

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

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PUBLIC SERVICE
COMMISSION

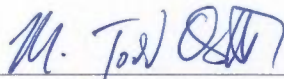
In the Matter of:

Proposed Adjustment of the Wholesale)
Water Service Rates of) Case No. 2014-00392
the City of Danville)

NOTICE OF FILING

The City of Danville, by counsel, hereby provides notices of its filing of a supplemental response to Item 21 of Appendix B of the Commission's Order dated November 14, 2014. In addition to the spreadsheets that are being filed in response to Item 21(a), the cost-of-service study that includes these spreadsheets is being filed in electronic format with formulas and links intact. The electronic files are in response to Item 21(b). These electronic files were served via electronic mail to Commission Staff and the parties on December 15, 2014.

Respectfully submitted,



M. TODD OSTERLOH
CHARLES D. COLE
STURGILL, TURNER, BARKER & MOLONEY, PLLC
333 W. Vine Street, Suite 1400
Lexington, Kentucky 40507
Telephone No.: (859) 255-8581
tosterloh@sturgillturner.com

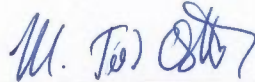
ATTORNEYS FOR THE CITY OF DANVILLE

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via U.S. Mail, postage prepaid, to the following on December 18, 2014:

Caywood Metcalf
214 Stanford Street
Lancaster, Kentucky 40444

Jeffrey W. Jones
Jeffrey W. Jones, PLLC
1000 East Lexington Avenue, #3
Danville, KY 40422



COUNSEL FOR CITY OF DANVILLE

City of Danville
Existing Long-Term Debt

long-term debt			FY 2014		FY 2015		FY 2016		FY 2017		FY 2018		FY 2019	
			principal	interest	principal	interest	principal	interest	principal	interest	principal	interest	principal	interest
1995/2000 RUS Rev Bonds	split		\$18,400	\$36,699	\$19,800	\$35,870	\$21,200	\$34,897	\$21,500	\$33,923	\$23,000	\$17,072	\$24,400	\$31,832
retire 2034/2040	water	52%	\$9,568	\$19,084	\$10,296	\$18,652	\$11,024	\$18,147	\$11,180	\$17,640	\$11,960	\$8,877	\$12,688	\$16,552
4.50 - 4.75%	sewer	48%	\$8,832	\$17,616	\$9,504	\$17,218	\$10,176	\$16,751	\$10,320	\$16,283	\$11,040	\$8,194	\$11,712	\$15,279
2003 W&S Refunding	split		\$435,000	\$7,341	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
retire 2014	water	100%	\$435,000	\$7,341	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2.0 - 3.38%	sewer	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Series 2008 USDA Bonds	split		\$17,100	\$62,689	\$17,800	\$61,941	\$18,600	\$61,163	\$19,400	\$60,349	\$20,300	\$59,500	\$21,200	\$58,612
retire 2049	water	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	sewer	100%	\$17,100	\$62,689	\$17,800	\$61,941	\$18,600	\$61,163	\$19,400	\$60,349	\$20,300	\$59,500	\$21,200	\$58,612
Series 2010 RD Build Amer	split		\$8,500	\$26,260	\$8,000	\$26,005	\$8,500	\$25,750	\$9,000	\$25,980	\$9,000	\$25,670	\$9,500	\$25,925
retire 2050	water	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	sewer	100%	\$8,500	\$26,260	\$8,000	\$26,005	\$8,500	\$25,750	\$9,000	\$25,980	\$9,000	\$25,670	\$9,500	\$25,925
Series 2012 Anticipation	split		\$0	\$3,816	\$0	\$3,816	\$0	\$3,816	\$199,999	\$3,816	\$0	\$0	\$0	\$0
due Oct 2017	water	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	sewer	100%	\$0	\$3,816	\$0	\$3,816	\$0	\$3,816	\$199,999	\$3,816	\$0	\$0	\$0	\$0
KIA Loan C88-06	split		\$92,500	\$5,041	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
mature FY 2014	water	52%	\$48,100	\$2,621	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2.25 to 5.25%	sewer	48%	\$44,400	\$2,420	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
KIA Loan A98-08	split		\$431,864	\$131,485	\$448,431	\$114,046	\$465,633	\$95,938	\$483,495	\$77,136	\$502,043	\$57,613	\$521,302	\$37,340
mature FY 2021	water	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3.8%	sewer	100%	\$431,864	\$131,485	\$448,431	\$114,046	\$465,633	\$95,938	\$483,495	\$77,136	\$502,043	\$57,613	\$521,302	\$37,340
new WTP - RD Loan ESTIMATED			\$190,829	\$374,000	\$190,829	\$374,000	\$190,829	\$374,000	\$190,829	\$374,000	\$190,829	\$374,000	\$190,829	\$374,000
new WTP - KIA Loan ESTIMATED			\$337,530	\$140,000	\$337,530	\$140,000	\$337,530	\$140,000	\$337,530	\$140,000	\$337,530	\$140,000	\$337,530	\$140,000
new WTP - Bond ESTIMATED			\$167,909	\$200,000	\$181,394	\$162,500	\$181,394	\$162,500	\$181,394	\$162,500	\$181,394	\$162,500	\$181,394	\$162,500
RD/2.75; KIA/1.75;	water	100%	\$696,267	\$714,000	\$709,753	\$676,500	\$709,753	\$676,500	\$709,753	\$676,500	\$709,753	\$676,500	\$709,753	\$676,500
bonds/PR	sewer	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
total annual payment	water		\$1,188,935	\$743,046	\$720,049	\$695,152	\$720,777	\$694,647	\$720,933	\$694,140	\$721,713	\$685,377	\$722,441	\$693,052
	sewer		\$510,696	\$244,285	\$483,735	\$223,026	\$502,909	\$203,417	\$722,214	\$183,564	\$542,383	\$150,977	\$563,714	\$137,156

City of Danville
Operation Maintenance Expense and Projections

SRE category	Danville's category	description	FY13 to date from budget	projected FY14 (from budget)	projected FY15	projected FY16	projected FY17	projected FY18	projected FY19
Water Treatment Plant									
personnel	persrv	regular salary production	247,191.04	279,080	287,452	296,076	304,958	314,107	323,530
HOLD	persrv	overtime production	35,027.10	30,000	30,000	30,000	30,000	30,000	30,000
personnel	persrv	FICA	20,855.98	23,645	26,000	28,000	30,000	32,000	34,000
personnel	persrv	medical & hospital	65,466.99	92,801	107,000	123,000	141,000	162,000	186,000
personnel	persrv	dental	3,804.72	5,729	6,000	6,100	6,200	6,300	6,400
personnel	persrv	life	596.80	745	850	900	950	1,000	1,050
personnel	persrv	workers compensation	6,763.68	8,750	9,000	9,500	10,000	10,500	11,000
personnel	persrv	retirement CERS	54,936.61	58,385	62,000	65,000	69,000	73,000	77,000
contract	cs	contract labor	336.88		500	550	600	650	700
promotion	csc	advertising and publicity	247.21	500	500	500	500	500	500
supplies	csc	printing & duplication		4,500	4,500	4,500	4,500	4,500	4,500
supplies	csc	postage & freight	2,271.47	3,000	3,000	3,000	3,000	3,000	3,000
contract	cso	rentals & leases	5,976.96	3,500	4,000	4,000	4,500	4,500	5,000
contract	cso	cleaning & janitorial		200	300	300	300	300	300
prof services	csp	consultants	4,290.00	7,500	8,000	8,000	8,000	8,500	8,500
laboratory	csp	laboratory analysis	37,217.89	35,000	37,000	38,000	39,000	40,000	41,000
HOLD	csp	insurance/judgement/c	55,353.81	61,600	67,000	73,000	79,000	85,000	91,000
utilities	csu	telephone & fax	4,161.78	4,950	5,500	5,900	6,300	6,700	7,100
utilities	csu	electric service	388,123.74	450,000	500,000	560,000	610,000	650,000	700,000
utilities	csu	natural & propane gas	11,685.61	13,750	14,500	15,000	15,500	16,000	16,500
contract	csw	landfill charges	11,093.00	62,600	30,000	25,000	25,000	25,000	25,000
HOLD	csi	building & structure			2,000	2,100	2,205	2,315	2,431
HOLD	csi	water plant	81,102.98	90,000	100,000	110,000	120,000	130,000	140,000
HOLD	csi	water lines/fire hydrants	4,580.00		2,000	2,100	2,205	2,315	2,431
eqmt & vehicle	csv	vehicles & light truck		500	500	500	500	500	500
eqmt & vehicle	csv	machinery & equipment		250	250	250	250	250	250
IT	csm	electronic information syst	2,276.14	4,000	4,200	4,400	4,600	4,800	5,000

City of Danville
Operation Maintenance Expense and Projections

SRE category	Danville's category	description	FY13 to date from budget	projected FY14 (from budget)	projected FY15	projected FY16	projected FY17	projected FY18	projected FY19
HOLD	csm	general services	67.84		100	100	100	100	100
promotion	ms	marketing & promotions	4,602.84		3,000	3,150	3,308	3,473	3,647
supplies	ms	office supplies	90.00	400	400	400	400	400	400
supplies	ms	furniture & fixtures			200	210	221	232	243
supplies	ms	cleaning supplies		500	520	546	573	602	632
supplies	ms	clothing & assessories	4,386.05	4,950	5,000	5,250	5,513	5,788	6,078
supplies	ms	food service & supplies		250	300	315	331	347	365
supplies	ms	safety & first aid	1,823.14	1,500	1,600	1,680	1,764	1,852	1,945
IT	os	electronic information syst	7,758.91	80,000	10,000	10,500	11,025	11,576	12,155
HOLD	os	water plant	99,553.64	100,000	110,000	115,500	121,275	127,339	133,706
HOLD	os	lake pump station	2,275.03	25,000	20,000	20,000	20,000	20,000	20,000
chemicals	os	chemicals	607,246.53	715,600	815,600	915,600	990,600	1,065,600	1,140,600
supplies	os	building supplies			500	525	551	579	608
supplies	os	general supplies	527.36	100	200	210	221	232	243
HOLD	os	water lines/fire hydrants	1,670.88	1,000	1,500	1,575	1,654	1,736	1,823
eqmt & vehicle	ves	tools & equipment	119.97	500	500	525	551	579	608
eqmt & vehicle	ves	vehicles & light truck	1,331.55	750	1,000	1,050	1,103	1,158	1,216
eqmt & vehicle	ves	machinery & equipment	207.48	250	300	315	331	347	365
eqmt & vehicle	ves	gasoline & oil	13,326.67	15,600	16,000	16,500	17,000	17,500	18,000
HOLD	os	water meters	1,331.12	1,500	1,550	1,600	1,650	1,700	1,750
trng & subsc	other	membership/subscriptions	1,658.39	1,500	2,000	2,000	2,000	2,000	2,000
trng & subsc	other	staff developmental educa	3,453.25	3,000	4,000	4,000	4,100	4,100	4,200
HOLD		non-capital outlay	13,000.00						
			1,807,791.04	2,193,385	2,306,322	2,517,227	2,702,337	2,880,977	3,073,374
					5.15%	9.14%	7.35%	6.61%	6.68%
Water Distribution									
	persrv	reg salary distr	408,959.15	416,937	430,000	451,500	474,075	497,779	522,668
	persrv	overtime distr	36,465.40	32,500	38,000	39,900	41,895	43,990	46,189

City of Danville
Operation Maintenance Expense and Projections

SRE category	Danville's category	description	FY13 to date from budget	projected FY14 (from budget)	projected FY15	projected FY16	projected FY17	projected FY18	projected FY19
	persrv	FICA	32,431.78	34,382	36,000	37,800	39,690	41,675	43,758
	persrv	medical & hospital	139,602.82	171,100	197,000	227,000	261,000	300,000	345,000
	persrv	dental	8,487.00	9,383	10,000	10,500	11,025	11,576	12,155
	persrv	life	780.14	886	1,000	1,050	1,103	1,158	1,216
	persrv	workers comp	9,424.24	10,925	11,000	11,550	12,128	12,734	13,371
	persrv	retirement CERS	84,830.59	84,899	85,000	89,250	93,713	98,398	103,318
	cs	contract labor	5,000.00	750	2,000	2,060	2,163	2,271	2,385
	cs	uniform & clothing	3,947.62	3,600	4,000	4,120	4,326	4,542	4,769
	csc	advertising & publicity	215.09	500	700	721	757	795	835
	csc	printing & duplic	328.00	200	300	309	324	341	358
	csc	postage & freight	3,549.98		1,000	1,030	1,082	1,136	1,192
	cso	rentals & leases	8,350.00	10,000	11,000	11,330	11,897	12,491	13,116
	cso	cleaning & janitorial	451.03	1,000	1,000	1,030	1,082	1,136	1,192
	csp	consultants	935.50	1,000	1,500	1,545	1,622	1,703	1,789
	csp	insurance/judgment	28,236.58	33,550	36,000	37,080	38,934	40,881	42,925
	csu	telephone & fax	2,207.42	2,530	2,700	2,781	2,920	3,066	3,219
	csu	electric service	6,212.12	6,600	7,600	8,600	9,600	10,600	11,600
	csu	natural & propane	1,199.90	1,250	1,300	1,339	1,406	1,476	1,550
	csw	solid waste collec	721.94	750	800	824	865	908	954
	csi	buildings & structure	283.00	500	550	567	595	625	656
	csi	water lines/fire hydrants	27,025.67	22,000	25,000	25,750	27,038	28,389	29,809
	csi	water meters	3,088.48	4,000	4,200	4,326	4,542	4,769	5,008
	csv	vehicles & light trucks	46.97	500	550	567	595	625	656
	csv	heavy trucks & equipmt	2,706.09	3,000	3,200	3,296	3,461	3,634	3,816
	csv	machinery & equipmnt		500	500	515	541	568	596
	csm	electronic information sys	3,136.27	3,500	4,000	4,120	4,326	4,542	4,769
	ms	office supplies	1,307.59	2,000	2,200	2,266	2,379	2,498	2,623
	ms	furniture & fixtures		200	300	309	324	341	358

City of Danville
Operation Maintenance Expense and Projections

SRE category	Danville's category	description	FY13 to date from budget	projected FY14 (from budget)	projected FY15	projected FY16	projected FY17	projected FY18	projected FY19
	ms	cleaning supplies	1,065.77	1,500	2,000	2,060	2,163	2,271	2,385
	ms	clothing & accessories	2,909.13	3,000	3,200	3,296	3,461	3,634	3,816
	ms	food service/supplies	208.19	750	1,000	1,030	1,082	1,136	1,192
	ms	safety & first aid	3,124.79	3,500	3,700	3,811	4,002	4,202	4,412
	os	electronic information sys	3,071.50	3,250	3,400	3,502	3,677	3,861	4,054
	os	building supplies	2,788.34	2,000	2,200	2,266	2,379	2,498	2,623
	os	construction materials	9,944.21	8,000	8,000	8,240	8,652	9,085	9,539
	os	general supplies	2,972.47	3,000	3,500	3,605	3,785	3,975	4,173
	os	water lines & fire hydrants	104,825.45	90,000	80,000	82,400	86,520	90,846	95,388
	ves	tools & equipmt	12,725.99	3,500	5,000	5,150	5,408	5,678	5,962
	ves	vehicles and light truck	6,059.20	5,000	5,500	5,665	5,948	6,246	6,558
	ves	heavy truck and equipmt	659.02	350	500	515	541	568	596
	ves	machinery & equipmt		4,000	4,000	4,120	4,326	4,542	4,769
	ves	gasoline & oil	30,545.42	34,500	40,000	41,200	43,260	45,423	47,694
	ves	miscellaneous	3,540.27	4,000	4,000	4,120	4,326	4,542	4,769
	os	water meters	24,232.22	30,000	32,000	32,960	34,608	36,338	38,155
	other	membership/subscrip	1,547.42	1,250	1,500	1,545	1,622	1,703	1,789
	other	staff developmt/education	4,346.80	4,500	5,000	5,150	5,408	5,678	5,962
			1,034,496.56	1,061,042	1,122,900	1,193,669	1,276,572	1,366,871	1,465,685

City of Danville Estimated Depreciation

	Book Cost	Annual Depreciation	Accumulated Depreciation	Rate Base Book Value
FY 2013 Numbers	18,019,762	407,519	10,611,375	7,408,387
14 new assets	137,000			
14 addt'l-new depreciation		-		
14 addt'l-new acc deprec			-	
14 addt'l old annual deprec		453,275		
14 addt'l old acc deprec			453,275	
FY 2014 Numbers	18,156,762	453,275	11,064,650	7,092,112
15 new assets	345,000			
15 addt'l-new depreciation		13,300		
15 addt'l-new acc deprec			13,330	
15 addt'l old annual deprec		454,487		
15 addt'l old acc deprec			450,713	
FY 2015 Numbers	18,501,762	467,787	11,528,693	6,973,068
16 new assets	13,294,000			
16 addt'l-new depreciation		587,432		
16 addt'l-new acc deprec			587,432	
16 addt'l old annual deprec		453,944		
16 addt'l old acc deprec			450,170	
FY 2016 Numbers	31,795,762	1,041,376	12,566,295	19,229,466
17 new assets	15,071,000			
17 addt'l-new depreciation		1,452,533		
17 addt'l-new acc deprec			1,452,533	
17 addt'l old annual deprec		330,997		
17 addt'l old acc deprec			330,997	
FY 2017 Numbers	46,866,762	1,783,530	14,349,825	32,516,936
18 new assets	355,000			
18 addt'l-new depreciation		1,486,100		
18 addt'l-new acc deprec			1,486,100	
18 addt'l old annual deprec		322,722		
18 addt'l old acc deprec			322,722	
FY 2018 Numbers	47,221,762	1,808,822	16,158,647	31,063,114
19 new assets	3,050,000			
19 addt'l-new depreciation		1,503,500		
19 addt'l-new acc deprec			1,503,500	
19 addt'l old annual deprec		315,427		
19 addt'l old acc deprec			315,427	
FY 2019 Numbers	50,271,762	1,818,927	17,977,574	32,294,188

City of Danville
Cash Needs Revenue Requirements

Cash Needs Revenues Needed From Rates						
		Projected Years				
		1 (FY 2015)	2 (FY 2016)	3 (FY 2017)	4 (FY 2018)	5 (FY 2019)
1	O&M Expense	3,429,222	3,710,896	3,978,909	4,247,848	4,539,058
2	Taxes Other Than Income	260,775	273,813	287,504	301,879	316,973
	Debt Service					
3	Outstanding Bonds	28,948	29,676	29,171	29,327	28,820
4	Proposed Bonds	1,415,201	1,415,929	1,415,423	1,415,579	1,415,073
5	Total Debt Service	1,444,150	1,445,606	1,444,594	1,444,906	1,443,892
	Other Obligations					
6	Cash Paid Capital Improvements	415,000	380,000	435,000	380,000	160,000
7	Debt Service Reserve	216,833	216,942	216,866	216,890	216,814
8	Total Other Obligations	631,833	596,942	651,866	596,890	376,814
	Nonrate Revenue					
9	Other Operating Revenue	(82,822)	(83,236)	(83,652)	(84,491)	(84,913)
10	Nonoperating Revenue	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
11	Total Nonrate Revenue	(432,822)	(433,236)	(433,652)	(434,491)	(434,913)
12	Net Balance From Operations	863,060	1,049,898	1,309,815	1,383,197	1,388,800
13	Total User Charge Revenue Requirements	6,196,218	6,643,919	7,239,036	7,540,229	7,630,625

City of Danville
Flow of Funds (Existing Rates)

		Flow of Funds - Existing Rates - Water				
		Projected Years				
		1 (FY 2015)	2 (FY 2016)	3 (FY 2017)	4 (FY 2018)	5 (FY 2019)
Operating Revenues						
1	Water Service	\$ 4,354,428	\$ 4,428,453	\$ 4,503,737	\$ 4,658,165	\$ 4,737,354
2	Other Operating Revenue	\$ 82,822	\$ 83,236	\$ 83,652	\$ 84,491	\$ 84,913
3	Total Operating Revenue	\$ 4,437,250	\$ 4,511,689	\$ 4,587,389	\$ 4,742,656	\$ 4,822,268
4	Operation & Maintenance Expense	\$ (3,313,552)	\$ (3,595,226)	\$ (3,863,239)	\$ (4,132,178)	\$ (4,423,388)
	Taxes and Fees to KRA	\$ (157,087)	\$ (158,658)	\$ (160,244)	\$ (161,847)	\$ (163,465)
5	Interagency - Admin & Customer Accts	\$ (260,775)	\$ (273,813)	\$ (287,504)	\$ (301,879)	\$ (316,973)
6	Net Operating Revenue	\$ 862,923	\$ 642,650	\$ 436,646	\$ 308,599	\$ 81,906
Debt Service						
7	Outstanding Bonds	\$ (28,948)	\$ (29,676)	\$ (29,171)	\$ (29,327)	\$ (28,820)
8	Proposed Bonds	\$ (1,415,201)	\$ (1,415,929)	\$ (1,415,423)	\$ (1,415,579)	\$ (1,415,073)
9	Total Debt Service	\$ (1,444,150)	\$ (1,445,606)	\$ (1,444,594)	\$ (1,444,906)	\$ (1,443,892)
10	Nonoperating Revenue	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Other Obligations						
11	Capital Improvements	\$ (415,000)	\$ (380,000)	\$ (435,000)	\$ (380,000)	\$ (160,000)
12	Debt Service Reserve	\$ (216,833)	\$ (216,942)	\$ (216,866)	\$ (216,890)	\$ (216,814)
13	Total Other Obligations	\$ (631,833)	\$ (596,942)	\$ (651,866)	\$ (596,890)	\$ (376,814)
14	Net Balance from Operations (6+9+10+13)	\$ (863,060)	\$ (1,049,898)	\$ (1,309,815)	\$ (1,383,197)	\$ (1,388,800)
15	Beginning of Year Balance	\$ -	\$ (863,060)	\$ (1,912,958)	\$ (3,222,773)	\$ (4,605,970)
16	End of Year Balance	\$ (863,060)	\$ (1,912,958)	\$ (3,222,773)	\$ (4,605,970)	\$ (5,994,770)
17	% Deficiency - Water Service (14/1)		23.7%	29.1%	29.7%	29.3%
18	Debt Service Coverage (6/9)	0.60	0.44	0.30	0.21	0.06
19	Cumulative Water Service Revenue		\$ 4,428,453	\$ 8,932,190	\$ 13,590,355	\$ 18,327,709
20	Cumulative Net Balance		\$ (1,912,958)	\$ (3,222,773)	\$ (4,605,970)	\$ (5,994,770)
21	Cumulative % Deficiency (20/19)		43.2%	36.1%	33.9%	32.7%

residential/commercial and wholesale as well as industrial customers. The "Flow of Funds-Increase" worksheet shows increase in revenues, but only because of programmed rate increases and COLA increases as per Ord. No. 1536

estimated COLA 0.017

City of Danville
Fiscal Year 2013 Revenues

Operating Revenue				
	Water Service	100%	3,981,569	3,981,569
	Surcharge	55%	250,000	137,500
	Fire Protection	100%	91,000	91,000
			Sub-Total	4,210,069
Other Operating Revenue				
	Kentucky River	100%	27,000	27,000
	Penalty	55%	100,000	55,000
			Sub-Total	82,000
Non-Operating Revenue				
	Labor	55%	10,000	5,500
	Turn On Fees	100%	60,000	60,000
	Revenue Interest	55%	4,000	2,200
	Depreciation Fund Interest	55%	1,000	550
	Meter Deposit Interest	55%	7,200	3,960
	Bond Fund Interest	55%	1,800	990
	Payroll Account Interest	55%	50	28
	Interest Expense	55%	(37,264)	(20,495)
	Stock Sold	55%	15,000	8,250
	Intergovernmental	55%	459,000	252,450
	Miscellaneous	55%	27,500	15,125
			Sub-Total	328,557
Contributions to Capital				
	RD Grant/Loan	100%	975,000	975,000
	Tap Fees	55%	5,000	2,750
	KIA 2% Loan	100%	8,000,000	8,000,000
	Bond Issue	100%	5,000,000	5,000,000
			Sub-Total	13,977,750
			Total Revenues	18,598,376

As categorized on FY13 Budget (final) from Danville:

Operating Revenue				
	Water Service	100%	4,016,250	4,016,250
	Surcharge	55%	250,000	137,500
	Tap Fees	55%	5,000	2,750
	Labor	55%	10,000	5,500
	Penalty	55%	100,000	55,000
	Turn On Fees	100%	60,000	60,000
	Fire Protection	100%	91,000	91,000
	Stock Sold	55%	15,000	8,250
	Miscellaneous	55%	27,500	15,125
	Kentucky River	100%	27,000	27,000
			Total Operating Revenue	4,418,375
Non-Operating Revenue				
	Revenue Interest	55%	4,000	2,200
	Depreciation Fund Interest	55%	1,000	550
	Meter Deposit Interest	55%	7,200	3,960
	Bond Fund Interest	55%	1,800	990
	Payroll Account Interest	55%	50	28
	RD Grant/Loan	100%	975,000	975,000
	KIA 2% Loan	100%	8,000,000	8,000,000
	Bond Issue	100%	5,000,000	5,000,000
	Intergovernmental	55%	459,000	252,450
			Total Non-Operating Revenue	14,235,178
			Total Revenues	18,653,553

	principal payment	interest payment
Rural Development 13600000	(\$190,829)	(\$374,000)
Kentucky Infrastructure Authority 8000000	(\$337,530)	(\$140,000)
Bond Sale 5000000	(\$167,909)	(\$200,000)
	(\$696,267)	(\$714,000)

per Michele:

they have an interim loan for the portion of the debt that RD will be paying out of \$13,600,000; KIA is loaning the City \$8,000,000; if no other funding occurs the City will bond \$4-\$5,000,000

I used:

4.00% for bond sale as per Chris Bowling via Jeff Abshire (KIA) last stated 17 Dec 13
 1.75 for KIA (doesn't not include the 0.25% annual fee (cal of outstanding balance))
 2.75% for RD
 a" wash" for interim funding