

Rubin & Hays

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CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

February 1, 2013

RECEIVED

FEB 4 2013

PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen, Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Crittenden-Livingston County Water District PSC Application

Dear Mr. Derouen:

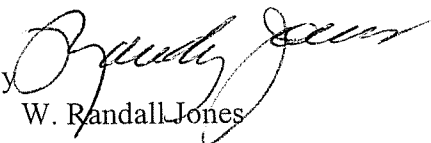
Enclosed please find the original and ten (10) copies of the Application of the Crittenden-Livingston County Water District for an Order authorizing the District to issue securities pursuant to KRS 278.300.

This Application requests approval of the issuance of securities for the purpose of refunding certain high interest Bonds of the Applicant.

Thank you for your assistance and if you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jlm
Enclosures

cc: Mr. Randell O'Bryan, CLCWD
Ms. Kristen Millard, Morgan Keegan

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

RECEIVED

FEB 4 2013

PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF CRITTENDEN-)
LIVINGSTON COUNTY WATER DISTRICT)
TO ISSUE SECURITIES IN THE APPROXIMATE)
PRINCIPAL AMOUNT OF \$2,200,000 FOR THE)
PURPOSE OF REFUNDING CERTAIN) Case No. 2013-_____
OUTSTANDING REVENUE BONDS OF THE)
DISTRICT PURSUANT TO THE PROVISIONS)
OF KRS 278.300 AND 807 KAR 5:001)

** *** **** ***** **** *** **

APPLICATION

The Applicant, Crittenden-Livingston County Water District (the "District"), files this Application pursuant to KRS 278.300, 807 KAR 5:001, and all other applicable laws and regulations, and requests that the Kentucky Public Service Commission (the "Commission") enter an Order authorizing the District to issue certain securities in the approximate principal amount of \$2,200,000 (subject to adjustment of up to 10%), for the purpose of refunding certain outstanding waterworks revenue bonds of the District. In support of this Application, and in compliance with the rules and regulations of the Commission, the District states as follows:

1. The District was established in accordance with the provisions of Chapter 74 of the Kentucky Revised Statutes pursuant to an Order of the County Judge/Executive of Crittenden

County, which Order is on file in the County Court Order Books in the office of the Clerk of Crittenden County, Kentucky. The District is now, and has been since its inception, regulated by the Commission, and all records and proceedings of the Commission with reference to the District are incorporated in this Application by reference. The District does not have any Articles of Incorporation due to the fact that it is a statutory entity.

2. The governing body of the District is its Board of Commissioners which is a public body corporate, with power to make contracts in furtherance of its lawful and proper purpose as provided for in KRS 74.070 and all applicable law and regulations.

3. The mailing address of the District is as follows:

Crittenden-Livingston County Water District
c/o Mr. Randell O'Bryan, Chairman
620 East Main Street
Salem, Kentucky 42078
Telephone: (270) 988-2680

4. A general description of the District's water system property, together with a statement of the original cost, is contained in the District's Annual Report for 2011 which is on file with the Commission. The Annual Report is incorporated herein by reference.

5. The District proposes to borrow funds from the Kentucky Rural Water Finance Corporation ("KRWFC") pursuant to an Assistance Agreement (the "KRWFC Loan"), in the estimated principal amount of \$2,200,000 (subject to adjustment of up to 10%) for the purpose of refunding the outstanding revenue bonds designated as Crittenden-Livingston County Water District Waterworks Revenue Bonds, Series 2000 B and C, dated September 6, 2001, in the original aggregate principal amount of \$2,425,000, consisting of (i) \$1,725,000 of Series B Bonds bearing interest at the rate of 4.75% per annum; and (ii) \$700,000 of Series C Bonds bearing interest at the

rate of 4.50% per annum (collectively, the "Prior Bonds"). The Prior Bonds are held by the U.S. Department of Agriculture, acting through Rural Development.

6. The estimated debt service for the KRWFC Loan is shown in **Exhibit "A"**, which is attached hereto and incorporated herein by reference. The debt service schedule and estimated interest rates are subject to change because of market conditions. The final terms and details of the KRWFC Loan may vary from the present assumptions based upon market conditions and other business judgment factors.

7. The KRWFC Loan will provide the District with the funds necessary to (i) refund the Prior Bonds; and (iii) pay the fees and expenses incident to the issuance of the KRWFC Loan.

8. The Sources and Uses of Funds to be obtained from the issuance of the KRWFC Loan are detailed as **Exhibit "B"**, which is attached hereto and incorporated herein by reference.

9. It is anticipated that the proposed refinancing will result in a net present value benefit of approximately \$188,228.01. These savings are shown on the Debt Service Comparison, which is attached hereto and incorporated herein by reference as **Exhibit "C"**.

10. The final principal amount of the KRWFC Loan will be adjusted based upon final interest rates which will be known on or about the date of sale of the proposed KRWFC Loan. Final financial figures will be submitted to the Commission in a timely manner. The Applicant will not issue the securities if interest rates in the bond market shift to a point where the Applicant will not achieve any debt service savings.

11. The Debt Service Schedule of the outstanding Prior Bonds being refunded is set forth in **Exhibit "D"**.

12. The District represents that the KRWFC Loan is in the public interest and is intended to accomplish the purpose of strengthening the financial condition of the District by producing substantial debt service savings. This is a lawful object within the corporate purposes of the District's utility operations. The KRWFC Loan is necessary, appropriate for, and consistent with the proper performance by the District of its service to the public and will not impair its ability to perform that service.

13. The District represents that it will, as soon as reasonably possible after the closing of the KRWFC Loan, file with the Commission a statement setting forth the date of issuance of the KRWFC Loan, the price paid, the fees and expenses incurred in the issuance of the KRWFC Loan, and the terms and interest rates of the KRWFC Loan.

14. The detailed Statement of Revenues and Expenses and Changes in Net Assets, Balance Sheet and Statement of Cash Flows for the twelve month period ending on December 31, 2011 are attached hereto and incorporated herein by reference as **Exhibit E** respectively.

15. The remaining financial schedules and other information necessary for the Financial Exhibit required by 807 KAR 5:001, Section 17(2)(a) are contained in the 2011 Annual Report which is on file with the Commission. The Annual Report is incorporated herein by reference.

16. Pursuant to 807 KAR 5:001, the District hereby responds as follows:

- (a) Section 17(2)(b) Mortgages: The District does not have any mortgages in effect as of the date hereof.
- (b) Section 17(1)(b) Bonds: The KRWFC Loan will be secured by a pledge of the revenues of the District's Water System.

(c) Section 17(2)(b): The District does not have any trust deeds in effect as of the date hereof.

(d) Section 17(2)(c): No property is being acquired as the proceeds of the securities are being used for the refunding of the Prior Bonds.

17. The District hereby requests and moves for a deviation from the requirements of 807 KAR 5:001, Section 17(2)(a), which requires that the financial data filed with the Application be for a twelve (12) month period ending within ninety (90) days of the filing of the application. The District states that there has been no change that is material in nature in the financial condition or operation of the District since December 31, 2011. The financial data filed with this Application is for the twelve (12) month period ending December 31, 2011. This is the most recent published financial data available. Because of the volatility of the bond market, the District cannot run the risk of delaying the closing of the KRWFC Loan while more current financial data is compiled.

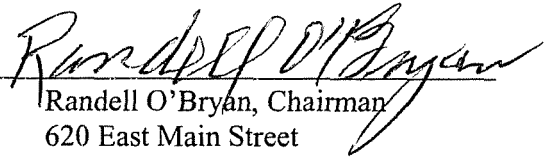
18. No rate adjustment will be necessary.

WHEREFORE, the District respectfully requests that the Commission take the following actions:

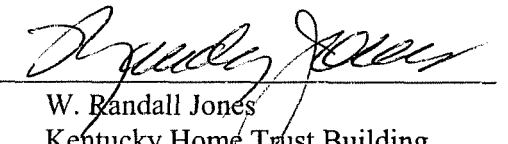
1. Authorize the issuance of the securities requested in the Application;
2. Grant the District a deviation from 807 KAR 5:001, Section 6 to allow the submission of the District's 2011 Annual Report and 2011 audited financial statements in lieu of more recent financial data as there has been no change that is material in nature in the financial condition or operation of the District since December 31, 2011, and due to the volatility of the present bond market; and
3. Process this Application without a formal hearing in order to save time and expense.

The District will promptly respond to any information requests by the Commission's staff.

Crittenden-Livingston County Water District

By 
Randell O'Bryan, Chairman
620 East Main Street
Salem, Kentucky 42078
Telephone: (270) 988-2680

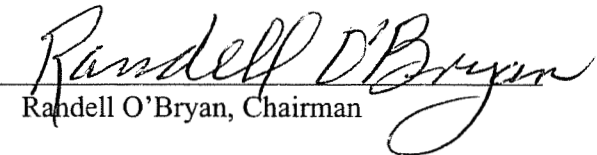
Rubin & Hays

By 
W. Randall Jones
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Phone: (502) 569-7525
Counsel for Crittenden-Livingston
County Water District

STATE OF KENTUCKY)
) SS
COUNTY OF CRITTENDEN)

The affiant, Randell O'Bryan, being first duly sworn, states: That he is the Chairman of the Crittenden-Livingston County Water District, the Applicant in this case; that he has read the foregoing Application and has noted the contents thereof; that the same are true of his own knowledge and belief, except as to matters which are herein stated to be based on information or belief, and that these matters, he believes to be true and correct.

IN TESTIMONY WHEREOF, witness the signature of the undersigned on the 28th day of January, 2013.


Randell O'Bryan, Chairman

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Randell O'Bryan, Chairman of the Crittenden-Livingston County Water District, on this the 28 day of January, 2013.

My Commission expires: 6-5-2016


NOTARY PUBLIC

Preliminary

\$2,200,000

Crittenden Livingston Water District
Potential Refunding through the
Kentucky Rural Water Finance Coporatoin

Debt Service Schedule

Part 1 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/27/2013	-	-	-	-	-
08/01/2013	-	-	32,388.13	32,388.13	-
12/31/2013	-	-	-	-	32,388.13
02/01/2014	55,000.00	2.300%	37,856.25	92,856.25	-
08/01/2014	-	-	37,223.75	37,223.75	-
12/31/2014	-	-	-	-	130,080.00
02/01/2015	55,000.00	2.350%	37,223.75	92,223.75	-
08/01/2015	-	-	36,577.50	36,577.50	-
12/31/2015	-	-	-	-	128,801.25
02/01/2016	55,000.00	2.450%	36,577.50	91,577.50	-
08/01/2016	-	-	35,903.75	35,903.75	-
12/31/2016	-	-	-	-	127,481.25
02/01/2017	55,000.00	2.500%	35,903.75	90,903.75	-
08/01/2017	-	-	35,216.25	35,216.25	-
12/31/2017	-	-	-	-	126,120.00
02/01/2018	55,000.00	2.500%	35,216.25	90,216.25	-
08/01/2018	-	-	34,528.75	34,528.75	-
12/31/2018	-	-	-	-	124,745.00
02/01/2019	60,000.00	2.600%	34,528.75	94,528.75	-
08/01/2019	-	-	33,748.75	33,748.75	-
12/31/2019	-	-	-	-	128,277.50
02/01/2020	65,000.00	3.350%	33,748.75	98,748.75	-
08/01/2020	-	-	32,660.00	32,660.00	-
12/31/2020	-	-	-	-	131,408.75
02/01/2021	65,000.00	3.350%	32,660.00	97,660.00	-
08/01/2021	-	-	31,571.25	31,571.25	-
12/31/2021	-	-	-	-	129,231.25
02/01/2022	65,000.00	3.350%	31,571.25	96,571.25	-
08/01/2022	-	-	30,482.50	30,482.50	-
12/31/2022	-	-	-	-	127,053.75
02/01/2023	70,000.00	3.350%	30,482.50	100,482.50	-
08/01/2023	-	-	29,310.00	29,310.00	-
12/31/2023	-	-	-	-	129,792.50
02/01/2024	70,000.00	3.350%	29,310.00	99,310.00	-
08/01/2024	-	-	28,137.50	28,137.50	-
12/31/2024	-	-	-	-	127,447.50
02/01/2025	70,000.00	3.350%	28,137.50	98,137.50	-
08/01/2025	-	-	26,965.00	26,965.00	-
12/31/2025	-	-	-	-	125,102.50
02/01/2026	75,000.00	3.350%	26,965.00	101,965.00	-
08/01/2026	-	-	25,708.75	25,708.75	-
12/31/2026	-	-	-	-	127,673.75
02/01/2027	80,000.00	3.350%	25,708.75	105,708.75	-
08/01/2027	-	-	24,368.75	24,368.75	-

Raymond James I Morgan Keegan

Preliminary

\$2,200,000

Crittenden Livingston Water District
Potential Refunding through the
Kentucky Rural Water Finance Coporatoin

Debt Service Schedule

Part 2 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/31/2027	-	-	-	-	130,077.50
02/01/2028	80,000.00	3.350%	24,368.75	104,368.75	-
08/01/2028	-	-	23,028.75	23,028.75	-
12/31/2028	-	-	-	-	127,397.50
02/01/2029	85,000.00	3.350%	23,028.75	108,028.75	-
08/01/2029	-	-	21,605.00	21,605.00	-
12/31/2029	-	-	-	-	129,633.75
02/01/2030	85,000.00	3.450%	21,605.00	106,605.00	-
08/01/2030	-	-	20,138.75	20,138.75	-
12/31/2030	-	-	-	-	126,743.75
02/01/2031	90,000.00	3.450%	20,138.75	110,138.75	-
08/01/2031	-	-	18,586.25	18,586.25	-
12/31/2031	-	-	-	-	128,725.00
02/01/2032	90,000.00	3.550%	18,586.25	108,586.25	-
08/01/2032	-	-	16,988.75	16,988.75	-
12/31/2032	-	-	-	-	125,575.00
02/01/2033	95,000.00	3.550%	16,988.75	111,988.75	-
08/01/2033	-	-	15,302.50	15,302.50	-
12/31/2033	-	-	-	-	127,291.25
02/01/2034	100,000.00	3.700%	15,302.50	115,302.50	-
08/01/2034	-	-	13,452.50	13,452.50	-
12/31/2034	-	-	-	-	128,755.00
02/01/2035	105,000.00	3.800%	13,452.50	118,452.50	-
08/01/2035	-	-	11,457.50	11,457.50	-
12/31/2035	-	-	-	-	129,910.00
02/01/2036	105,000.00	3.800%	11,457.50	116,457.50	-
08/01/2036	-	-	9,462.50	9,462.50	-
12/31/2036	-	-	-	-	125,920.00
02/01/2037	110,000.00	3.950%	9,462.50	119,462.50	-
08/01/2037	-	-	7,290.00	7,290.00	-
12/31/2037	-	-	-	-	126,752.50
02/01/2038	115,000.00	4.050%	7,290.00	122,290.00	-
08/01/2038	-	-	4,961.25	4,961.25	-
12/31/2038	-	-	-	-	127,251.25
02/01/2039	120,000.00	4.050%	4,961.25	124,961.25	-
08/01/2039	-	-	2,531.25	2,531.25	-
12/31/2039	-	-	-	-	127,492.50
02/01/2040	125,000.00	4.050%	2,531.25	127,531.25	-
12/31/2040	-	-	-	-	127,531.25
Total	\$2,200,000.00	-	\$1,284,659.38	\$3,484,659.38	-

Raymond James I Morgan Keegan

Preliminary

\$2,200,000

Crittenden Livingston Water District
Potential Refunding through the
Kentucky Rural Water Finance Coporatoin

Debt Service Schedule

Part 3 of 3

Yield Statistics

Bond Year Dollars	\$35,061.11
Average Life	15.937 Years
Average Coupon	3.6640578%
Net Interest Cost (NIC)	3.7646131%
True Interest Cost (TIC)	3.7719629%
Bond Yield for Arbitrage Purposes	3.6181030%
All Inclusive Cost (AIC)	3.9585417%

IRS Form 8038

Net Interest Cost	3.6860613%
Weighted Average Maturity	15.778 Years

Preliminary

\$2,200,000

Crittenden Livingston Water District
Potential Refunding through the
Kentucky Rural Water Finance Coporatoion

Total Issue Sources And Uses

Dated 02/27/2013 | Delivered 02/27/2013

	Ref of 2000 B	Ref of 2000 C	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$1,570,000.00	\$630,000.00	\$2,200,000.00
Reoffering Premium	2,208.05	1,036.15	3,244.20
Transfers from Prior Issue Debt Service Funds	16,485.83	6,408.33	22,894.16
Total Sources	\$1,588,693.88	\$637,444.48	\$2,226,138.36
Uses Of Funds			
Total Underwriter's Discount (1.750%)	27,475.00	11,025.00	38,500.00
Costs of Issuance	27,118.18	10,881.82	38,000.00
Deposit to Current Refunding Fund	1,531,179.69	616,557.50	2,147,737.19
Rounding Amount	2,921.01	(1,019.84)	1,901.17
Total Uses	\$1,588,693.88	\$637,444.48	\$2,226,138.36

Preliminary

\$2,200,000

Crittenden Livingston Water District
Potential Refuding through the
Kentucky Rural Water Finance Coporatoion

Debt Service Comparison

Part 1 of 2

Date	Total P+I	Expenses	Net New D/S	Old Net D/S	Savings
12/31/2013	32,388.13	-	32,388.13	137,365.00	104,976.87
12/31/2014	130,080.00	450.00	130,530.00	137,587.50	7,057.50
12/31/2015	128,801.25	450.00	129,251.25	137,717.50	8,466.25
12/31/2016	127,481.25	450.00	127,931.25	137,752.50	9,821.25
12/31/2017	126,120.00	450.00	126,570.00	136,695.00	10,125.00
12/31/2018	124,745.00	450.00	125,195.00	137,590.00	12,395.00
12/31/2019	128,277.50	450.00	128,727.50	138,345.00	9,617.50
12/31/2020	131,408.75	450.00	131,858.75	136,960.00	5,101.25
12/31/2021	129,231.25	450.00	129,681.25	137,527.50	7,846.25
12/31/2022	127,053.75	450.00	127,503.75	137,955.00	10,451.25
12/31/2023	129,792.50	450.00	130,242.50	137,242.50	7,000.00
12/31/2024	127,447.50	450.00	127,897.50	138,435.00	10,537.50
12/31/2025	125,102.50	450.00	125,552.50	137,442.50	11,890.00
12/31/2026	127,673.75	450.00	128,123.75	137,355.00	9,231.25
12/31/2027	130,077.50	450.00	130,527.50	138,127.50	7,600.00
12/31/2028	127,397.50	450.00	127,847.50	137,712.50	9,865.00
12/31/2029	129,633.75	450.00	130,083.75	138,157.50	8,073.75
12/31/2030	126,743.75	450.00	127,193.75	137,415.00	10,221.25
12/31/2031	128,725.00	450.00	129,175.00	137,532.50	8,357.50
12/31/2032	125,575.00	450.00	126,025.00	137,462.50	11,437.50
12/31/2033	127,291.25	450.00	127,741.25	137,205.00	9,463.75
12/31/2034	128,755.00	450.00	129,205.00	138,760.00	9,555.00
12/31/2035	129,910.00	450.00	130,360.00	138,035.00	7,675.00
12/31/2036	125,920.00	450.00	126,370.00	137,122.50	10,752.50
12/31/2037	126,752.50	450.00	127,202.50	138,022.50	10,820.00
12/31/2038	127,251.25	450.00	127,701.25	137,642.50	9,941.25
12/31/2039	127,492.50	450.00	127,942.50	138,027.50	10,085.00
12/31/2040	127,531.25	450.00	127,981.25	137,132.50	9,151.25
Total	\$3,484,659.38	\$12,150.00	\$3,496,809.38	\$3,854,325.00	\$357,515.62

Raymond James | Morgan Keegan

Preliminary

\$2,200,000

Crittenden Livingston Water District
Potential Refunding through the
Kentucky Rural Water Finance Corporation

Debt Service Comparison

Part 2 of 2

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	357,515.62
Gross PV Debt Service Savings	216,885.60
Effects of changes in Expenses	(7,664.60)
Net PV Cashflow Savings @ 3.618%(Bond Yield)	209,221.00
Transfers from Prior Issue Debt Service Fund	(22,894.16)
Contingency or Rounding Amount	1,901.17
Net Present Value Benefit	\$188,228.01
Net PV Benefit / \$2,124,000 Refunded Principal	8.862%
Net Future Value Benefit	\$336,522.63
Net PV Benefit / \$2,200,000 Refunding Principal	8.556%
Average Annual Cash Flow Savings	12,768.42

Refunding Bond Information

Refunding Dated Date	2/27/2013
Refunding Delivery Date	2/27/2013

Preliminary

\$1,514,000

Crittenden Livingston Water District

Series 2000 B

Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I
12/31/2013	27,000.00	4.750%	71,915.00	98,915.00
12/31/2014	28,000.00	4.750%	70,632.50	98,632.50
12/31/2015	30,000.00	4.750%	69,302.50	99,302.50
12/31/2016	31,000.00	4.750%	67,877.50	98,877.50
12/31/2017	32,000.00	4.750%	66,405.00	98,405.00
12/31/2018	34,000.00	4.750%	64,885.00	98,885.00
12/31/2019	36,000.00	4.750%	63,270.00	99,270.00
12/31/2020	37,000.00	4.750%	61,560.00	98,560.00
12/31/2021	39,000.00	4.750%	59,802.50	98,802.50
12/31/2022	41,000.00	4.750%	57,950.00	98,950.00
12/31/2023	43,000.00	4.750%	56,002.50	99,002.50
12/31/2024	45,000.00	4.750%	53,960.00	98,960.00
12/31/2025	47,000.00	4.750%	51,822.50	98,822.50
12/31/2026	49,000.00	4.750%	49,590.00	98,590.00
12/31/2027	52,000.00	4.750%	47,262.50	99,262.50
12/31/2028	54,000.00	4.750%	44,792.50	98,792.50
12/31/2029	57,000.00	4.750%	42,227.50	99,227.50
12/31/2030	59,000.00	4.750%	39,520.00	98,520.00
12/31/2031	62,000.00	4.750%	36,717.50	98,717.50
12/31/2032	65,000.00	4.750%	33,772.50	98,772.50
12/31/2033	68,000.00	4.750%	30,685.00	98,685.00
12/31/2034	72,000.00	4.750%	27,455.00	99,455.00
12/31/2035	75,000.00	4.750%	24,035.00	99,035.00
12/31/2036	78,000.00	4.750%	20,472.50	98,472.50
12/31/2037	82,000.00	4.750%	16,767.50	98,767.50
12/31/2038	86,000.00	4.750%	12,872.50	98,872.50
12/31/2039	90,000.00	4.750%	8,787.50	98,787.50
12/31/2040	95,000.00	4.750%	4,512.50	99,512.50
Total	\$1,514,000.00	-	\$1,254,855.00	\$2,768,855.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/27/2013
Average Life	17.210 Years
Average Coupon	4.8159329%
Weighted Average Maturity (Par Basis)	17.210 Years

Refunding Bond Information

Refunding Dated Date	2/27/2013
Refunding Delivery Date	2/27/2013

Preliminary

\$610,000

Crittenden Livingston Water District

Series 2000 C

Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I
12/31/2013	11,000.00	4.500%	27,450.00	38,450.00
12/31/2014	12,000.00	4.500%	26,955.00	38,955.00
12/31/2015	12,000.00	4.500%	26,415.00	38,415.00
12/31/2016	13,000.00	4.500%	25,875.00	38,875.00
12/31/2017	13,000.00	4.500%	25,290.00	38,290.00
12/31/2018	14,000.00	4.500%	24,705.00	38,705.00
12/31/2019	15,000.00	4.500%	24,075.00	39,075.00
12/31/2020	15,000.00	4.500%	23,400.00	38,400.00
12/31/2021	16,000.00	4.500%	22,725.00	38,725.00
12/31/2022	17,000.00	4.500%	22,005.00	39,005.00
12/31/2023	17,000.00	4.500%	21,240.00	38,240.00
12/31/2024	19,000.00	4.500%	20,475.00	39,475.00
12/31/2025	19,000.00	4.500%	19,620.00	38,620.00
12/31/2026	20,000.00	4.500%	18,765.00	38,765.00
12/31/2027	21,000.00	4.500%	17,865.00	38,865.00
12/31/2028	22,000.00	4.500%	16,920.00	38,920.00
12/31/2029	23,000.00	4.500%	15,930.00	38,930.00
12/31/2030	24,000.00	4.500%	14,895.00	38,895.00
12/31/2031	25,000.00	4.500%	13,815.00	38,815.00
12/31/2032	26,000.00	4.500%	12,690.00	38,690.00
12/31/2033	27,000.00	4.500%	11,520.00	38,520.00
12/31/2034	29,000.00	4.500%	10,305.00	39,305.00
12/31/2035	30,000.00	4.500%	9,000.00	39,000.00
12/31/2036	31,000.00	4.500%	7,650.00	38,650.00
12/31/2037	33,000.00	4.500%	6,255.00	39,255.00
12/31/2038	34,000.00	4.500%	4,770.00	38,770.00
12/31/2039	36,000.00	4.500%	3,240.00	39,240.00
12/31/2040	36,000.00	4.500%	1,620.00	37,620.00
Total	\$610,000.00	-	\$475,470.00	\$1,085,470.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/27/2013
Average Life	17.082 Years
Average Coupon	4.5629302%
Weighted Average Maturity (Par Basis)	17.082 Years

Refunding Bond Information

Refunding Dated Date	2/27/2013
Refunding Delivery Date	2/27/2013

Raymond James I Morgan Keegan

Preliminary

\$1,514,000

Crittenden Livingston Water District

Series 2000 B

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/31/2013	1,514,000.00	17,179.69	1,531,179.69	27,000.00	4.750%	71,915.00	98,915.00
12/31/2014	-	-	-	28,000.00	4.750%	70,632.50	98,632.50
12/31/2015	-	-	-	30,000.00	4.750%	69,302.50	99,302.50
12/31/2016	-	-	-	31,000.00	4.750%	67,877.50	98,877.50
12/31/2017	-	-	-	32,000.00	4.750%	66,405.00	98,405.00
12/31/2018	-	-	-	34,000.00	4.750%	64,885.00	98,885.00
12/31/2019	-	-	-	36,000.00	4.750%	63,270.00	99,270.00
12/31/2020	-	-	-	37,000.00	4.750%	61,560.00	98,560.00
12/31/2021	-	-	-	39,000.00	4.750%	59,802.50	98,802.50
12/31/2022	-	-	-	41,000.00	4.750%	57,950.00	98,950.00
12/31/2023	-	-	-	43,000.00	4.750%	56,002.50	99,002.50
12/31/2024	-	-	-	45,000.00	4.750%	53,960.00	98,960.00
12/31/2025	-	-	-	47,000.00	4.750%	51,822.50	98,822.50
12/31/2026	-	-	-	49,000.00	4.750%	49,590.00	98,590.00
12/31/2027	-	-	-	52,000.00	4.750%	47,262.50	99,262.50
12/31/2028	-	-	-	54,000.00	4.750%	44,792.50	98,792.50
12/31/2029	-	-	-	57,000.00	4.750%	42,227.50	99,227.50
12/31/2030	-	-	-	59,000.00	4.750%	39,520.00	98,520.00
12/31/2031	-	-	-	62,000.00	4.750%	36,717.50	98,717.50
12/31/2032	-	-	-	65,000.00	4.750%	33,772.50	98,772.50
12/31/2033	-	-	-	68,000.00	4.750%	30,685.00	98,685.00
12/31/2034	-	-	-	72,000.00	4.750%	27,455.00	99,455.00
12/31/2035	-	-	-	75,000.00	4.750%	24,035.00	99,035.00
12/31/2036	-	-	-	78,000.00	4.750%	20,472.50	98,472.50
12/31/2037	-	-	-	82,000.00	4.750%	16,767.50	98,767.50
12/31/2038	-	-	-	86,000.00	4.750%	12,872.50	98,872.50
12/31/2039	-	-	-	90,000.00	4.750%	8,787.50	98,787.50
12/31/2040	-	-	-	95,000.00	4.750%	4,512.50	99,512.50
Total	\$1,514,000.00	\$17,179.69	\$1,531,179.69	\$1,514,000.00	-	\$1,254,855.00	\$2,768,855.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/27/2013
Average Life	17.210 Years
Average Coupon	4.8159329%
Weighted Average Maturity (Par Basis)	17.210 Years

Refunding Bond Information

Refunding Dated Date	2/27/2013
Refunding Delivery Date	2/27/2013

Preliminary

\$610,000

Crittenden Livingston Water District

Series 2000 C

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/31/2013	610,000.00	6,557.50	616,557.50	11,000.00	4.500%	27,450.00	38,450.00
12/31/2014	-	-	-	12,000.00	4.500%	26,955.00	38,955.00
12/31/2015	-	-	-	12,000.00	4.500%	26,415.00	38,415.00
12/31/2016	-	-	-	13,000.00	4.500%	25,875.00	38,875.00
12/31/2017	-	-	-	13,000.00	4.500%	25,290.00	38,290.00
12/31/2018	-	-	-	14,000.00	4.500%	24,705.00	38,705.00
12/31/2019	-	-	-	15,000.00	4.500%	24,075.00	39,075.00
12/31/2020	-	-	-	15,000.00	4.500%	23,400.00	38,400.00
12/31/2021	-	-	-	16,000.00	4.500%	22,725.00	38,725.00
12/31/2022	-	-	-	17,000.00	4.500%	22,005.00	39,005.00
12/31/2023	-	-	-	17,000.00	4.500%	21,240.00	38,240.00
12/31/2024	-	-	-	19,000.00	4.500%	20,475.00	39,475.00
12/31/2025	-	-	-	19,000.00	4.500%	19,620.00	38,620.00
12/31/2026	-	-	-	20,000.00	4.500%	18,765.00	38,765.00
12/31/2027	-	-	-	21,000.00	4.500%	17,865.00	38,865.00
12/31/2028	-	-	-	22,000.00	4.500%	16,920.00	38,920.00
12/31/2029	-	-	-	23,000.00	4.500%	15,930.00	38,930.00
12/31/2030	-	-	-	24,000.00	4.500%	14,895.00	38,895.00
12/31/2031	-	-	-	25,000.00	4.500%	13,815.00	38,815.00
12/31/2032	-	-	-	26,000.00	4.500%	12,690.00	38,690.00
12/31/2033	-	-	-	27,000.00	4.500%	11,520.00	38,520.00
12/31/2034	-	-	-	29,000.00	4.500%	10,305.00	39,305.00
12/31/2035	-	-	-	30,000.00	4.500%	9,000.00	39,000.00
12/31/2036	-	-	-	31,000.00	4.500%	7,650.00	38,650.00
12/31/2037	-	-	-	33,000.00	4.500%	6,255.00	39,255.00
12/31/2038	-	-	-	34,000.00	4.500%	4,770.00	38,770.00
12/31/2039	-	-	-	36,000.00	4.500%	3,240.00	39,240.00
12/31/2040	-	-	-	36,000.00	4.500%	1,620.00	37,620.00
Total	\$610,000.00	\$6,557.50	\$616,557.50	\$610,000.00	-	\$475,470.00	\$1,085,470.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/27/2013
Average Life	17.082 Years
Average Coupon	4.5629302%
Weighted Average Maturity (Par Basis)	17.082 Years

Refunding Bond Information

Refunding Dated Date	2/27/2013
Refunding Delivery Date	2/27/2013

Raymond James I Morgan Keegan

Crittenden Livingston Water District
Statement of Net Assets - Proprietary Fund
December 31, 2011

Assets

Current Assets:	
Cash and cash equivalents	\$ 68,822
Accounts receivable	266,422
Prepaid expenses	53,821
Restricted cash	141,687
Restricted investments	<u>402,552</u>
Total current assets	<u>933,304</u>
Noncurrent assets:	
Restricted cash	<u>160,718</u>
Capital assets:	
Land	60,969
Machinery	27,707,526
Buildings	51,928
Furniture and fixtures	46,383
Less accumulated depreciation	<u>(6,560,335)</u>
Total capital assets	<u>21,306,471</u>
Other assets:	
Bond issue costs	441,789
Less accumulated amortization	<u>(146,347)</u>
Total other assets	<u>295,442</u>
Total noncurrent assets	<u>21,762,631</u>
Total assets	<u><u>\$ 22,695,935</u></u>

Crittenden Livingston Water District
Statement of Net Assets - Proprietary Fund
December 31, 2011

Liabilities

Current Liabilities:

Current maturities of long-term debt	\$ 469,293
Accounts payable trade	28,340
Payroll liabilities	24,428
Tenant deposits payable	13,680
Interest payable	<u>120,037</u>
Total current liabilities	<u>655,778</u>

Noncurrent liabilities:

Notes payable	3,377,373
Bonds payable	10,100,000
Deferred Bond Costs	<u>(80,689)</u>
Total noncurrent liabilities	<u>13,396,684</u>

Total liabilities 14,052,462

Net Assets

Net assets invested in capital assets, net of related debt	7,359,804
Net assets restricted for debt service	704,957
Unrestricted net assets	578,712
Total net assets	<u>\$ 8,643,473</u>

Crittenden Livingston Water District
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Fund
Year Ended December 31, 2011

Operating Revenues	
Charges for services	\$ 1,988,996
Other income	45,093
Total operating revenue	<u>2,034,089</u>
 Operating Expenses	
Salary expenses	566,703
Water treatment expenses	197,205
Maintenance expenses	57,750
General operating expenses	160,944
Depreciation	616,965
Amortization	14,011
Total operating expenses	<u>1,613,578</u>
Operating income	<u>420,511</u>
 Nonoperating Revenue (Expenses)	
Interest revenue	1,639
Interest expense	<u>(615,963)</u>
Total nonoperating expenses	<u>(614,324)</u>
 Capital Contributions	
Tap-on fees	<u>33,600</u>
Total capital contributions	<u>33,600</u>
Change in net assets	(160,213)
Net assets, beginning of year	<u>8,803,686</u>
Net assets, end of year	<u>\$ 8,643,473</u>

See accompanying notes and auditor's report.

CRITTENDEN LIVINGSTON WATER DISTRICT
STATEMENT OF CASH FLOWS-PROPRIETARY FUND
Year Ended December 31, 2011

Cash flows from operating activities:	
Cash received from customers	\$ 2,067,993
Cash payments to suppliers for goods and services	(449,309)
Cash payments to employees for services	<u>(561,318)</u>
Net cash provided (used) by operating activities	<u>1,057,366</u>
Cash flows from capital and related financing activities:	
Tap-on fees	33,600
Acquisition and construction of property, plant and equipment	(29,432)
Principal payments on long-term debt	(408,045)
Interest paid on long-term debt	<u>(670,271)</u>
Net cash provided (used) for capital and related financing activities	<u>(1,074,148)</u>
Cash flows from investing activities:	
Interest on investments	<u>1,639</u>
Net cash provided (used) by investing activities	<u>1,639</u>
Net increase (decrease) in cash and cash equivalents	(15,143)
Cash and cash equivalents, beginning of year	<u>788,922</u>
Cash and cash equivalents, end of year	<u><u>\$ 773,779</u></u>
Reconciliation to Statement of Net Assets:	
Cash and cash equivalents - current	\$ 68,822
Restricted cash - current	141,687
Restricted cash - noncurrent	160,718
Restricted investments - noncurrent	<u>402,552</u>
	<u><u>\$ 773,779</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operations:	
Operating income	\$ 420,511
Adjustments-operating activities	
Depreciation and amortization	630,976
(Increase) decrease in:	
Accounts receivable	30,004
Prepaid expenses	(39,772)
Increase (decrease) in:	
Accounts payable	6,362
Customer deposits	3,900
Accrued liabilities	<u>5,385</u>
Net cash provided by operating activities	<u><u>\$ 1,057,366</u></u>