



**KENTUCKY ASSOCIATION OF COUNTIES
LEASING TRUST**

400 Englewood Drive, Frankfort, Kentucky 40601
502-875-3222 • 800-264-5226 • Fax 502-875-7262 • www.kaco.org

Dear Variable Rate Customer:

The KACO Leasing Trust is sending you notice that the assumed rate on your variable rate lease with us will be going up effective July 1, 2017. We regret that this rate hike is necessary, but the recent actions of the Federal Reserve Bank of the United States to raise interest rates has made this necessary. We are sending this notice early to assist you in your budgeting process.

This is the first time since 2008 we have been forced to raise this assumed variable rate you pay. We do want to remind you that we are charging a slightly higher than needed rate to assure that you will not have to amend your budget in mid-fiscal year should this move to higher rates continue. I do want to assure you that any money you pay on this lease in excess of the amount needed to cover the true variable rate will be rebated to you as we have always done throughout the years. The revised amortizations will be going out in the next couple of weeks.

As always, we appreciate your business and your support of KACO's programs. If you have any questions please call us at 502-223-7667.

Sincerely,

Grant Satterly
Program Director