Population by Race and Hispanic Origin, 2017

	Daviness County		Labor Market Area	
	Number	Percent	Number	Percent
White	91,397	91.1	449,003	90.4
Black or African American	4,916	4.9	29,470	5.9
Am. Indian & Alaska Native	167	0.2	1,348	0.3
Asian	1,637	1.6	6,358	1.3
Native Hawaiian & other Pacific Islander	140	0.1	555	0.1
Other/Multi-race	2,117	2.1	9,939	2.0
Hispanic Origin	3,049	3.0	12,965	2.6

Note: Hispanic is not a race category. A person can be white, black or African American, etc. and be of Hispanic origin.

Source: U.S. Department of Commerce, Bureau of the Census.

Population Projections

	2020	2025	2030	2035
Daviness County	102,033	104,517	106,676	108,502

Source: Kentucky State Data Center, University of Louisville.

Per Capita Personal Income

	2011	2016	Pct. Change
Daviness County	\$35,246	\$39,641	12.5 %
Kentucky	\$33,989	\$38,926	14.5 %
U.S.	\$41,560	\$49,246	18.5 %
Labor Market Area Range	\$26,519- \$41,726	\$30,656- \$49,836	

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Households

	2016		2016
	Number of Households	Persons Per Household	Median Household Income
Daviess County	39,282	2.44	\$46,675

Source: U.S. Department of Commerce, Bureau of the Census.

Workforce

Civilian Labor Force

	Daviess County		Labor Market Area	
	2018	Apr. 2019	2018	Apr. 2019
Civilian Labor Force	48,018	47,816	243,650	244,121
Employed	46,121	46,170	234,618	236,415
Unemployed	1,897	1,646	9,032	7,706
Unemployment Rate (%)	4.0	3.4	3.7	3.2

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Unemployment Rate (%)

Year	Daviess County	Labor Market Area	Kentucky	U.S.
2014	5.7	5.8	6.5	6.2
2015	4.7	4.7	5.4	5.3
2016	4.5	4.5	5.0	4.9
2017	4.4	4.0	4.9	4.4
2018	4.0	3.7	4.3	3.9

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Commuting Patterns

Residents of Daviess County	2015	Percent
Working and Residing In County	27,448	68.0
Commuting Out of County	12,935	32.0
Total Residents	40,383	100.0
Employees in		
Working and Residing In County	27,448	63.2
Commuting Into County	15,952	36.8
Total Employees	43,400	100.0

Source: U.S. Department of Commerce, Bureau of the Census, Journey-To-Work & Migration Statistics Branch. Note: Data for Kentucky and its border states only.

Business & Industry

Summary of Recent Locations and Expansions, 2016-Present

	Companies	Jobs	Reported Investment
Manufacturing Location	1	10	\$8,100,000
Manufacturing Expansion	18	420	\$219,662,271
Service & Technology Location	1	830	\$6,400,000
Service & Technology Expansion	4	42	\$13,665,000

Note: Totals include announced locations and expansions.
Source: Kentucky Cabinet for Economic Development (September 04, 2019).

Employment by Major Industry by Place of Work, 2017

	Daviess County		Labor Market Area	
	Employment	Percent	Employment	Percent
Total All Industries	49,503	100.0	238,157	100.0
Total Private Industries	41,180	83.2	196,510	82.5
Natural Resources and Mining	317	0.6	2,679	1.1
Construction	2,116	4.3	12,594	5.3
Manufacturing	6,641	13.4	35,047	14.7
Trade, Transportation and Utilities	9,327	18.8	42,583	17.9
Information	297	0.6	1,990	0.8
Financial Activities	3,597	7.3	9,080	3.8
Professional and Business Services	3,913	7.9	22,930	9.6
Education and Health Services	8,839	17.9	39,300	16.5
Leisure and Hospitality	4,910	9.9	23,333	9.8
Other Services and Unclassified	1,223	2.5	6,966	2.9

Source: JobsEQ, Chmura Economics.

Top 20 by Employment

Firm	Product(s)/Service(s)	Emp.	Year Established
Alorica Inc	Customer management and back office support for clients in the automotive, energy, financial services, government, healthcare, telecommunications, technology, and media sectors.	250	2017
Boardwalk Pipeline Partners	Headquarters; natural gas transmissions company	217	1960
Canteen Service Co	Headquarters: vending services, coffee and food service management	275	1977
Dart Polymers Inc	Polystyrene pellets & EPS	180	1983
Glenmore Distillery, The	Whiskey, gin, vodka, wines, brandy & cocktail bottling	425	1869
Hunter Douglas Inc	Window coverings and components	177	1981
Kimberly-Clark Corporation	Commercial facial tissue, bath tissue and towel products.	340	1993
Metalsa Structural Products Inc	Steel pickup truck frames (Tundra and Sequoia) and cradles (Highlanders & Sierra)	240	1997
Mizkan America Inc	Tomato-based pasta sauces, pizza sauces, dairy-based Alfredo sauces, cheese sauce - All packaged in glass or plastic jars under the Ragu and Bertolli brand names.	400	1975
MPD Inc	Commercial tubes & components, microwave & police radar equipment, breath analyzers, ceramics & ceramic to metal seals	210	1987
Southern Star Central Gas Pipeline Inc	Headquarters	200	2004
Specialty Foods Group Inc aka Field Packing Division	Processed meat products	643	1915
Swedish Match North America	Smokeless tobacco products	345	1973
Titan Contracting & Leasing Company Inc	Power Plant Construction and Maintenance Services, Fabrication, Storage tank, natural gas or oil, tank farm or field construction, specialty mechanical services.	300	1985
Toyotetsu Mid America LLC	Automotive stampings and welded assemblies	588	2002
UniFirst Corporation	Uniform distribution	450	1998
US Bank Home Mortgage	Loan servicing, correspondent lending risk services, data center.	600	1992
Valor Oil LLC	Distributor of petroleum products, green fuels, and racing fuels. Headquarters location.	180	1938
Yager Materials LLC	Ready-mixed concrete, crushed limestone, sand & gravel	192	1914
Philpot			
Hines Precision	Precision metal stampings, deep draw stampings, wire forms & strip forms	170	1966

Source: Kentucky Cabinet for Economic Development (September 04, 2019).

CITY OF OWENSBORO TAX BASE INFORMATION

<u>Year</u>	<u>Real Estate</u>	<u>Tangible Personal (1)</u>	<u>Real Estate Franchise</u>	<u>Tangible Franchise</u>	<u>Total Assessed Value</u>
19/20	\$3,356,393,570	\$361,491,684	\$35,185,458	\$36,942,062	\$3,790,012,774
18/19	3,214,327,234	337,315,942	34,342,615	34,884,526	3,620,870,317
17/18	3,102,696,394	359,094,721	28,160,491	36,527,086	3,526,478,692
16/17	3,009,034,677	340,470,231	26,200,486	40,905,796	3,416,611,190
15/16	2,902,109,087	344,568,191	23,942,484	31,495,873	3,302,115,635

(1) Does Not Include Motor Vehicles and Watercraft.

ASSESSMENT RATES (PER \$100.00 ASSESSED VALUATION)

<u>Year</u>	<u>Real Estate</u>	<u>Tangible Personal</u>	<u>Real Estate Franchise</u>	<u>Tangible Franchise</u>	<u>Motor Vehicles</u>	<u>Watercraft</u>
19/20	.2660	.2674	.2660	.2674	.3030	.3030
18/19	.2660	.2809	.2660	.2809	.3030	.3030
17/18	.2620	.2530	.2620	.2530	.3030	.3030
16/17	.2593	.2565	.2593	.2565	.3030	.3030
15/16	.2593	.2631	.2593	.2631	.3030	.3030

TAX COLLECTIONS (AS OF 11/31/20)

<u>Year</u>	<u>Total Charges</u>	<u>Collected</u>
19/20	\$11,701,490	\$10,906,892
18/19	11,331,311	11,115,298
17/18	10,954,577	10,790,492
16/17	10,615,127	10,589,761
15/16	10,339,452	10,351,329

LARGEST CITY CORPORATE TAXPAYERS (2019)

<u>Name</u>	<u>Assessed Valuation</u>
Wal-Mart	\$51,913,082
Atmos Energy	37,035,418
Toyotetsu Mid America	36,220,418
Meijer Store Limited Partnership	25,929,144
Dart Container Corporation	23,128,928
Vereit MT Owensboro KY LLC	23,200,000
Owensboro Grain Company LLC	22,804,619
Unifirst Corporation	22,136,229
US Bank National Association	20,589,104
Menards Inc.	16,106,761

APPENDIX B
CITY OF OWENSBORO, KENTUCKY
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019E

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF OWENSBORO, KENTUCKY
FOR THE FISCAL YEAR ENDING JUNE 30, 2019

The Comprehensive Annual Financing Report for the City's fiscal year ending June 30, 2019 is available for download at:
<https://www.owensboro.org/assets/files/City-of-Owensboro-Comprehensive-Annual-Financial-Report-12.23.19.pdf>.

Note: The entire Comprehensive Annual Financing Report for the City's fiscal year ending June 30, 2019 is included in this Appendix B (including its audited financial statements for that period). Potential purchasers of the Bonds are reminded that the Bonds are secured solely by, and payable solely from, the tax revenues of the City as described in the forepart of this Official Statement and that revenues described in the enclosed audited financial statements for funds other than the City's general fund have not been pledged and are not legally required to be available to pay debt service on the Bonds.

[This page intentionally left blank]

APPENDIX C

**CITY OF OWENSBORO, KENTUCKY
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019E**

STATEMENT OF INDEBTEDNESS OF FINANCE AND SUPPORT SERVICES DIRECTOR

[This page intentionally left blank]

STATEMENT OF INDEBTEDNESS
 KY CONST. §§157 and 158
 KRS §66.041

COMMONWEALTH OF KENTUCKY)
) SS
 COUNTY OF DAVIESS)

The undersigned Finance and Support Services Director of the City of Owensboro, Commonwealth of Kentucky, does hereby certify that the following statements concerning the financial condition of said City are true and correct as they appear from records of the City:

1. The assessed valuation of all the taxable property in the City as estimated on the last certified assessment is	\$3,790,012,774
2. The current population of the City is	59,809
3. The total of all bonds, notes and other obligations currently issued and outstanding, including the estimated issue of the Bonds:	\$390,825,662 ^{1*}
4. Bonds and Bond Anticipation Notes, notes and other obligations excluded from the calculation of net indebtedness are as follows:	
(a) Obligations issued in anticipation of the levy or collection of special assessments which are payable solely from those assessments or are otherwise self-supporting obligations	- 0
(b) Obligations issued in anticipation of the collection of current taxes or revenues for the fiscal year which are payable within that fiscal year	- 0
(c) Obligations, which are not self-supporting obligations, issued after July 15, 1996 by any instrumentality of the City created for the purpose of financing public projects for which there has been no pledge to the payment of debt charges of any tax of the City or for which there is no covenant by the City to collect or levy tax to pay debt charges	- 0
(d) Self-supporting obligations and other obligations for which there has been no pledge to the payment of debt charges of any tax of the City or for which there is no covenant by the City to collect or levy a tax to pay debt charges	\$258,886,215 ¹
(e) Obligations issued to pay costs of public projects to the extent they are issued in anticipation of the receipt of, and are payable as to principal from, federal or state grants within that fiscal year	- 0
(f) Leases entered into under KRS 65.940 to 65.956 after July 15, 1996 which are not tax-supported leases	- 0
(g) Bonds and Bond Anticipation Notes issued in the case of an emergency, when the public health or safety should so require	- 0
(h) Bonds and Bond Anticipation Notes issued to fund a floating indebtedness	<u>\$</u> -0
TOTAL EXEMPT OBLIGATIONS	\$258,886,215

¹ Includes \$214,226,371 of revenue debt issued by the City for the Owensboro Municipal Utilities and the Owensboro Riverport Authority.
 * Preliminary, subject to change.

5. The total of Bonds and Bond Anticipation Notes, notes and other obligations subject to the debt limitation set forth in KRS 66.041 (3 minus 4) is \$131,939,447**
6. The total of Bonds and Bond Anticipation Notes, notes and other obligations subject to the debt limitation set forth in KRS 66.041 as computed in 5 above, does not exceed 10% of the assessed valuation of all the taxable property in the City.*
7. The current tax rate of the City, for other than school purposes, upon the value of the taxable property therein is \$0.2660 which does not exceed the maximum permissible tax rate for the City as set forth in Section 157 of the Kentucky Constitution.
8. The issuance of the Bonds and Bond Anticipation Notes, notes or other obligations set forth in 3 hereof will not cause the tax rate set forth in 7 hereof to increase in an amount which would exceed the maximum permissible tax rate for the City as set forth in Section 157 of the Kentucky Constitution.

IN WITNESS WHEREOF, I have hereunto set my hand this March 11, 2020.

/s/ _____
 Angela Hamric
 Finance and Support Services Director

** Preliminary, subject to change.

*Per KRS 66.041, a city, urban-county, consolidated local government, or charter county shall not incur net indebtedness to an amount exceeding the following maximum percentages on the value of taxable property within the city, urban-county, consolidated local government, or charter county, as estimated by the last certified assessment previous to the incurring of the indebtedness:

- (a) Cities, urban-counties, consolidated local governments, and charter counties having a population of fifteen thousand (15,000) or more, ten percent (10%);
- (b) Cities, urban-counties, and charter counties having a population of less than fifteen thousand (15,000) but not less than three thousand, five percent (5%); and
- (c) Cities, urban-counties, and charter counties having a population of less than three thousand (3,000), three percent (3%).

APPENDIX D

**CITY OF OWENSBORO, KENTUCKY
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019E**

FORM OF LEGAL APPROVING OPINION OF BOND COUNSEL

[This page intentionally left blank]

The form of the legal approving opinion of Dinsmore & Shohl LLP, bond counsel, is set forth below. The actual opinion will be delivered on the date of delivery of the Bonds referred to therein and may vary from the form set forth to reflect circumstances both factual and legal at the time of its delivery. Recirculation of the Final Official Statement shall create no implication that Dinsmore & Shohl LLP has reviewed any of the matters set forth in the opinion after the date of the opinion.

[Date of delivery]

Ladies and Gentlemen:

We have examined the transcript submitted relating to the issue of \$36,830,000* Taxable General Obligation Refunding Bonds, Series 2019E (the “Bonds”) of the City of Owensboro, Kentucky (the “City”), dated the date of their initial delivery, numbered RE-1 upward and of the denomination of \$5,000 and any integral multiple thereof. The Bonds mature, bear interest, and are subject to mandatory and optional redemption upon the terms set forth therein. We have also examined a specimen Bond.

Based on this examination, we are of the opinion, based upon laws, regulations, rulings, and decisions in effect on the date hereof, that:

1. The Bonds constitute valid obligations of the City in accordance with their terms, which unless paid from other sources, are payable from taxes to be levied by the City without limitation as to rate.
2. Under the laws, regulations, rulings, and judicial decisions in effect as of the date hereof, interest on the Bonds is included in gross income for Federal and Kentucky income tax purposes. The Bonds are not subject to ad valorem taxation by the Commonwealth of Kentucky or by any political subdivision thereof. We express no other opinion as to the federal or state tax consequences of purchasing, holding, or disposing of the Bonds.

The City has **not** designated the Bonds as “qualified tax-exempt obligations” with respect to investments by certain financial institutions under Section 265 of the Code.

In giving this opinion, we have relied upon covenants and certifications of facts, estimates, and expectations made by officials of the City and others contained in the transcript which we have not independently verified. It is to be understood that the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium, and other laws in effect from time to time affecting creditors’ rights, and to the exercise of judicial discretion.

Very truly yours,

* Preliminary, subject to change as set out in the Official Terms and Condition of Bond Sale.

APPENDIX E

**CITY OF OWENSBORO, KENTUCKY
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019E**

BOOK ONLY ENTRY SYSTEM

[This page intentionally left blank]

APPENDIX E

CITY OF OWENSBORO, KENTUCKY TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019E

BOOK-ENTRY-ONLY SYSTEM

The Bonds initially will be issued solely in book entry form to be held in the book-entry only system maintained by DTC, New York, NY. So long as such book entry system is used, only DTC will receive or have the right to receive physical delivery of Bonds and, except as otherwise provided herein with respect to Beneficial Owners (as defined below) of beneficial ownership interests, Beneficial Owners will not be or be considered to be, and will not have any rights as, owners or holders of the Bonds under the applicable Bond Ordinance.

The following information about the book-entry only system applicable to the Bonds has been supplied by DTC. Neither the City nor the Registrar and Paying Agent make any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond for each maturity will be issued and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except if use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements

among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and Paying Agent and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Registrar and Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by the Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participant and not of DTC or its nominee, the Registrar and Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Registrar and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Registrar and Paying Agent and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Registrar and Paying Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Registrar and Paying Agent's DTC account.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable but neither the City nor the Registrar and Paying Agent take any responsibility for the accuracy thereof.

NEITHER THE CITY NOR THE REGISTRAR AND PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE REGISTRAR AND PAYING AGENT AS BEING A HOLDER WITH RESPECT TO: (1) THE BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PURCHASE PRICE OF TENDERED BONDS OR THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS; (4) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESPECTIVE BOND ORDINANCE TO BE GIVEN TO HOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

Each Beneficial Owner for whom a Direct Participant or Indirect Participant acquires an interest in the Bonds, as nominee, may desire to make arrangements with such Direct Participant or Indirect Participant to receive a credit balance in the records of such Direct Participant or Indirect Participant, to have all notices of redemption, elections to tender Bonds or other communications to or by DTC which may affect such Beneficial Owner forwarded in writing by such Direct Participant or Indirect Participant, and to have notification made of all debt service payments.

Beneficial Owners may be charged a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation to any transfer or exchange of their interests in the Bonds.

The City and the Registrar and Paying Agent cannot and do not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of debt service on the Bonds made to DTC or its nominee as the registered owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement.

DTC may determine to discontinue providing its service as securities depository with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, the applicable Bond Ordinance provides for issuance of fully registered Bonds (“Replacement Bonds”) directly to the Beneficial Owners of Bonds, other than DTC or its nominee, only if DTC resigns or is removed as the securities depository for the Bonds. Upon the occurrence of this event, the City and the Registrar and Paying Agent may appoint another qualified depository. If the City and the Registrar and Paying Agent fail to appoint a successor depository, the Bonds shall be withdrawn from DTC and issued in fully registered form, whereupon the City shall execute and the Registrar and Paying Agent, as authenticating agent, shall authenticate and deliver Replacement Bonds in the denomination of \$5,000 or integral multiples thereof. The City will pay for all costs and expenses of printing, executing and authenticating the Replacement Bonds. Transfer and exchange of such Replacement Bonds will be made as provided in the applicable Bond Ordinance.

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC’S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE ISSUER BELIEVES TO BE RELIABLE, BUT THE ISSUER TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

APPENDIX F

**CITY OF OWENSBORO, KENTUCKY
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019E**

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

[This page intentionally left blank]

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

\$36,830,000*

City of Owensboro, Kentucky Taxable General Obligation Refunding Bonds, Series 2019E

Notice is hereby given that electronic bids will be received by the City of Owensboro, Kentucky (the "City"), until 11:00 a.m., local time on February 26, 2020, (or at such later time and date announced at least forty-eight hours in advance via the BiDCOMP™/PARITY™ system) for the purchase of approximately \$36,830,000* of the City's Taxable General Obligation Refunding Bonds, Series 2019E (the "Bonds"). Alternatively, written sealed or facsimile bids for the Bonds by the designated time will be received by the Finance and Support Services Director, City of Owensboro, Kentucky, 101 East 4th Street, Owensboro, Kentucky 42303 (FAX: (270) 687-8526). Electronic bids must be submitted through BiDCOMP™/PARITY™ as described herein and no other provider of electronic bidding services will be accepted. Bids will be opened and acted upon later that same day.

STATUTORY AUTHORITY, PURPOSE OF ISSUE AND SECURITY

These Bonds are authorized pursuant to Sections 66.011 to 66.181, inclusive, of the Kentucky Revised Statutes and are being issued in accordance with a Bond Ordinance (the "Bond Ordinance") adopted by the City on September 17, 2019. The Bonds are general obligation bonds and constitute a direct indebtedness of the City.

The Bonds are secured by the City's ability to levy and its pledge to levy an ad valorem tax on all property within the City in a sufficient amount to pay the principal of and interest on the Bonds when due.

The Bonds are being issued for the purpose of (i) refunding, paying, and discharging the City of Owensboro, Kentucky General Obligation Refunding and Improvement Bonds, Series 2012B (the "Prior Bonds") and (ii) paying the costs of issuing the Bonds. The proceeds of the Prior Bonds were used to (i) refund the outstanding principal amount of the City of Owensboro, Kentucky General Obligation Bond Anticipation Notes, Series 2009 (the "Prior Notes"), the proceeds of which were used to finance, on an interim basis, a portion of the costs of a downtown revitalization project, (ii) financing a portion of the costs of the third phase of the downtown and riverfront redevelopment project, including construction of a convention center and surrounding infrastructure in the City, and (iii) paying the costs of issuing the Prior Bonds.

BOND MATURITIES AND PAYING AGENT

The Bonds will be dated their date of initial delivery, bearing interest from such date, payable on each on June 1st and June 1st, commencing with June 1, 2020.

The Bonds are scheduled to mature on June 1st, in each of the years as follows:

MATURITY

Maturity	Amount*	Maturity	Amount*
June 1, 2020	\$1,330,000	June 1, 2032	\$1,595,000
June 1, 2021	1,295,000	June 1, 2033	1,630,000
June 1, 2022	1,310,000	June 1, 2034	1,670,000
June 1, 2023	1,330,000	June 1, 2035	1,715,000
June 1, 2024	1,355,000	June 1, 2036	1,755,000
June 1, 2025	1,380,000	June 1, 2037	1,805,000
June 1, 2026	1,405,000	June 1, 2038	1,855,000
June 1, 2027	1,430,000	June 1, 2039	1,905,000
June 1, 2028	1,455,000	June 1, 2040	1,960,000
June 1, 2029	1,490,000	June 1, 2041	2,015,000
June 1, 2030	1,520,000	June 1, 2042	2,070,000
June 1, 2031	1,555,000		

The Bonds maturing on and after June 1, 2028 shall be subject to optional redemption prior to their maturity on any date on or after June 1, 2027, in whole or in part, in such order of maturity as may be selected by the City and by lot within a

* Preliminary, subject to change as set forth herein.

maturity at a redemption price equal to the principal amount of Bonds to be redeemed, plus accrued interest to the date of redemption.

At least thirty days before the redemption date of any Bonds, the Paying Agent and Registrar shall cause a notice of such redemption either in whole or in part, signed by the Paying Agent and Registrar, to be mailed, first class, postage prepaid, to all registered owners of the Bonds to be redeemed at their addresses as they appear on the registration books kept by the Paying Agent and Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption of Bonds for which such notice has been sent. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds being payable by their terms on a single date then outstanding shall be called for redemption, the distinctive number or letters, if any, of such Bonds to be redeemed.

U.S. Bank National Association, Louisville, Kentucky, has been appointed Paying Agent and Registrar for the Bonds.

BIDDING CONDITIONS AND RESTRICTIONS

The terms and conditions of the sale of the Bonds are as follows:

(A) Electronic bids for the Bonds must be submitted through BiDCOMP™/PARITY™ system and no other provider of electronic bidding services will be accepted. Subscription to the BiDCOMP™/PARITY™ Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidders to subscribe. For the purposes of the bidding process, the time as maintained by BiDCOMP™/PARITY™ shall constitute the official time with respect to all bids whether in electronic or written form. To the extent any instructions or directions set forth in BiDCOMP™/PARITY™ conflict with the terms of the Official Terms and Conditions of Bond Sale, this Official Terms and Conditions of Bond Sale shall prevail. Electronic bids made through the facilities of BiDCOMP™/PARITY™ shall be deemed an offer to purchase in response to the Notice of Bond Sale and shall be binding upon the bidders as if made by signed, sealed written bids delivered to the City. The City shall not be responsible for any malfunction or mistake made by or as a result of the use of the electronic bidding facilities provided and maintained by BiDCOMP™/PARITY™. The use of BiDCOMP™/PARITY™ facilities are at the sole risk of the prospective bidders. Notwithstanding the foregoing non-electronic bids may be submitted via facsimile or by hand delivery utilizing the Official Bid Form. Written sealed bids (in a sealed envelope marked "Official Bid for Bonds") or facsimile bids for the Bonds by the designated time will be received by the Finance and Support Services Director, City of Owensboro, Kentucky, 101 East 4th Street, Owensboro, Kentucky 42303.

(B) Bidders are required to bid for the entire issue of Bonds at a minimum price of not less than \$36,093,400 (98.0% of par) and not more than \$38,671,500 (105.0% of par) (excluding original issue discount, if applicable), PAYABLE IN IMMEDIATELY AVAILABLE FUNDS.

(C) Interest rates for the Bonds must be in multiples of one-eighth of one percent (0.125%) and/or one-twentieth of one percent (0.05%), which rates must be on an ascending scale, in that the rate on the Bonds in any maturity is not less than the rate on the applicable Bonds for any preceding maturity and all Bonds of the same maturity and all Bonds of the same maturity shall bear the same and a single interest rate from the date thereof to maturity.

(D) The determination of the best purchase bid for the Bonds shall be made on the basis of all bids submitted for exactly \$36,830,000 principal amount of Bonds offered for sale hereunder; but the City may adjust the principal amount of Bonds which may be awarded to such best bidder upward or downward by \$3,685,000 (10%) (the "Permitted Adjustment"). In the event of such Permitted Adjustment, no rebidding or recalculation of a submitted bid will be required or permitted. The price of which such adjusted principal amount of Bonds will be sold will be the same price per \$1,000 of Bonds as the price per \$1,000 for the \$36,830,000 of Bonds bid.

While it is the City's intention to sell and issue the approximate par amounts of the Bonds as set forth herein, there is no guarantee that adjustments and/or revisions may not be necessary in order to properly size the Bonds. Accordingly, the City reserves the right in its sole discretion to adjust up or down the original par amount of the Bonds per maturity, even if the issue size of the Bonds does not change. Among other factors the City may (but shall be under no obligation to) consider in sizing the par amounts and individual maturities of the Bonds, is the size of individual maturities or sinking fund installments, assuring level debt service, and/or other preferences of the City.

(E) In the event of any such adjustment and/or revision with respect to the Bonds, no rebidding will be permitted, and the portion of such premium or discount (as may have been bid on the Bonds) shall be adjusted in the same

proportion as the amount of such revision in par amount of the Bonds bears to the original par amount of such Bonds offered for sale.

Unless bids for the Bonds are rejected, the Bonds will be awarded on an all or none basis on the sale date to the bidder whose bid result in the lowest true interest costs for the Bonds, to be calculated by computing the total interest payable on the Bonds from the expected date of delivery, through the final maturity date, plus discount or less premium. For purposes of calculating the true interest cost, the principal amount of any Term Bonds scheduled for mandatory sinking fund redemption as part of the Term Bond shall be treated as a serial maturity in such year for the Bonds. If two or more bidders offer to purchase the Bonds at the same lowest true interest rate, the Mayor or the Finance and Support Services Director, upon the advice of the City Finance Officer/Treasurer shall determine (in his or her sole discretion) which of the bidders shall be awarded the Bonds.

The successful bidder for the Bonds will be notified by no later than 5:00 p.m. (Eastern Standard Time), on the sale date of the exact revisions and/or adjustment required, if any.

(F) Bidders have the option of specifying that Bonds maturing in any two or more consecutive years may, in lieu of maturing in each of such years, be combined to comprise one or more maturities of Bonds scheduled to mature in the latest of such year and be subject to mandatory sinking fund redemption at par in each of the years and in the principal amounts of such term Bonds scheduled in the year of maturity of the term Bonds, which principal amount shall mature in that year.

(G) The CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the successful bidder or bidders. Improper imprintation or the failure to imprint CUSIP numbers shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with the terms of any accepted proposal for the purchase of the Bonds.

(H) The City will provide to the successful purchaser a Final Official Statement in accordance with SEC Rule 15c2-12. A final Official Statement will be provided in Electronic Form to the successful bidder, in sufficient time to meet the delivery requirements of the successful bidder under SEC and Municipal Securities Rulemaking Board Delivery Requirements. The successful bidder will be required to pay for the printing of Final Official Statements.

(I) Bids need not be accompanied by a certified or bank cashier's good faith check, but the successful bidder will be required to wire transfer to the order of the City an amount equal to 2% of the amount of the principal amount of Bonds awarded by the close of business on the day following the award. Said good faith amount will be forfeited as liquidated damages in the event of a failure of the successful bidder to take delivery of such Bonds when ready. The good-faith amount will be applied (without interest) to the purchase price upon delivery of the Bonds. The successful bidder shall not be required to take delivery and pay for the Bonds unless delivery is made within 45 days from the date the bid is accepted.

(J) Unless the successful bidder elects to notify the Financial Advisor within twenty-four hours of the award that standard bond certificates be issued, the Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. They will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. Purchases of the Bonds under the DTC system must be made by or through securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations (the "Direct Participants"), which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (a "Beneficial Owner") is in turn to be recorded on the records of Direct Participants or securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant (the "Indirect Participants"). Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except if use of the book-entry system for the Bonds is discontinued. The successful bidder may also elect to notify the Financial Advisor within twenty-four (24) hours of the award that standard bond certificates be issued. If certificated Bonds are to be issued at the election of a successful bidder, the costs of printing such Bond Certificates shall be borne by such bidder.

(K) The City reserves the right to reject any and all bids or to waive any informality in any bid. The Bonds are offered for sale subject to the principal and interest on the Bonds being subject to Federal and Kentucky income taxation, but

not subject to Kentucky ad valorem taxation on the date of their delivery to the successful bidder, all in accordance with the final approving legal opinion of Dinsmore & Shohl LLP, Covington, Kentucky, which opinion will be qualified in accordance with the section hereof on TAX MATTERS.

(L) Bidders are advised that First Kentucky Securities Corporation has been employed as Financial Advisor in connection with the issuance of the Bonds. Their fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery thereof. They may submit a bid for the purchase of the Bonds at the time of the advertised public sale, either individually or as a member of a syndicate organized to submit a bid for the purchase of the Bonds.

(M) Additional information, including the Preliminary Official Statement, the Official Terms and Conditions of Bond Sale and the Official Bid Form, may be obtained from the City's Financial Advisor, First Kentucky Securities Corporation, Financial Advisor to the City of Owensboro, Kentucky, 1500 Leestown Road, Suite 330, Lexington, Kentucky 40511, telephone (859) 425-1100, Attention: Stan Kramer. Further information regarding BiDCOMP™/PARITY™ may be obtained from BiDCOMP™/PARITY™, 1359 Broadway - 2nd Floor, New York, NY 10018, Telephone: (800) 850-7422.

(N) At the election and cost of the purchaser of the Bonds, one or more maturities of the Bonds may be insured under a municipal bond insurance policy. In such event, the City agrees to cooperate with the purchaser to qualify the Bonds for bond insurance; however the City will not assume any of the expenses incident to the issuance of such a bond insurance policy, other than the costs for securing a rating of the Bonds.

CONTINUING DISCLOSURE

In accordance with Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule") the City (the "Obligated Person") will agree pursuant to a Continuing Disclosure Undertaking dated as of the date of issuance and delivery of the Bonds (the "Disclosure Undertaking"), to cause the following information to be provided:

- (i) to the Municipal Securities Rulemaking Board ("MSRB"), for each fiscal year of the City, (a) the operating data of the City for such fiscal year that is included within this Official Statement that is also included in the Comprehensive Annual Financial Report of the City, which at a minimum shall include (1) tax levies, rates, and collections, (2), assessed valuation, and (3) the City's indebtedness (with respect to direct debt only); and (b) audited financial statements prepared in accordance with generally accepted accounting principles as applied to governmental units, generally consistent with the information contained in "Appendix B" of this Official Statement and which may also be included in the Comprehensive Annual Financial Report of the City; all such information shall be provided on or before January 25th following the fiscal year ending on the preceding June 30th, commencing with the fiscal year ended June 30, 2020, provided that the audited financial statements may not be available by such date, but will be made available immediately upon delivery thereof by the auditor to the Obligated Person; and
- (ii) to the MSRB, notice of the occurrence of the following events, if material, with respect to the Bonds:
 - (a) Principal and interest payment delinquencies;
 - (b) Non-payment related defaults;
 - (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (e) Substitution of credit or liquidity providers, or their failure to perform;
 - (f) Adverse tax opinions or events affecting the tax-exempt status of the security;
 - (g) Modifications to rights of security holders;
 - (h) Bond calls, except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event;
 - (i) Defeasances;
 - (j) Release, substitution or sale of property securing repayment of the securities;
 - (k) Rating changes; and
 - (l) Bankruptcy, insolvency, receivership or similar event of the obligated person (Note: For the purposes of this event, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of

a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person);

- (m) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) Incurrence of a Financial Obligation of the City or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City or obligated person, any of which affect security holders, if material; and
- (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City or obligated person, any of which reflect financial difficulties.

- (iii) in a timely manner, to the MSRB, notice of a failure (of which the Obligated Persons have knowledge) of an Obligated Person to provide the required Annual Financial Information on or before the date specified in the Disclosure Undertaking.

“Financial Obligation” shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either (a) or (b). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The Disclosure Undertaking provides bondholders, including beneficial owners of the Bonds, with certain enforcement rights in the event of a failure by the Obligated Person to comply with the terms thereof; however, a default under the Disclosure Undertaking does not constitute an event of default under the Bond Ordinance. The Disclosure Undertaking may also be amended or terminated under certain circumstances in accordance with the Rule as more fully described therein.

For purposes of this transaction with respect to material events as defined under the Rule:

- (a) there are no debt service reserve funds applicable to the Bonds;
- (b) there are no credit enhancements applicable to the Bonds;
- (c) there are no liquidity providers applicable to the Bonds; and
- (d) there is no property securing the Bonds.

TAX MATTERS

In the opinion of Bond Counsel for the Bonds, based upon an analysis of existing laws, regulations, rulings, and court decisions, interest on the Bonds will be included in gross income for Federal and Kentucky income tax purposes. Furthermore, Bond Counsel for the Bonds is of the opinion that interest on the Bonds is exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions.

Certain requirements and procedures contained or referred to in the Bond documents and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Dinsmore & Shohl LLP.

The ownership or disposition of, or the accrual or receipt of interest on, the Bonds may affect a Bondholder’s Federal, state, or local tax liabilities. The nature and extent of these other tax consequences may depend upon the particular tax status of the Bondholder or the Bondholder’s other items of income or deduction. Bond Counsel expresses no opinions regarding any tax consequences other than what is set forth in its opinion and each Bondholder or potential Bondholder is urged to consult with tax counsel with respect to the effects of purchasing, holding, or disposing the Bonds on the tax liabilities of the individual or entity.

The City has **not** designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265 of the Code.

/s/ Hon. Thomas H. Watson
Mayor, City of Owensboro, Kentucky

APPENDIX G

**CITY OF OWENSBORO, KENTUCKY
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019E**

OFFICIAL BID FORM

[This page intentionally left blank]

OFFICIAL BID FORM

Subject to the terms and conditions set forth in the Ordinance adopted by the City of Owensboro, Kentucky (the "City") on September 17, 2019, providing for the sale of \$36,830,000* (which amount may be decreased as necessary) of its Taxable General Obligation Refunding Bonds, Series 2019E (the "Bonds"), and in accordance with the Official Terms and Conditions of Bond Sale, to all of which the undersigned agrees, the undersigned hereby submits the following offer to purchase the Bonds.

We hereby bid for the \$36,830,000* principal amount of the Bonds maturing on June 1, 2020, and each June 1st thereafter of the years and in the amounts set forth below, the total sum of \$_____ (not less than \$36,093,400 (98.0% of par) and not more than \$38,671,500 (105.0% of par)) plus accrued interest from March 11, 2020, at the following annual rate(s), payable semiannually, commencing June 1, 2020 (rates on ascending scale, number of interest rates unlimited):

Maturity	Amount*	Interest Rate	Maturity	Amount*	Interest Rate
June 1, 2020	\$1,330,000	_____%	June 1, 2032	\$1,595,000	_____%
June 1, 2021	1,295,000	_____%	June 1, 2033	1,630,000	_____%
June 1, 2022	1,310,000	_____%	June 1, 2034	1,670,000	_____%
June 1, 2023	1,330,000	_____%	June 1, 2035	1,715,000	_____%
June 1, 2024	1,355,000	_____%	June 1, 2036	1,755,000	_____%
June 1, 2025	1,380,000	_____%	June 1, 2037	1,805,000	_____%
June 1, 2026	1,405,000	_____%	June 1, 2038	1,855,000	_____%
June 1, 2027	1,430,000	_____%	June 1, 2039	1,905,000	_____%
June 1, 2028	1,455,000	_____%	June 1, 2040	1,960,000	_____%
June 1, 2029	1,490,000	_____%	June 1, 2041	2,015,000	_____%
June 1, 2030	1,520,000	_____%	June 1, 2042	2,070,000	_____%
June 1, 2031	1,555,000	_____%			

PURCHASER’S OPTION - The Purchaser of the Bonds may specify to the City that any Bonds may be combined with immediately succeeding sequential maturities into a Term Bond or Term Bonds, bearing a single rate of interest, with the maturities set forth above (or as such may be adjusted as provided herein) comprising mandatory sinking fund redemption amounts for such Term Bond(s).

The amounts indicated above maturing in the following years: _____ are sinking fund redemption amounts for term bonds due _____.

The amounts indicated above maturing in the following years: _____ are sinking fund redemption amounts for term bonds due _____.

Completed bid forms may be submitted via facsimile to the offices of the Finance and Support Services Director, City of Owensboro, Kentucky, 101 East 4th Street, Owensboro, Kentucky 42303 (FAX: (270) 687-8526). Neither the City nor the Financial Advisor assumes any responsibility whatsoever with regard to the receipt of bids, or that adequate personnel and/or equipment are available to accept all telephonic transfers of bids before the appointed date and time of sale. Bidders have the sole responsibility of assuring that their bids have been received via facsimile or delivered before the appointed date and time of sale. Any bids in progress by facsimile at the appointed time will be considered as received by the appointed time. No bids will be received via telephone. Bids may be submitted electronically via PARITY® pursuant to this Notice until the appointed date and time, but no bid will be received after such time.

It is understood that the City will furnish the final, approving Legal Opinion of Dinsmore & Shohl LLP, Bond Counsel to the City. We understand that no certified or bank cashier’s check will be required to accompany the bid, but that if we are the successful bidder, we shall be required to wire transfer an amount equal to two percent (2%) of the amount of Bonds awarded by the close of business on the day following the award. The amount will be applied (without interest) to the purchase price when the Bonds are tendered to us for delivery.

* Preliminary, subject to change as set forth in the Official Terms and Conditions of Bond Sale.

If we are the successful bidder, we agree to accept and make payment for the Bonds in immediately available funds within forty-five (45) days from the date of sale in accordance with the terms of the sale.

Respectfully submitted,

Bidder

Address

By: _____
Signature

Total interest cost from March 11, 2020, to final maturity	\$ _____
Plus discount or less premium, if any	\$ _____
True interest cost (i.e. TIC)	\$ _____
True interest rate (%)	_____ %

The above computation of true interest cost and of true interest rate or cost is submitted for information only and is not a part of this Bid.

Accepted this February 26, 2020 by the City of Owensboro, Kentucky, as follows:

Maturity	Amount	Interest Rate	Maturity	Amount	Interest Rate
June 1, 2020	\$ _____	_____ %	June 1, 2032	\$ _____	_____ %
June 1, 2021	\$ _____	_____ %	June 1, 2033	\$ _____	_____ %
June 1, 2022	\$ _____	_____ %	June 1, 2034	\$ _____	_____ %
June 1, 2023	\$ _____	_____ %	June 1, 2035	\$ _____	_____ %
June 1, 2024	\$ _____	_____ %	June 1, 2036	\$ _____	_____ %
June 1, 2025	\$ _____	_____ %	June 1, 2037	\$ _____	_____ %
June 1, 2026	\$ _____	_____ %	June 1, 2038	\$ _____	_____ %
June 1, 2027	\$ _____	_____ %	June 1, 2039	\$ _____	_____ %
June 1, 2028	\$ _____	_____ %	June 1, 2040	\$ _____	_____ %
June 1, 2029	\$ _____	_____ %	June 1, 2041	\$ _____	_____ %
June 1, 2030	\$ _____	_____ %	June 1, 2042	\$ _____	_____ %
June 1, 2031	\$ _____	_____ %			

Mayor
City of Owensboro, Kentucky