

**SUBMIT ORIGINAL AND FIVE ADDITIONAL COPIES, UNLESS FILING ELECTRONICALLY**

**APPLICATION FOR RATE ADJUSTMENT  
BEFORE THE PUBLIC SERVICE COMMISSION**

For Small Utilities Pursuant to 807 KAR 5:076  
(Alternative Rate Filing)

**RECEIVED**

**Sandy Hook Water District**

(Name of Utility)

**JUL 19 2016**

**PO Box 726**

(Business Mailing Address - Number and Street, or P.O. Box)

Public Service  
Commission

**Sandy Hook, KY 41171**

(Business Mailing Address - City, State, and Zip)

**606-738-6282**

(Telephone Number)

**BASIC INFORMATION**

NAME, TITLE, ADDRESS, TELEPHONE NUMBER and E-MAIL ADDRESS of the person to whom correspondence or communications concerning this application should be directed:

**Holly Nicholas**

(Name)

**PO Box 1034**

(Address - Number and Street or P.O. Box)

**Versailles KY 40383**

(Address - City, State, Zip)

**859-333-9742**

(Telephone Number)

**hnicholas@kyengr.com**

(Email Address)

(For each statement below, the Applicant should check either "YES", "NO", or  
"NOT APPLICABLE" (N/A))

YES NO N/A

- |       |  |                                     |                                     |                          |
|-------|--|-------------------------------------|-------------------------------------|--------------------------|
| 1. a. | In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| b.    | Applicant operates two or more divisions that provide different types of utility service. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue from the division for which a rate adjustment is sought. | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. a. | Applicant has filed an annual report with the Public Service Commission for the past year.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| b.    | Applicant has filed an annual report with the Public Service Commission for the two previous years.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 3.    | Applicant's records are kept separate from other commonly-owned enterprises.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |

YES NO N/A

4. a. Applicant is a corporation that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky. ☐ ☒ ☐
- b. Applicant is a limited liability company that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky. ☐ ☒ ☐
- c. Applicant is a limited partnership that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky. ☐ ☒ ☐
- d. Applicant is a sole proprietorship or partnership. ☐ ☒ ☐
- e. Applicant is a water district organized pursuant to KRS Chapter 74. ☒ ☐ ☐
- f. Applicant is a water association organized pursuant to KRS Chapter 273. ☐ ☒ ☐
5. a. A paper copy of this application has been mailed to Office of Rate Intervention, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204. ☒ ☐ ☐
- b. An electronic copy of this application has been electronically mailed to Office of Rate Intervention, Office of Attorney General at [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov). ☐ ☒ ☐
6. a. Applicant has 20 or fewer customers and has mailed written notice of the proposed rate adjustment to each of its customers no later than the date this application was filed with the Public Service Commission. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)** ☐ ☒ ☐
- b. Applicant has more than 20 customers and has included written notice of the proposed rate adjustment with customer bills that were mailed by the date on which the application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)** ☐ ☒ ☐
- c. Applicant has more than 20 customers and has made arrangements to publish notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in its service area, the first publication having been made by the date on which this Application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)** ☒ ☐ ☐
7. Applicant requires a rate adjustment for the reasons set forth in the attachment entitled "Reasons for Application." **(Attach completed "Reasons for Application" Attachment.)** ☒ ☐

YES NO N/A

8. Applicant proposes to charge the rates that are set forth in the attachment entitled "Current and Proposed Rates." **(Attach completed "Current and Proposed Rates" Attachment.)** ☒ ☐
9. Applicant proposes to use its annual report for the immediate past year as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31, 2015. ☒ ☐
10. Applicant has reason to believe that some of the revenue and expense items set forth in its most recent annual report have or will change and proposes to adjust the test period amount of these items to reflect these changes. A statement of the test period amount, expected changes, and reasons for each expected change is set forth in the attachment "Statement of Adjusted Operations." **(Attach a completed copy of appropriate "Statement of Adjusted Operations" Attachment and any invoices, letters, contracts, receipts or other documents that support the expected change in costs.)** ☒ ☐
11. Based upon test period operations, and considering any known and measurable adjustments, Applicant requires additional revenues of \$ 161,442.00 and total revenues from service rates of \$ 793,046.00. The manner in which these amounts were calculated is set forth in "Revenue Requirement Calculation" Attachment. **(Attach a completed "Revenue Requirement Calculation" Attachment.)** ☒ ☐
12. As of the **date of the filing of this application**, Applicant had 1,234 customers. ☒ ☐
13. A billing analysis of Applicant's current and proposed rates is attached to this application. **(Attach a completed "Billing Analysis" Attachment.)** ☒ ☐
14. Applicant's depreciation schedule of utility plant in service is attached. **(Attach a schedule that shows per account group: the asset's original cost, accumulated depreciation balance as of the end of the test period, the useful lives assigned to each asset and resulting depreciation expense.)** ☒ ☐
15. a. Applicant has outstanding evidences of indebtedness, such as mortgage agreements, promissory notes, or bonds. ☒ ☐
- b. Applicant has attached to this application a copy of each outstanding evidence of indebtedness (e.g., mortgage agreement, promissory note, bond resolution). ☒ ☐ ☐
- c. Applicant has attached an amortization schedule for each outstanding evidence of indebtedness. ☒ ☐ ☐

YES NO N/A

16. a. Applicant is not required to file state and federal tax returns. ☒ ☐ ☐
- b. Applicant is required to file state and federal tax returns. ☐ ☒ ☐
- c. Applicant's most recent state and federal tax returns are attached to this Application. ☐ ☐ ☒  
(Attach a copy of returns.)
17. Approximately \$0.00 (Insert dollar amount or percentage of total utility plant) of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions. ☐ ☒
18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires to complete such form. ☒ ☐

By submitting this application, the Applicant consents to the procedures set forth in 807 KAR 5:076 and waives any right to place its proposed rates into effect earlier than six months from the date on which the application is accepted by the Public Service Commission for filing.

I am authorized by the Applicant to sign and file this application on the Applicant's behalf, have read and completed this application, and to the best of my knowledge all the information contained in this application and its attachments is true and correct.

Signed



Officer of the Company/Authorized Representative

Title

Chairman

Date

July 14, 2016

COMMONWEALTH OF KENTUCKY

COUNTY OF Elliott

Before me appeared James Lewis, who after being duly sworn, stated that he/she had read and completed this application, that he/she is authorized to sign and file this application on behalf of the Applicant, and that to the best of his/her knowledge all the information contained in this application and its attachments is true and correct.



Notary Public

My commission expires

Oct 21, 2019



LIST OF ATTACHMENTS  
(Indicate all documents submitted by checking box)

- ☒ Customer Notice of Proposed Rate Adjustment
- ☒ "Reasons for Application" Attachment
- ☒ Current and Proposed Rates" Attachment
- ☒ "Statement of Adjusted Operations" Attachment
- ☒ "Revenue Requirements Calculation" Attachment
- ☒ Attachment Billing Analysis" Attachment
- ☒ Depreciation Schedules
- ☒ Outstanding Debt Instruments (i.e., Bond Resolutions, Mortgages, Promissory Notes, Amortization Schedules.)
- ☐ State Tax Return
- ☐ Federal Tax Return
- ☒ Statement of Disclosure of Related Party Transactions - ARF Form 3

## CUSTOMER NOTICE

Notice is hereby given that the Sandy Hook Water District expects to file an application on or about July 21, 2016 with the Kentucky Public Service Commission seeking approval of a proposed adjustment to its water rates. The proposed rates shall not become effective until the Public Service Commission has issued an order approving these rates.

### Monthly Water Rates

	Current Rates	Proposed Rates	Dollar Increase	Percent Increase
<b>5/8 inch x ¾ meter</b>				
First ,2000 gallons	24.00	31.00	7.00	29%
Next 8,000 gallons	9.40	10.90	1.50	16%
Next 40,000 gallons	8.40	9.90	1.50	18%
Over 50,000 gallons	7.40	8.90	1.50	20%
<b>1 inch meter</b>				
First 5,000 gallons	52.20	63.70	11.50	22%
Next 5,000 gallons	9.40	10.90	1.50	16%
Next 40,000 gallons	8.40	9.90	1.50	18%
Over 50,000 gallons	7.40	8.90	1.50	20%
<b>1.5 inch meter</b>				
First 10,000 gallons	99.20	118.20	19.00	19%
Next 40,000 gallons	8.40	9.90	1.50	18%
Over 50,000 gallons	7.40	8.90	1.50	20%
<b>2 inch meter</b>				
First 20,000 gallons	183.20	217.20	34.00	19%
Next 30,000 gallons	8.40	9.90	1.50	18%
Over 50,000 gallons	7.40	8.90	1.50	20%
<b>3 inch meter</b>				
First 30,000 gallons	267.20	316.20	49.00	18%
Next 20,000 gallons	8.40	9.90	1.50	18%
Over 50,000 gallons	7.40	8.90	1.50	20%

If the Public Service Commission approves the proposed rates, then the monthly bill for a residential customer using an average of 4,000 gallons per month will increase from \$42.80 to \$52.80. This is an increase of \$10.00 or 23.36%.

The rates contained in this notice are the rates proposed by the Sandy Hook Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates shown in this notice.

Sandy Hook Water District has available for inspection at its office the application which is submitted to the Public Service Commission. A person may examine this application at the Sandy Hook Water District office located at 100 Howards Creek, Sandy Hook, KY 41171. You may contact the office at 606-738-6282.

A person may also examine the application at the Public Service Commission's office located at 211 Sower Boulevard, Frankfort KY 40602; Monday through Friday, 8:00 AM to 4:30 PM or through the Public Service Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, PO Box 615, Frankfort KY 40602. You may contact the Public Service Commission at 502-564-3940.

A person may submit a timely written request for intervention to the Public Service Commission, PO Box 615, Frankfort, KY 40602, establishing the grounds for the request including the status and interest of the party. If the Public Service Commission does not receive a written request for intervention within 30 days of the initial publication of this notice, the Public Service Commission may take final action on the application.

**REASONS FOR APPLICATION**

**(In the space below list all reasons why the Applicant requires a rate adjustment. Describe any event or occurrence of significance that may affect the Applicant's present or future financial condition, including but not limited to excessive water line losses, regulatory changes, major repairs, planned construction, and increases in wholesale water costs.)**

The Sandy Hook Water District needs to strengthen its financial condition to ensure that it has sufficient revenues to properly operate and maintain its system. It is currently operating in a deficit manner. A rate increase is necessary for the District to meet all its obligations.



**CURRENT AND PROPOSED RATES**  
**(List Applicant's Current and Proposed Rates)**

**CURRENT RATES**

5/8 inch

first 2000	\$ 24.00 minimum
next 8000	\$ 9.40 per 1000 gallons
next 40000	\$ 8.40 per 1000 gallons
over 50000	\$ 7.40 per 1000 gallons

1 inch

first 5000	\$ 52.20 minimum
next 5000	\$ 9.40 per 1000 gallons
next 40000	\$ 8.40 per 1000 gallons
over 50000	\$ 7.40 per 1000 gallons

1.5 inch

first 10000	\$ 99.20 minimum
next 40000	\$ 8.40 per 1000 gallons
over 50000	\$ 7.40 per 1000 gallons

2 inch

first 20000	\$ 183.20 minimum
next 30000	\$ 8.40 per 1000 gallons
over 50000	\$ 7.40 per 1000 gallons

3 inch

first 30000	\$ 267.20 minimum
next 20000	\$ 8.40 per 1000 gallons
over 50000	\$ 7.40 per 1000 gallons

**PROPOSED RATES**

5/8 inch

first 2000	\$ 31.00 minimum
next 8000	\$ 10.90 per 1000 gallons
next 40000	\$ 9.90 per 1000 gallons
over 50000	\$ 8.90 per 1000 gallons

1 inch

first 5000	\$ 63.70 minimum
next 5000	\$ 10.90 per 1000 gallons
next 40000	\$ 9.90 per 1000 gallons
over 50000	\$ 8.90 per 1000 gallons

1.5 inch

first 10000	\$ 118.20 minimum
next 40000	\$ 9.90 per 1000 gallons
over 50000	\$ 8.90 per 1000 gallons

2 inch

first 20000	\$ 217.20 minimum
next 30000	\$ 9.90 per 1000 gallons
over 50000	\$ 8.90 per 1000 gallons

**CURRENT AND PROPOSED RATES**  
**(List Applicant's Current and Proposed Rates)**

**PROPOSED RATES CONT'D**

3 inch  
first 30000      \$ 316.20 minimum  
next 20000      \$ 9.90 per 1000 gallons  
over 50000      \$ 8.90 per 1000 gallons



**SCHEDULE OF ADJUSTED OPERATIONS - WATER UTILITY**

TYE 12/31/20 15

	Test Year	Adjustment	Ref.	Pro Forma
<b><u>Operating Revenues</u></b>				
Sales of Water				
Unmetered Water Sales				0.00
Metered Water Sales	631,604.00			631,604.00
Bulk Loading Stations				0.00
Fire Protection Revenue				0.00
Sales for Resale				0.00
Total Sales of Water	631,604.00	0.00		631,604.00
Other Water Revenues				
Forfeited Discounts				0.00
Miscellaneous Service Revenues	37,893.00			37,893.00
Rents from Water Property				0.00
Other Water Revenues				0.00
Total Other Water Revenues	37,893.00	0.00		37,893.00
<b>Total Operating Revenues</b>	<b>669,497.00</b>	<b>0.00</b>		<b>669,497.00</b>
<b><u>Operating Expenses</u></b>				
Operation and Maintenance Expenses				
Salaries and Wages - Employees	205,627.00			205,627.00
Salaries and Wages - Officers				0.00
Employee Pensions and Benefits	46,720.00			46,720.00
Purchased Water				0.00
Purchased Power	58,534.00			58,534.00
Fuel for Power Production				0.00
Chemicals				0.00
Materials and Supplies	21,282.00			21,282.00
Contractual Services	10,650.00			10,650.00
Water Testing				0.00
Rents				0.00
Transportation Expenses	11,037.00			11,037.00
Insurance	13,470.00			13,470.00
Regulatory Commission Expenses	560.00			560.00
Bad Debt Expense				0.00

Miscellaneous Expenses	132,524.00			132,524.00
Total Operation and Maintenance Expenses	500,404.00	0.00		500,404.00
Depreciation Expense	204,093.00			204,093.00
Amortization Expense				0.00
Taxes Other Than Income	14,358.00			14,358.00
Income Tax Expense				0.00
<b>Total Operating Expenses</b>	<b>718,855.00</b>	<b>0.00</b>		<b>718,855.00</b>
<b>Utility Operating Income</b>	<b>-49,358.00</b>	<b>0.00</b>	A	<b>-49,358.00</b>



References

A. The District is operating in a deficit situation and needs a rate adjustment to strengthen its financial condition.

**REVENUE REQUIREMENT CALCULATION - DEBT COVERAGE METHOD**

(This method is used commonly by non-profits that have long-term debts outstanding.)

Pro forma Operating Expenses	\$718,855.00
Plus: Average Annual Debt Principal and Interest Payments*	102,216.00
Debt Coverage Requirement**	10,221.00
Total Revenue Requirement	831,292.00
Less: Other Operating Revenue	-37,893.00
Non-operating Revenue	
Interest Income	-353.00
Revenue Required from Rates	793,046.00
Less: Revenue from Sales at Present Rates	-631,604.00
Required Revenue Increase	\$161,442.00

Required Revenue Increase stated as a Percentage of Revenue at Present Rates 25.56%

\* This should be a 3 year average calculated using the debt principal and interest payments for the three years following the test year.

\*\* This amount is calculated by multiplying the average annual debt principal and interest payments by the debt service requirement of the utility's lending agency.

**BILLING ANALYSIS - Declining Block Rates**

Revenue from Present/Proposed Rates

**EXISTING RATES****Usage Table**

Usage by Rate Increment

Class: Residential - 5/8"x3/4"

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 2000	Next 8000	Next 40,000	Over 50,000	Total
First 2,000 Minimum Bill		439 632000	632000				632000
Next 8,000 Gallons		678 2930000	1314000	1616000			2930000
Next 40,000 Gallons		35 356000	70000	280000	6000		356000
Over 50,000 Gallons		0					0
Totals		1152 3918000	2016000	1896000	6000	0	3918000

**Revenue Table**

Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	1152	2016000	\$ 24.00	\$ 27,648.00
Next 8,000 Gallons		1896000	\$ 9.40	\$ 17,822.40
Next 40,000 Gallons		6000	\$ 8.40	\$ 50.40
Over 50,000 Gallons		0	\$ 7.40	\$ -
Totals	1152	3918000	\$ 49.20	\$ 45,520.80

**Usage Table**

Usage by Rate Increment

Class: Commercial - 5/8"x3/4"

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
-----	-----	-----	-----	-----	-----	-----	-----

	Bills	Gallons	First 2000	Next 8000	Next 40,000	Over 50,000	Total
First 2,000 Minimum Bill	43	58000	58000				58000
Next 8,000 Gallons	21	81000	42000	39000			81000
Next 40,000 Gallons	0						0
Over 50,000 Gallons	0						0
Totals	64	139000	100000	39000	0	0	139000

#### Revenue Table

Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons	(4) Rates	(5) Revenue
First 2,000 Minimum Bill	64	100000	\$ 24.00	\$ 1,536.00
Next 8,000 Gallons		39000	\$ 9.40	\$ 366.60
Next 40,000 Gallons		0	\$ 8.40	\$ -
Over 50,000 Gallons		0	\$ 7.40	\$ -
Totals	64	139000	\$ 49.20	\$ 1,902.60

#### Usage Table

Usage by Rate Increment

Class: Commercial - 1 Inch

(1)	(2) Bills	(3) Gallons	(4) First 5000	(5) Next 5000	(6) Next 40,000	(7) Over 50,000	(8) Total
First 5,000 Minimum Bill		0					0
Next 5,000 Gallons		0					0
Next 40,000 Gallons	7	154000	35000	35000	84000		154000
Over 50,000 Gallons		0					0
Totals	7	154000	35000	35000	84000	0	154000

#### Revenue Table



### Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill		7 35000	\$ 52.20	\$ 365.40
Next 5,000 Gallons		0 35000	\$ 9.40	\$ 329.00
Next 40,000 Gallons		0 84000	\$ 8.40	\$ 705.60
Over 50,000 Gallons		0	\$ 7.40	\$ -
Totals		7 154000	\$ 77.40	\$ 1,400.00

### Usage Table

#### Usage by Rate Increment

Class: Commercial - 1.5 Inch

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 10,000	Next 40,000		Over 50,000	Total
First 10,000 Minimum Bill		0					0
Next 40,000 Gallons		1 17000	10000	7000			17000
Over 50,000 Gallons		0					0
Totals		1 17000	10000	7000		0 0	17000

### Revenue Table

#### Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 10,000 Minimum Bill		1 10000	\$ 99.20	\$ 99.20
Next 40,000 Gallons		0 7000	\$ 8.40	\$ 58.80
Over 50,000 Gallons		0	\$ 7.40	\$ -
Totals		1 17000	\$ 115.00	\$ 158.00

**Usage Table**  
Usage by Rate Increment

Class: Commercial - 2 Inch

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 20,000	Next 30,000		Over 50,000	Total
First 20,000 Minimum Bill		0					0
Next 30,000 Gallons		0					0
Over 50,000 Gallons		8 480000	160000	240000		80000	480000
Totals		8 480000	160000	240000	0	80000	480000

**Revenue Table**  
Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 20,000 Minimum Bill		8 160000	\$ 183.20	\$ 1,465.60
Next 30,000 Gallons		240000	\$ 8.40	\$ 2,016.00
Over 50,000 Gallons		80000	\$ 7.40	\$ 592.00
Totals		8 480000	\$ 199.00	\$ 4,073.60

**Usage Table**  
Usage by Rate Increment

Class: Commercial - 3 Inch

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 30,000	Next 20,000		Over 50,000	Total
First 30,000 Minimum Bill		2 60000	60000				60000
Next 20,000 Gallons		0					0
Over 50,000 Gallons		0					0
Totals		2 60000	60000	0	0	0	60000

**Revenue Table**  
Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 30,000 Minimum Bill		2 60000	\$ 267.20	\$ 534.40
Next 20,000 Gallons		0 0	\$ 8.40	\$ -
Over 50,000 Gallons		0 0	\$ 7.40	\$ -
Totals		2 60000	\$ 283.00	\$ 534.40

**Total Revenue:**

Residential 5/8"x3/4"	\$ 45,520.80
Commercial 5/8"x3/4"	\$ 1,902.60
Commercial 1 Inch	\$ 1,400.00
Commercial 1.5 Inch	\$ 158.00
Commercial 2 Inch	\$ 4,073.60
Commercial 3 Inch	\$ 534.40

Total Monthly Income:	\$ 53,589.40
No. Months:	12

**Total Annual Revenue: \$ 643,072.80**

**BILLING ANALYSIS - Declining Block Rates**

Revenue from Present/Proposed Rates

**PROPOSED RATES****Usage Table**

Usage by Rate Increment

Class: Residential - 5/8"x3/4"

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 2000	Next 8000	Next 40,000	Over 50,000	Total
First 2,000 Minimum Bill		439	632000	632000			632000
Next 8,000 Gallons		678	2930000	1314000	1616000		2930000
Next 40,000 Gallons		35	356000	70000	280000	6000	356000
Over 50,000 Gallons		0					0
Totals		1152	3918000	2016000	1896000	6000	0 3918000

**Revenue Table**

Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill		1152	2016000	\$ 31.00 \$ 35,712.00
Next 8,000 Gallons			1896000	\$ 10.90 \$ 20,666.40
Next 40,000 Gallons			6000	\$ 9.90 \$ 59.40
Over 50,000 Gallons			0	\$ 8.90 \$ -
Totals		1152	3918000	\$ 60.70 \$ 56,437.80

**Usage Table**

Usage by Rate Increment

Class: Commercial - 5/8"x3/4"

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 2000	Next 8000	Next 40,000	Over 50,000	Total
First 2,000 Minimum Bill		43	58000	58000			58000
Next 8,000 Gallons		21	81000	42000	39000		81000



Next 40,000 Gallons	0						0
Over 50,000 Gallons	0						0
Totals	64	139000	100000	39000	0	0	139000

**Revenue Table**  
Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill		64	100000 \$	31.00 \$ 1,984.00
Next 8,000 Gallons			39000 \$	10.90 \$ 425.10
Next 40,000 Gallons			0 \$	9.90 \$ -
Over 50,000 Gallons			0 \$	8.90 \$ -
Totals		64	139000 \$	60.70 \$ 2,409.10

**Usage Table**  
Usage by Rate Increment

Class: Commercial - 1 Inch

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 5000	Next 5000	Next 40,000	Over 50,000	Total
First 5,000 Minimum Bill		0					0
Next 5,000 Gallons		0					0
Next 40,000 Gallons		7	154000	35000	35000	84000	154000
Over 50,000 Gallons		0					0
Totals		7	154000	35000	35000	84000	0 154000

**Revenue Table**  
Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill		7	35000 \$	63.70 \$ 445.90
Next 5,000 Gallons		0	35000 \$	10.90 \$ 381.50

Next 40,000 Gallons	0	84000	\$	9.90	\$	831.60
Over 50,000 Gallons		0	\$	8.90	\$	-
Totals	7	154000	\$	93.40	\$	1,659.00

**Usage Table**  
Usage by Rate Increment

**Class: Commercial - 1.5 Inch**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 10,000	Next 40,000		Over 50,000	Total
First 10,000 Minimum Bill		0					0
Next 40,000 Gallons		1	17000	10000	7000		17000
Over 50,000 Gallons		0					0
Totals		1	17000	10000	7000	0	0
							17000

**Revenue Table**  
Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 10,000 Minimum Bill		1	10000 \$	118.20 \$
Next 40,000 Gallons		0	7000 \$	9.90 \$
Over 50,000 Gallons			0 \$	8.90 \$
Totals		1	17000 \$	137.00 \$
				187.50 \$

**Usage Table**  
Usage by Rate Increment

**Class: Commercial - 2 Inch**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 20,000	Next 30,000		Over 50,000	Total
First 20,000 Minimum Bill		0					0
Next 30,000 Gallons		0					0
Over 50,000 Gallons		8	480000	160000	240000	80000	480000

Totals	8	480000	160000	240000	0	80000	480000
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### Revenue Table

Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 20,000 Minimum Bill		8	160000 \$ 217.20	\$ 1,737.60
Next 30,000 Gallons			240000 \$ 9.90	\$ 2,376.00
Over 50,000 Gallons			80000 \$ 8.90	\$ 712.00
Totals		8	480000 \$ 236.00	\$ 4,825.60

### Usage Table

Usage by Rate Increment

Class: Commercial - 3 Inch

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bills	Gallons	First 30,000	Next 20,000		Over 50,000	Total
First 30,000 Minimum Bill		2	60000	60000			60000
Next 20,000 Gallons		0					0
Over 50,000 Gallons		0					0
Totals		2	60000	60000	0	0	60000

### Revenue Table

Revenue by Rate Increment

(1)	(2)	(3)	(4)	(5)
	Bills	Gallons	Rates	Revenue
First 30,000 Minimum Bill		2	60000 \$ 316.20	\$ 632.40
Next 20,000 Gallons		0	0 \$ 9.90	\$ -
Over 50,000 Gallons			0 \$ 8.90	\$ -
Totals		2	60000 \$ 335.00	\$ 632.40

**Total Revenue:**

Residential 5/8"x3/4"	\$ 56,437.80
Commercial 5/8"x3/4"	\$ 2,409.10
Commercial 1 Inch	\$ 1,659.00
Commercial 1.5 Inch	\$ 187.50
Commercial 2 Inch	\$ 4,825.60
Commercial 3 Inch	\$ 632.40

Total Monthly Income:	\$ 66,151.40
No. Months:	12

**Total Annual Revenue: \$ 793,816.80**



# Sandy Hook Water District Summary of Depreciation

For Fiscal Year Ended 12/31/2015

#	Asset Description	Acq Date	Acq Cost	Useful Life	Date Place in Service	Total Years in Service	Accum Dep 12/31/2014	Annual Dep	Current Year Dep	Accum Dep 12/31/2015
<b>LAND</b>										
	LAND - Prior to 2008 (Easments & Building Property)		90,998.00							
	Land - Rodney and Barbara Howard Property	5/8/2014	4,500.00							
	Felicia Wilder Property (2008 Waterline Pjct)	10/16/2008	4,500.00							
	Oral B. and Jessica Moore Peroperty (Building Proper	7/11/2008	47,000.00							
			<u>146,998.00</u>							
<b>LAND IMPROVEMENTS</b>										
	Fencing at Administration Building	1/21/2011	5,830.00	15	2011	5	1,554.68	388.67	388.67	1,943.35
85	Blacktopping	8/19/2002	10,490.00	15	2002	14	9,091.29	699.33	699.33	9,790.62
			<u>16,320.00</u>				<u>10,645.97</u>	<u>1,088.00</u>	<u>1,088.00</u>	<u>11,733.97</u>
<b>WELLS &amp; SPRINGS</b>										
	1 Wells \$ Springs	5/20/1967	34,792.23	50	1967	49	33,400.32	695.84	695.84	34,096.16
	2 Marshall Well #4	10/1/1987	1,200.00	35	1987	29	960.12	34.29	34.29	994.41
	100 Well #5	4/1/2004	33,426.43	35	2004	12	10,505.44	955.04	955.04	11,460.48
	103 Rehabilitation of OLD well	4/1/2004	9,477.00	40	2004	12	2,606.23	236.93	236.93	2,843.16
			<u>78,895.66</u>				<u>47,472.11</u>	<u>1,922.10</u>	<u>1,922.10</u>	<u>49,394.21</u>
<b>ELECTRIC PUMPING EQUIPMENT</b>										
	72 Generator	3/18/2000	3,969.64	5	2000	16	3,969.64	793.93	-	3,969.64
	91 6" Pump	11/12/2003	1,250.76	20	2003	13	750.48	62.54	62.54	813.02
	92 75GS75 Gould 4" Deep Well Pump	3/10/2003	4,302.79	20	2003	13	2,581.68	215.14	215.14	2,796.82
	93 4 6" Pumps, Piping & wiring	3/19/2003	13,380.69	20	2003	13	8,028.36	669.03	669.03	8,697.39
	102 7.5hp submersible Pump	8/4/2004	3,597.00	20	2004	12	1,978.35	179.85	179.85	2,158.20
	107 10HP Gould Pump	6/10/2005	2,422.50	20	2005	11	1,211.30	121.13	121.13	1,332.43
	108 Metering Pump 1.0 GPH	7/31/2006	590.30	35	2006	10	151.83	16.87	16.87	168.70
	113 1 1/2" Submersible Pump	12/19/2007	830.46	20	2007	9	332.16	41.52	41.52	373.68
			<u>30,344.14</u>				<u>19,003.80</u>	<u>2,100.01</u>	<u>1,306.08</u>	<u>20,309.88</u>
<b>TRANSMISSION &amp; DISTRIBUTION</b>										
	9 Transmission & Dist	2/15/1966	111,350.85	50	1966	50	109,123.98	2,227.02	2,227.02	111,350.85
	10 New Lines	1/1/1989	116,928.00	50	1989	27	60,802.56	2,338.56	2,338.56	63,141.12
	11 Change Lines	1/7/1989	153,151.00	50	1989	27	79,638.52	3,063.02	3,063.02	82,701.54
	29 Final Payment 1988	11/1/1992	3,644.00	50	1992	24	1,676.24	72.88	72.88	1,749.12
	30 1991-92 Expansion	6/10/1992	1,179,351.15	50	1992	24	542,501.46	23,587.02	23,587.02	566,088.48
	42 1995 Extention	12/22/1995	934,864.27	50	1996	20	355,248.51	18,697.29	18,697.29	373,945.80
	49 1996 Extension	8/9/1996	173,947.11	50	1996	20	66,099.86	3,478.94	3,478.94	69,578.80
	51 Cross Street	4/28/1997	1,800.00	50	1997	19	648.00	36.00	36.00	684.00
	52 Johnson Road Extension	7/10/1997	15,563.20	50	1997	19	5,602.68	311.26	311.26	5,913.94
	77 Phase III Extension	12/1/2001	1,300,515.38	50	2001	15	364,144.34	26,010.31	26,010.31	390,154.65
	80 Phase III Extension	7/10/2002	579,723.95	50	2002	14	150,728.24	11,594.48	11,594.48	162,322.72
	94 Phase III Extension	7/1/2003	139,677.12	50	2003	13	33,522.48	2,793.54	2,793.54	36,316.02
	101 Bridge Aerial Crossing Replacement	7/28/2004	20,361.09	40	2004	12	5,599.33	509.03	509.03	6,108.36
	109 Laurel Gorge Creek Crossing Replacement	12/12/2006	19,100.00	50	2006	10	3,438.00	382.00	382.00	3,820.00
	119 Phase IV & V line extensions	1/1/2009	2,223,553.45	50	2009	7	266,826.42	44,471.07	44,471.07	311,297.49
	118 Laurel Gorge Line Replacement	7/27/2009	22,700.00	50	2009	7	2,724.00	454.00	454.00	3,178.00
	2008 Coal Development Waterline Improvements	8/26/2010	286,964.00	50	2010	6	28,696.40	5,739.28	5,739.28	34,435.68
			<u>7,283,194.57</u>				<u>2,077,021.02</u>	<u>145,765.70</u>	<u>145,765.70</u>	<u>2,222,786.57</u>

# Sandy Hook Water District Summary of Depreciation

For Fiscal Year Ended 12/31/2015

#	Asset Description	Acq Date	Acq Cost	Useful Life	Date Place in Service	Total Years in Service	Accum Dep 12/31/2014	Annual Dep	Current Year Dep	Accum Dep 12/31/2015
<b>TREATMENT PLANT</b>										
12	Treatment Plant	7/1/1969	55,896.00	33	1969	47	55,896.00	1,693.82	-	55,896.00
13	Treatment Plant	6/1/1989	327,728.89	33	1989	27	258,210.68	9,931.18	9,931.18	268,141.86
43	Chlorinator	12/22/1995	28,000.00	33	1996	20	16,121.12	848.48	848.48	16,969.60
44	Gay Bin Retainer	12/22/1995	2,600.00	33	1996	20	1,497.01	78.79	78.79	1,575.80
69	Water Station	11/17/2000	5,600.00	33	2000	16	2,545.50	169.70	169.70	2,715.20
60	DR/850 Colorimeter	9/30/1997	689.00	5	1997	19	689.00	137.80	-	689.00
			<u>420,513.89</u>				<u>334,959.31</u>	<u>12,859.77</u>	<u>11,028.15</u>	<u>345,987.46</u>
<b>STRUCTURES</b>										
14	Structures & Improvements	12/15/1954	35,001.06	50	1954	62	35,001.06	700.02	-	35,001.06
15	Storage Tank	1/1/1989	84,442.00	50	1989	27	43,909.84	1,688.84	1,688.84	45,598.68
24	Water Tank	12/31/1990	11,121.10	7	1991	25	11,121.10	1,588.73	-	11,121.10
50	Garage	12/31/1996	636.00	33	1997	19	346.86	19.27	19.27	366.13
53	Storage Building	2/28/1997	9,825.41	33	1997	19	5,359.32	297.74	297.74	5,657.06
121	Metal Roof - Plant Building	7/9/2009	3,200.00	7	2009	7	2,742.84	457.14	457.14	3,200.00
	Administration Building	11/1/2010	761,781.00	50	2010	6	76,178.10	15,235.62	15,235.62	91,413.72
			<u>906,006.57</u>				<u>174,659.12</u>	<u>19,987.36</u>	<u>17,698.61</u>	<u>192,357.75</u>
<b>MISCELLANEOUS EQUIPMENT</b>										
47	Chlorine Emergency Kit	4/30/1996	1,783.49	7	1996	20	1,783.49	254.78	-	1,783.49
48	Case Backhoe 5L3749	12/31/1996	48,325.00	7	1997	19	48,325.00	6,903.57	-	48,325.00
64	Honeywell Chart Recorder	5/30/1998	649.00	7	1998	18	649.00	92.71	-	649.00
75	Safe	10/5/2001	995.00	7	2001	15	995.00	142.14	-	995.00
76	Computer Equipment for touch read meters	9/14/2001	4,650.00	5	2001	15	4,650.00	930.00	-	4,650.00
82	Chain Link Fence	5/31/2002	3,750.00	7	2002	14	3,750.00	535.71	-	3,750.00
87	Wacker VPG165A	7/25/2003	950.00	15	2003	13	759.96	63.33	63.33	823.29
95	Water Level Indicator	3/2/2004	571.80	15	2004	12	419.32	38.12	38.12	457.44
96	Air Compressor	4/17/2004	5,906.70	15	2004	12	4,331.58	393.78	393.78	4,725.36
97	Ditch Witch	4/29/2004	1,208.00	15	2004	12	885.83	80.53	80.53	966.36
98	Air Tools for Compressor	4/29/2004	2,492.00	15	2004	12	1,827.43	166.13	166.13	1,993.56
99	Riding Lawn Mower	4/20/2004	1,499.95	7	2004	12	2,357.08	214.28	-	1,499.95
104	Cutmaster 38 Plasma Welding Machine	4/7/2005	1,155.00	15	2005	11	770.00	77.00	77.00	847.00
106	Utility Trailer	3/18/2005	450.00	15	2005	11	300.00	30.00	30.00	330.00
110	Chopsaw	1/12/2007	869.95	15	2007	9	464.00	58.00	58.00	522.00
115	135 Radio Read Units	1/14/2008	15,525.00	15	2008	8	7,245.00	1,035.00	1,035.00	8,280.00
122	4" With Ratchet Handle C-900 Vega Drill	7/1/2009	940.00	15	2009	7	376.02	62.67	62.67	438.69
123	Hach CL/17 Free Residual Analyzer	11/9/2009	4,566.00	15	2009	7	1,826.40	304.40	304.40	2,130.80
			<u>96,286.89</u>				<u>81,715.11</u>	<u>11,382.15</u>	<u>2,308.96</u>	<u>83,166.94</u>
<b>FURNITURE &amp; FIXTURES</b>										
74	Office Furniture	11/1/2001	1,699.90	7	2001	15	1,699.90	242.84	-	1,699.90
79	Office Furniture	11/5/2001	1,136.94	7	2001	15	1,136.94	162.42	-	1,136.94
88	Office Furniture	3/3/2003	1,058.99	20	2003	13	635.40	52.95	52.95	688.35
105	HP DV4023OUS Notebook Computer	11/22/2005	1,079.95	5	2005	11	1,079.95	215.99	-	1,079.95
112	Desktop PC & LCD Monitor	8/17/2007	899.97	5	2007	9	1,439.92	179.99	-	899.97
			<u>5,875.75</u>				<u>5,992.11</u>	<u>854.19</u>	<u>52.95</u>	<u>5,505.11</u>

# Sandy Hook Water District Summary of Depreciation

For Fiscal Year Ended 12/31/2015

#	Asset Description	Acq Date	Acq Cost	Useful Life	Date Place in Service	Total Years in Service	Accum Dep 12/31/2014	Annual Dep	Current Year Dep	Accum Dep 12/31/2015
<b>TRANSPORTATION EQUIPMENT</b>										
84	2015 Chevy Pickup with Utility Bed	1/22/2015	39,950.00	7	2015	1	-	5,707.14	5,707.14	5,707.14
111	2015 Chevy Pickup	8/1/2015	27,800.00	7	2015	1	-	3,971.43	3,971.43	3,971.43
116	2008 Chevrolet Silverado	11/25/2008	15,763.21	7	2008	8	15,763.23	2,251.89	-	15,763.21
117	Accessories for 2008 Silverado	12/15/2008	1,812.94	7	2008	8	1,812.93	258.99	-	1,812.94
			<u>85,326.15</u>				<u>17,576.16</u>	<u>12,189.45</u>	<u>9,678.57</u>	<u>27,254.72</u>
<b>TOTALS 2015</b>			<u>9,069,761.62</u>				<u>2,769,044.71</u>	<u>208,148.73</u>	<u>190,849.12</u>	<u>2,958,496.61</u>

BOND RESOLUTION

SANDY HOOK WATER DISTRICT

AUTHORIZING

SANDY HOOK WATER DISTRICT WATERWORKS REVENUE BONDS, SERIES 2014

IN THE PRINCIPAL AMOUNT OF

\$504,000



## **BOND RESOLUTION**

**RESOLUTION OF THE SANDY HOOK WATER DISTRICT AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF \$504,000 PRINCIPAL AMOUNT OF SANDY HOOK WATER DISTRICT WATERWORKS REVENUE BONDS, SERIES 2014 FOR THE PURPOSE OF FINANCING THE COST (NOT OTHERWISE PROVIDED) OF THE CONSTRUCTION OF EXTENSIONS, ADDITIONS AND IMPROVEMENTS TO THE EXISTING WATERWORKS SYSTEM OF SAID DISTRICT; SETTING FORTH TERMS AND CONDITIONS UPON WHICH SAID BONDS MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SAID WATERWORKS SYSTEM; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.**

WHEREAS, the waterworks system (the "System") of the Sandy Hook Water District (the "District") is owned and operated by said District pursuant to Chapters 58 and 74 of the Kentucky Revised Statutes (the "Act"), and

WHEREAS, the District presently has outstanding certain Prior Bonds (as hereinafter defined), which Prior Bonds are payable from and secured by a pledge of the revenues derived from the operation of the System, and

WHEREAS, all of the Prior Bonds presently outstanding are current as to payment of both principal and interest, and for the security of which a certain Sinking Fund and certain reserves are being maintained in the manner and by the means prescribed in the Prior Bond Resolution (as hereinafter defined) of the District, authorizing the Prior Bonds, and

WHEREAS, it is the desire and intent of the District at this time to authorize and provide for the issuance of revenue bonds in the principal amount of \$504,000 (the "Current Bonds"), for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the System of the District, in accordance with plans and specifications prepared by Kentucky Engineering Group, PLLC and to prescribe the covenants of the District, the rights of Bondowners and the details of the issuance and sale of the proposed Current Bonds, and

WHEREAS, the District desires and intends that the Current Bonds be issued so as to rank on a parity basis with the Prior Bonds, and

WHEREAS, the Prior Bonds were issued to and are now held by the United States Department of Agriculture, acting through Rural Development (the "RD"), and

WHEREAS, the RD, as the Owner of the Prior Bonds, has consented to the issuance by the District of the Current Bonds, and

WHEREAS, the Kentucky Public Service Commission has granted to the District a Certificate of Public Convenience and Necessity authorizing the construction of said extensions, additions and improvements, and

WHEREAS, the proceeds of the Current Bonds will be supplemented by Grant Proceeds (as hereinafter defined) in the amount of approximately \$411,000, to provide the total cost of such construction,

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SANDY HOOK WATER DISTRICT AS FOLLOWS:

91-14

Name of Borrower: Sandy Hook Water District					
No. of Interest Only Pmts. 2		No of Payments 40			
Payment Frequency Semi Annual		RD Loan Number 91-14			
Amount of Loan \$504,000.00			Interest Rate 2.750%		
YEAR	PRINCIPAL	INTEREST JANUARY	INTEREST JULY	TOTAL	BALANCE
2016	\$7,500.00	\$6,930.00	\$6,826.88	\$21,256.88	\$504,000.00
2017	\$8,000.00	\$6,826.88	\$6,716.88	\$21,543.75	\$496,500.00
2018	\$8,000.00	\$6,716.88	\$6,606.88	\$21,323.75	\$488,500.00
2019	\$8,500.00	\$6,606.88	\$6,490.00	\$21,596.88	\$480,500.00
2020	\$8,500.00	\$6,490.00	\$6,373.13	\$21,363.13	\$472,000.00
2021	\$9,000.00	\$6,373.13	\$6,249.38	\$21,622.50	\$463,500.00
2022	\$9,000.00	\$6,249.38	\$6,125.63	\$21,375.00	\$454,500.00
2023	\$9,500.00	\$6,125.63	\$5,995.00	\$21,620.63	\$445,500.00
2024	\$9,500.00	\$5,995.00	\$5,864.38	\$21,359.38	\$436,000.00
2025	\$10,000.00	\$5,864.38	\$5,726.88	\$21,591.25	\$426,500.00
2026	\$10,000.00	\$5,726.88	\$5,589.38	\$21,316.25	\$416,500.00
2027	\$10,500.00	\$5,589.38	\$5,445.00	\$21,534.38	\$406,500.00
2028	\$10,500.00	\$5,445.00	\$5,300.63	\$21,245.63	\$396,000.00
2029	\$11,000.00	\$5,300.63	\$5,149.38	\$21,450.00	\$385,500.00
2030	\$11,000.00	\$5,149.38	\$4,998.13	\$21,147.50	\$374,500.00
2031	\$11,500.00	\$4,998.13	\$4,840.00	\$21,338.13	\$363,500.00
2032	\$12,000.00	\$4,840.00	\$4,675.00	\$21,515.00	\$352,000.00
2033	\$12,000.00	\$4,675.00	\$4,510.00	\$21,185.00	\$340,000.00
2034	\$12,500.00	\$4,510.00	\$4,338.13	\$21,348.13	\$328,000.00
2035	\$13,000.00	\$4,338.13	\$4,159.38	\$21,497.50	\$315,500.00
2036	\$13,000.00	\$4,159.38	\$3,980.63	\$21,140.00	\$302,500.00
2037	\$13,500.00	\$3,980.63	\$3,795.00	\$21,275.63	\$289,500.00
2038	\$14,000.00	\$3,795.00	\$3,602.50	\$21,397.50	\$276,000.00
2039	\$14,500.00	\$3,602.50	\$3,403.13	\$21,505.63	\$262,000.00
2040	\$14,500.00	\$3,403.13	\$3,203.75	\$21,106.88	\$247,500.00
2041	\$15,000.00	\$3,203.75	\$2,997.50	\$21,201.25	\$233,000.00
2042	\$15,500.00	\$2,997.50	\$2,784.38	\$21,281.88	\$218,000.00
2043	\$16,000.00	\$2,784.38	\$2,564.38	\$21,348.75	\$202,500.00
2044	\$16,500.00	\$2,564.38	\$2,337.50	\$21,401.88	\$186,500.00
2045	\$17,000.00	\$2,337.50	\$2,103.75	\$21,441.25	\$170,000.00
2046	\$17,500.00	\$2,103.75	\$1,863.13	\$21,466.88	\$153,000.00
2047	\$18,000.00	\$1,863.13	\$1,615.63	\$21,478.75	\$135,500.00
2048	\$18,500.00	\$1,615.63	\$1,361.25	\$21,476.88	\$117,500.00
2049	\$19,000.00	\$1,361.25	\$1,100.00	\$21,461.25	\$99,000.00
2050	\$19,500.00	\$1,100.00	\$831.88	\$21,431.88	\$80,000.00
2051	\$20,000.00	\$831.88	\$556.88	\$21,388.75	\$60,500.00
2052	\$20,500.00	\$556.88	\$275.00	\$21,331.88	\$40,500.00
2053	\$20,000.00	\$275.00	\$0.00	\$20,275.00	\$20,000.00
2054	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2055	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2056	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals	\$504,000.00	\$157,286.25	\$150,356.25	\$811,642.50	

\$1,800.00 - Sinking Fund

\* 180.00 - Depreciation

2001

BOND RESOLUTION

SANDY HOOK WATER DISTRICT

AUTHORIZING

SANDY HOOK WATER DISTRICT WATERWORKS REVENUE BONDS, SERIES 2001

IN THE AMOUNT OF

\$495,000



## **BOND RESOLUTION**

**RESOLUTION OF THE SANDY HOOK WATER DISTRICT OF ELLIOTT AND MORGAN COUNTIES, KENTUCKY, AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF \$495,000 PRINCIPAL AMOUNT OF SANDY HOOK WATER DISTRICT WATERWORKS REVENUE BONDS, SERIES 2001 FOR THE PURPOSE OF FINANCING THE COST (NOT OTHERWISE PROVIDED) OF THE CONSTRUCTION OF EXTENSIONS, ADDITIONS AND IMPROVEMENTS TO THE EXISTING WATERWORKS SYSTEM OF SAID DISTRICT; SETTING FORTH TERMS AND CONDITIONS UPON WHICH SAID BONDS MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SAID WATERWORKS SYSTEM; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.**

WHEREAS, the waterworks system (the "System") of the Sandy Hook Water District (the "District") is owned and operated by said District pursuant to Chapters 58 and 74 of the Kentucky Revised Statutes (the "Act"), and

WHEREAS, the District presently has outstanding certain Prior Bonds (as hereinafter defined), which Prior Bonds are payable from and secured by a pledge of the revenues derived from the operation of the System, and

WHEREAS, all of the Prior Bonds presently outstanding are current as to payment of both principal and interest, and for the security of which a certain Sinking Fund and certain reserves are being maintained in the manner and by the means prescribed in the Prior Bond Resolution (as hereinafter defined) of the District, authorizing the Prior Bonds, and

WHEREAS, it is the desire and intent of the District at this time to authorize and provide for the issuance of revenue bonds in the principal amount of \$495,000 (the "Current Bonds"), for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the System of the District, in accordance with plans and specifications prepared by Woolpert LLP and to prescribe the covenants of the District, the rights of Bondowners and the details of the issuance and sale of the proposed Current Bonds, and

WHEREAS, the District desires and intends that the Current Bonds be issued so as to rank on a parity basis with the Prior Bonds, and

WHEREAS, the Prior Bonds were issued to and are now held by the Rural Development of the Department of Agriculture of the United States of America (the "RD"), and

WHEREAS, the RD, as the Owner of the Prior Bonds, has consented to the issuance by the District of the Current Bonds, and

WHEREAS, the Public Service Commission of Kentucky has granted to the District a Certificate of Public Convenience and Necessity, authorizing the construction of said extensions, additions and improvements, and

WHEREAS, the proceeds of the Current Bonds will be supplemented by Grant Proceeds (as hereinafter defined) in the amount of approximately \$1,365,000, and by connection charges in the amount of at least \$30,000, to provide the total cost of such construction,

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SANDY HOOK WATER DISTRICT OF ELLIOTT COUNTY, KENTUCKY, AS FOLLOWS:

91-10

Name	Sandy Hook Water District		10		
		Amount of Series		Interest Rate	
<b>BOND SERIES</b>		<b>\$495,000.00</b>		<b>4.500%</b>	
	2001				
YEAR	PRINCIPAL	INTEREST	INTEREST	TOTAL	BALANCE
		JANUARY	JULY		\$495,000.00
2004	\$5,000.00	\$11,137.50	\$11,025.00	\$27,162.50	\$490,000.00
2005	\$5,500.00	\$11,025.00	\$10,901.25	\$27,426.25	\$484,500.00
2006	\$5,500.00	\$10,901.25	\$10,777.50	\$27,178.75	\$479,000.00
2007	\$6,000.00	\$10,777.50	\$10,642.50	\$27,420.00	\$473,000.00
2008	\$6,000.00	\$10,642.50	\$10,507.50	\$27,150.00	\$467,000.00
2009	\$6,500.00	\$10,507.50	\$10,361.25	\$27,368.75	\$460,500.00
2010	\$6,500.00	\$10,361.25	\$10,215.00	\$27,076.25	\$454,000.00
2011	\$7,000.00	\$10,215.00	\$10,057.50	\$27,272.50	\$447,000.00
2012	\$7,500.00	\$10,057.50	\$9,888.75	\$27,446.25	\$439,500.00
2013	\$7,500.00	\$9,888.75	\$9,720.00	\$27,108.75	\$432,000.00
2014	\$8,000.00	\$9,720.00	\$9,540.00	\$27,260.00	\$424,000.00
2015	\$8,500.00	\$9,540.00	\$9,348.75	\$27,388.75	\$415,500.00
2016	\$8,500.00	\$9,348.75	\$9,157.50	\$27,006.25	\$407,000.00
2017	\$9,000.00	\$9,157.50	\$8,955.00	\$27,112.50	\$398,000.00
2018	\$9,500.00	\$8,955.00	\$8,741.25	\$27,196.25	\$388,500.00
2019	\$10,000.00	\$8,741.25	\$8,516.25	\$27,257.50	\$378,500.00
2020	\$10,500.00	\$8,516.25	\$8,280.00	\$27,296.25	\$368,000.00
2021	\$11,000.00	\$8,280.00	\$8,032.50	\$27,312.50	\$357,000.00
2022	\$11,500.00	\$8,032.50	\$7,773.75	\$27,306.25	\$345,500.00
2023	\$12,000.00	\$7,773.75	\$7,503.75	\$27,277.50	\$333,500.00
2024	\$12,500.00	\$7,503.75	\$7,222.50	\$27,226.25	\$321,000.00
2025	\$13,000.00	\$7,222.50	\$6,930.00	\$27,152.50	\$308,000.00
2026	\$13,500.00	\$6,930.00	\$6,626.25	\$27,056.25	\$294,500.00
2027	\$14,000.00	\$6,626.25	\$6,311.25	\$26,937.50	\$280,500.00
2028	\$15,000.00	\$6,311.25	\$5,973.75	\$27,285.00	\$265,500.00
2029	\$15,500.00	\$5,973.75	\$5,625.00	\$27,098.75	\$250,000.00
2030	\$16,000.00	\$5,625.00	\$5,265.00	\$26,890.00	\$234,000.00
2031	\$17,000.00	\$5,265.00	\$4,882.50	\$27,147.50	\$217,000.00
2032	\$17,500.00	\$4,882.50	\$4,488.75	\$26,871.25	\$199,500.00
2033	\$18,500.00	\$4,488.75	\$4,072.50	\$27,061.25	\$181,000.00
2034	\$19,500.00	\$4,072.50	\$3,633.75	\$27,206.25	\$161,500.00
2035	\$20,000.00	\$3,633.75	\$3,183.75	\$26,817.50	\$141,500.00
2036	\$21,000.00	\$3,183.75	\$2,711.25	\$26,895.00	\$120,500.00
2037	\$22,000.00	\$2,711.25	\$2,216.25	\$26,927.50	\$98,500.00
2038	\$23,000.00	\$2,216.25	\$1,698.75	\$26,915.00	\$75,500.00
2039	\$24,000.00	\$1,698.75	\$1,158.75	\$26,857.50	\$51,500.00
2040	\$25,000.00	\$1,158.75	\$596.25	\$26,755.00	\$26,500.00
2041	\$26,500.00	\$596.25	\$0.00	\$27,096.25	\$0.00
2042	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2043	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2044	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	<b>\$495,000.00</b>	<b>\$273,678.75</b>	<b>\$262,541.25</b>	<b>\$1,031,220.00</b>	

BOND RESOLUTION

SANDY HOOK WATER DISTRICT

AUTHORIZING

SANDY HOOK WATER DISTRICT WATERWORKS REVENUE BONDS, SERIES 1995

IN THE AMOUNT OF

\$259,000



## **BOND RESOLUTION**

**RESOLUTION OF THE SANDY HOOK WATER DISTRICT OF ELLIOTT COUNTY, KENTUCKY, AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF \$259,000 PRINCIPAL AMOUNT OF SANDY HOOK WATER DISTRICT WATERWORKS REVENUE BONDS, SERIES 1995 FOR THE PURPOSE OF FINANCING THE COST (NOT OTHERWISE PROVIDED) OF THE CONSTRUCTION OF EXTENSIONS, ADDITIONS AND IMPROVEMENTS TO THE EXISTING WATERWORKS SYSTEM OF SAID DISTRICT; SETTING FORTH TERMS AND CONDITIONS UPON WHICH SAID BONDS MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SAID WATERWORKS SYSTEM; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.**

WHEREAS, the waterworks system (the "System") of the Sandy Hook Water District (the "District") is owned and operated by said District pursuant to Chapters 58 and 74 of the Kentucky Revised Statutes (the "Act"), and

WHEREAS, the District presently has outstanding certain Prior Bonds (as hereinafter defined), which Prior Bonds are payable from and secured by a pledge of the revenues derived from the operation of the System, and

WHEREAS, all of the Prior Bonds presently outstanding are current as to payment of both principal and interest, and for the security of which a certain Sinking Fund and certain reserves are being maintained in the manner and by the means prescribed in the Prior Bond Resolution (as hereinafter defined) of the District, authorizing the Prior Bonds, and

WHEREAS, it is the desire and intent of the District at this time to authorize and provide for the issuance of revenue bonds in the principal amount of \$259,000 (the "Current Bonds"), for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the System of the District, in accordance with plans and specifications prepared by Woolpert Consultants and to prescribe the covenants of the District, the rights of Bondowners and the details of the issuance and sale of the proposed Current Bonds, and

WHEREAS, the District desires and intends that the Current Bonds be issued so as to rank on a parity basis with the Prior Bonds, and

WHEREAS, the Prior Bonds were issued to and are now held by the Rural Economic and Community Development of the Department of Agriculture of the United States of America, formerly the Farmers Home Administration (the "RECD"), and

WHEREAS, the RECD, as the Owner of the Prior Bonds, has consented to the issuance by the District of the Current Bonds, and

WHEREAS, the Public Service Commission of Kentucky has granted to the District a Certificate of Public Convenience and Necessity, authorizing the construction of said extensions, additions and improvements, and

WHEREAS, the proceeds of the Current Bonds will be supplemented by Grant Proceeds (as hereinafter defined) in the amount of approximately \$877,000, and by connection charges in the amount of at least \$40,000, to provide the total cost of such construction,

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SANDY HOOK WATER DISTRICT OF ELLIOTT COUNTY, KENTUCKY, AS FOLLOWS:

91-07

Name	Sandy Hook Water District		7		
		Amount of Series		Interest Rate	
<b>BOND SERIES</b>		<b>\$259,000.00</b>		<b>4.500%</b>	
	1995				
YEAR	PRINCIPAL	INTEREST	INTEREST	TOTAL	BALANCE
		JANUARY	JULY		\$259,000.00
1997	\$2,500.00	\$5,827.50	\$5,771.25	\$14,098.75	\$256,500.00
1998	\$2,500.00	\$5,771.25	\$5,715.00	\$13,986.25	\$254,000.00
1999	\$2,500.00	\$5,715.00	\$5,658.75	\$13,873.75	\$251,500.00
2000	\$3,000.00	\$5,658.75	\$5,591.25	\$14,250.00	\$248,500.00
2001	\$3,000.00	\$5,591.25	\$5,523.75	\$14,115.00	\$245,500.00
2002	\$3,000.00	\$5,523.75	\$5,456.25	\$13,980.00	\$242,500.00
2003	\$3,500.00	\$5,456.25	\$5,377.50	\$14,333.75	\$239,000.00
2004	\$3,500.00	\$5,377.50	\$5,298.75	\$14,176.25	\$235,500.00
2005	\$3,500.00	\$5,298.75	\$5,220.00	\$14,018.75	\$232,000.00
2006	\$4,000.00	\$5,220.00	\$5,130.00	\$14,350.00	\$228,000.00
2007	\$4,000.00	\$5,130.00	\$5,040.00	\$14,170.00	\$224,000.00
2008	\$4,000.00	\$5,040.00	\$4,950.00	\$13,990.00	\$220,000.00
2009	\$4,500.00	\$4,950.00	\$4,848.75	\$14,298.75	\$215,500.00
2010	\$4,500.00	\$4,848.75	\$4,747.50	\$14,096.25	\$211,000.00
2011	\$5,000.00	\$4,747.50	\$4,635.00	\$14,382.50	\$206,000.00
2012	\$5,000.00	\$4,635.00	\$4,522.50	\$14,157.50	\$201,000.00
2013	\$5,500.00	\$4,522.50	\$4,398.75	\$14,421.25	\$195,500.00
2014	\$5,500.00	\$4,398.75	\$4,275.00	\$14,173.75	\$190,000.00
2015	\$6,000.00	\$4,275.00	\$4,140.00	\$14,415.00	\$184,000.00
2016	\$6,000.00	\$4,140.00	\$4,005.00	\$14,145.00	\$178,000.00
2017	\$6,500.00	\$4,005.00	\$3,858.75	\$14,363.75	\$171,500.00
2018	\$7,000.00	\$3,858.75	\$3,701.25	\$14,560.00	\$164,500.00
2019	\$7,000.00	\$3,701.25	\$3,543.75	\$14,245.00	\$157,500.00
2020	\$7,500.00	\$3,543.75	\$3,375.00	\$14,418.75	\$150,000.00
2021	\$8,000.00	\$3,375.00	\$3,195.00	\$14,570.00	\$142,000.00
2022	\$8,000.00	\$3,195.00	\$3,015.00	\$14,210.00	\$134,000.00
2023	\$9,000.00	\$3,015.00	\$2,812.50	\$14,827.50	\$125,000.00
2024	\$9,000.00	\$2,812.50	\$2,610.00	\$14,422.50	\$116,000.00
2025	\$9,500.00	\$2,610.00	\$2,396.25	\$14,506.25	\$106,500.00
2026	\$10,000.00	\$2,396.25	\$2,171.25	\$14,567.50	\$96,500.00
2027	\$10,000.00	\$2,171.25	\$1,946.25	\$14,117.50	\$86,500.00
2028	\$10,500.00	\$1,946.25	\$1,710.00	\$14,156.25	\$76,000.00
2029	\$11,000.00	\$1,710.00	\$1,462.50	\$14,172.50	\$65,000.00
2030	\$11,500.00	\$1,462.50	\$1,203.75	\$14,166.25	\$53,500.00
2031	\$12,500.00	\$1,203.75	\$922.50	\$14,626.25	\$41,000.00
2032	\$13,000.00	\$922.50	\$630.00	\$14,552.50	\$28,000.00
2033	\$13,500.00	\$630.00	\$326.25	\$14,456.25	\$14,500.00
2034	\$14,500.00	\$326.25	\$0.00	\$14,826.25	\$0.00
2035	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2036	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2037	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	<b>\$259,000.00</b>	<b>\$145,012.50</b>	<b>\$139,185.00</b>	<b>\$543,197.50</b>	

NUMBER

R-1

DOLLARS

\$70,000



UNITED STATES OF AMERICA - COMMONWEALTH OF KENTUCKY - COUNTY OF ELLIOTT

# SANDY HOOK WATER DISTRICT

WATERWORKS REVENUE BONDS OF 1992

INTEREST RATE: 5.00%

KNOW ALL MEN BY THESE PRESENTS: That the Sandy Hook Water District (the "District"), acting by and through its Board of Commissioners (the "Commission"), a public body corporate in Elliott County, Kentucky, for value received, hereby promises to pay to UNITED STATES OF AMERICA - FARMERS HOME ADMINISTRATION, 771 Corporate Drive, Suite 200, Lexington, Kentucky 40503-5477, the registered owner hereof, or to its registered assigns, solely from the fund hereinafter identified, the sum of

**SEVENTY THOUSAND DOLLARS (\$70,000),**

on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal
1995	\$ 600	2008	\$1,200
1996	700	2009	1,300
1997	700	2010	1,300
1998	800	2011	1,400
1999	800	2012	1,500
2000	800	2013	1,600
2001	900	2014	1,600
2002	900	2015	1,700
2003	1,000	2016	1,800
2004	1,000	2017	1,900
2005	1,100	2018	2,000
2006	1,100	2019	2,100
2007	1,200	2020	2,200
		2021	\$2,300
		2022	2,400
		2023	2,600
		2024	2,700
		2025	2,800
		2026	3,000
		2027	3,100
		2028	3,200
		2029	3,400
		2030	3,600
		2031	3,800
		2032	3,900

and in like manner, solely from said fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, at the Interest Rate specified above, semiannually on the first days of January and July in each year, beginning with the first January or July after the date of this Bond; until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the registered owner shown on the registration book of the District.

This Bond is issued by the District under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 74 and 106 and Sections 58.010 through 58.140, inclusive, of the Kentucky Revised

Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing same (the "Current Bond Resolution"), to which Current Bond Resolution reference is hereby made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing waterworks system of the District (said existing waterworks system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

This Bond ranks on a parity as to security and source of payment with certain outstanding (i) Sandy Hook Water District Waterworks Improvement and Refunding Revenue Bonds of 1969, dated July 14, 1969 (the "Bonds of 1969"), authorized by a Resolution adopted by the Commission of the District on June 2, 1969 (the "1969 Bond Resolution"); (ii) Sandy Hook Water District Waterworks Revenue Bonds of 1988, dated January 25, 1989 (the "Bonds of 1988"), authorized by a Resolution adopted by the Commission of the District on May 25, 1988 (the "1988 Bond Resolution") and (iii) Sandy Hook Water District Waterworks Revenue Bonds of 1991, dated July 16, 1992 (the "Bonds of 1991"), authorized by a Resolution adopted by the Commission of the District on July 24, 1991 (the "1991 Bond Resolution") [hereinafter the Bonds of 1969, the Bonds of 1988 and the Bonds of 1991 shall be collectively referred to as the "Prior Bonds", and the 1969 Bond Resolution, the 1988 Bond Resolution and the 1991 Bond Resolution shall be collectively referred to as the "Prior Bond Resolution"].

FURTHER PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE HEREOF.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF said Sandy Hook Water District, by its Board of Commissioners, has caused this Bond to be executed by its Chairman, its corporate seal to be hereunto affixed, and attested by its Secretary, on the date of this Bond, which is

Attest:

SANDY HOOK WATER DISTRICT  
Elliott County, Kentucky

Secretary

By \_\_\_\_\_  
Chairman

91-022

Name	Sandy Hook Water District		6		
		Amount of Series		Interest Rate	
<b>BOND SERIES</b>		<b>\$70,000.00</b>		<b>5.000%</b>	
	1992				
YEAR	PRINCIPAL	INTEREST	INTEREST	TOTAL	BALANCE
		JANUARY	JULY		\$70,000.00
1995	\$600.00	\$1,750.00	\$1,735.00	\$4,085.00	\$69,400.00
1996	\$700.00	\$1,735.00	\$1,717.50	\$4,152.50	\$68,700.00
1997	\$700.00	\$1,717.50	\$1,700.00	\$4,117.50	\$68,000.00
1998	\$800.00	\$1,700.00	\$1,680.00	\$4,180.00	\$67,200.00
1999	\$800.00	\$1,680.00	\$1,660.00	\$4,140.00	\$66,400.00
2000	\$800.00	\$1,660.00	\$1,640.00	\$4,100.00	\$65,600.00
2001	\$900.00	\$1,640.00	\$1,617.50	\$4,157.50	\$64,700.00
2002	\$900.00	\$1,617.50	\$1,595.00	\$4,112.50	\$63,800.00
2003	\$1,000.00	\$1,595.00	\$1,570.00	\$4,165.00	\$62,800.00
2004	\$1,000.00	\$1,570.00	\$1,545.00	\$4,115.00	\$61,800.00
2005	\$1,100.00	\$1,545.00	\$1,517.50	\$4,162.50	\$60,700.00
2006	\$1,100.00	\$1,517.50	\$1,490.00	\$4,107.50	\$59,600.00
2007	\$1,200.00	\$1,490.00	\$1,460.00	\$4,150.00	\$58,400.00
2008	\$1,200.00	\$1,460.00	\$1,430.00	\$4,090.00	\$57,200.00
2009	\$1,300.00	\$1,430.00	\$1,397.50	\$4,127.50	\$55,900.00
2010	\$1,300.00	\$1,397.50	\$1,365.00	\$4,062.50	\$54,600.00
2011	\$1,400.00	\$1,365.00	\$1,330.00	\$4,095.00	\$53,200.00
2012	\$1,500.00	\$1,330.00	\$1,292.50	\$4,122.50	\$51,700.00
2013	\$1,600.00	\$1,292.50	\$1,252.50	\$4,145.00	\$50,100.00
2014	\$1,600.00	\$1,252.50	\$1,212.50	\$4,065.00	\$48,500.00
2015	\$1,700.00	\$1,212.50	\$1,170.00	\$4,082.50	\$46,800.00
2016	\$1,800.00	\$1,170.00	\$1,125.00	\$4,095.00	\$45,000.00
2017	\$1,900.00	\$1,125.00	\$1,077.50	\$4,102.50	\$43,100.00
2018	\$2,000.00	\$1,077.50	\$1,027.50	\$4,105.00	\$41,100.00
2019	\$2,100.00	\$1,027.50	\$975.00	\$4,102.50	\$39,000.00
2020	\$2,200.00	\$975.00	\$920.00	\$4,095.00	\$36,800.00
2021	\$2,300.00	\$920.00	\$862.50	\$4,082.50	\$34,500.00
2022	\$2,400.00	\$862.50	\$802.50	\$4,065.00	\$32,100.00
2023	\$2,600.00	\$802.50	\$737.50	\$4,140.00	\$29,500.00
2024	\$2,700.00	\$737.50	\$670.00	\$4,107.50	\$26,800.00
2025	\$2,800.00	\$670.00	\$600.00	\$4,070.00	\$24,000.00
2026	\$3,000.00	\$600.00	\$525.00	\$4,125.00	\$21,000.00
2027	\$3,100.00	\$525.00	\$447.50	\$4,072.50	\$17,900.00
2028	\$3,200.00	\$447.50	\$367.50	\$4,015.00	\$14,700.00
2029	\$3,400.00	\$367.50	\$282.50	\$4,050.00	\$11,300.00
2030	\$3,600.00	\$282.50	\$192.50	\$4,075.00	\$7,700.00
2031	\$3,800.00	\$192.50	\$97.50	\$4,090.00	\$3,900.00
2032	\$3,900.00	\$97.50	\$0.00	\$3,997.50	\$0.00
2033	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2034	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2035	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	<b>\$70,000.00</b>	<b>\$43,837.50</b>	<b>\$42,087.50</b>	<b>\$155,925.00</b>	



NUMBER  
R-1



DOAMARE  
\$316,000

UNITED STATES OF AMERICA - COMMONWEALTH OF KENTUCKY - COUNTY OF ELLIOTT

**SANDY HOOK WATER DISTRICT**  
WATERWORKS REVENUE BONDS OF 1991  
INTEREST RATE: 5.00%

KNOW ALL MEN BY THESE PRESENTS: That the Sandy Hook Water District (the "District"), acting by and through its Board of Commissioners (the "Commission"), a public body corporate in Elliott County, Kentucky, for value received, hereby promises to pay to UNITED STATES OF AMERICA - FARMERS HOME ADMINISTRATION, 771 Corporate Drive, Suite 200, Lexington, Kentucky 40503-5477, the registered owner hereof, or to its registered assigns, solely from the fund hereinafter identified, the sum of

**THREE HUNDRED SIXTEEN THOUSAND DOLLARS (\$316,000),**

on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal
1993	\$3,000	2006	\$ 6,000	2019	\$10,000
1994	3,000	2007	6,000	2020	11,000
1995	3,000	2008	6,000	2021	11,000
1996	4,000	2009	7,000	2022	12,000
1997	4,000	2010	7,000	2023	13,000
1998	4,000	2011	7,000	2024	13,000
1999	4,000	2012	8,000	2025	14,000
2000	4,000	2013	8,000	2026	15,000
2001	4,000	2014	8,000	2027	15,000
2002	5,000	2015	8,000	2028	16,000
2003	5,000	2016	9,000	2029	17,000
2004	5,000	2017	9,000	2030	17,000
2005	5,000	2018	10,000		

and in like manner, solely from said fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, at the Interest Rate specified above, semiannually on the first days of January and July in each year, beginning with the first January or July after the date of this Bond, until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the registered owner shown on the registration book of the District.

This Bond is issued by the District under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 74 and 106 and Sections 58.010 through 58.140, inclusive, of the Kentucky Revised

Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing same (the "Current Bond Resolution"), to which Current Bond Resolution reference is hereby made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing waterworks system of the District (said existing waterworks system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

This Bond ranks on a parity as to security and source of payment with certain outstanding Sandy Hook Water District Waterworks Improvement and Refunding Revenue Bonds of 1969, dated July 14, 1969 (the "Bonds of 1969"), authorized by a Resolution adopted by the Commission of the District on June 2, 1969 (the "1969 Bond Resolution"); and the outstanding Sandy Hook Water District Waterworks Revenue Bonds of 1988, dated January 25, 1989 (the "Bonds of 1988"), authorized by a Resolution adopted by the Commission of the District on May 25, 1988 (the "1988 Bond Resolution") [hereinafter the Bonds of 1969 and the Bonds of 1988 shall be collectively referred to as the "Prior Bonds"; and the 1969 Bond Resolution and the 1988 Bond Resolution shall be collectively referred to as the "Prior Bond Resolution"].

FURTHER PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE HEREOF.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF said Sandy Hook Water District, by its Board of Commissioners, has caused this Bond to be executed by its Chairman, its corporate seal to be hereunto affixed, and attested by its Secretary, on the date of this Bond, which is

Attest:

SANDY HOOK WATER DISTRICT  
Elliott County, Kentucky

Secretary

By \_\_\_\_\_  
Chairman

91-04

Name Sandy Hook Water District

04/1/2004

Amount of Series

Interest Rate

**BOND SERIES**

**\$316,000.00**

**5.000%**

YEAR	1988	INTEREST JANUARY	INTEREST JULY	TOTAL	BALANCE \$316,000.00
	PRINCIPAL				
1993	\$3,000.00	\$7,900.00	\$7,825.00	\$18,725.00	\$313,000.00
1994	\$3,000.00	\$7,825.00	\$7,750.00	\$18,575.00	\$310,000.00
1995	\$3,000.00	\$7,750.00	\$7,675.00	\$18,425.00	\$307,000.00
1996	\$4,000.00	\$7,675.00	\$7,575.00	\$19,250.00	\$303,000.00
1997	\$4,000.00	\$7,575.00	\$7,475.00	\$19,050.00	\$299,000.00
1998	\$4,000.00	\$7,475.00	\$7,375.00	\$18,850.00	\$295,000.00
1999	\$4,000.00	\$7,375.00	\$7,275.00	\$18,650.00	\$291,000.00
2000	\$4,000.00	\$7,275.00	\$7,175.00	\$18,450.00	\$287,000.00
2001	\$4,000.00	\$7,175.00	\$7,075.00	\$18,250.00	\$283,000.00
2002	\$5,000.00	\$7,075.00	\$6,950.00	\$19,025.00	\$278,000.00
2003	\$5,000.00	\$6,950.00	\$6,825.00	\$18,775.00	\$273,000.00
2004	\$5,000.00	\$6,825.00	\$6,700.00	\$18,525.00	\$268,000.00
2005	\$5,000.00	\$6,700.00	\$6,575.00	\$18,275.00	\$263,000.00
2006	\$6,000.00	\$6,575.00	\$6,425.00	\$19,000.00	\$257,000.00
2007	\$6,000.00	\$6,425.00	\$6,275.00	\$18,700.00	\$251,000.00
2008	\$6,000.00	\$6,275.00	\$6,125.00	\$18,400.00	\$245,000.00
2009	\$7,000.00	\$6,125.00	\$5,950.00	\$19,075.00	\$238,000.00
2010	\$7,000.00	\$5,950.00	\$5,775.00	\$18,725.00	\$231,000.00
2011	\$7,000.00	\$5,775.00	\$5,600.00	\$18,375.00	\$224,000.00
2012	\$8,000.00	\$5,600.00	\$5,400.00	\$19,000.00	\$216,000.00
2013	\$8,000.00	\$5,400.00	\$5,200.00	\$18,600.00	\$208,000.00
2014	\$8,000.00	\$5,200.00	\$5,000.00	\$18,200.00	\$200,000.00
2015	\$8,000.00	\$5,000.00	\$4,800.00	\$17,800.00	\$192,000.00
2016	\$9,000.00	\$4,800.00	\$4,575.00	\$18,375.00	\$183,000.00
2017	\$9,000.00	\$4,575.00	\$4,350.00	\$17,925.00	\$174,000.00
2018	\$10,000.00	\$4,350.00	\$4,100.00	\$18,450.00	\$164,000.00
2019	\$10,000.00	\$4,100.00	\$3,850.00	\$17,950.00	\$154,000.00
2020	\$11,000.00	\$3,850.00	\$3,575.00	\$18,425.00	\$143,000.00
2021	\$11,000.00	\$3,575.00	\$3,300.00	\$17,875.00	\$132,000.00
2022	\$12,000.00	\$3,300.00	\$3,000.00	\$18,300.00	\$120,000.00
2023	\$13,000.00	\$3,000.00	\$2,675.00	\$18,675.00	\$107,000.00
2024	\$13,000.00	\$2,675.00	\$2,350.00	\$18,025.00	\$94,000.00
2025	\$14,000.00	\$2,350.00	\$2,000.00	\$18,350.00	\$80,000.00
2026	\$15,000.00	\$2,000.00	\$1,625.00	\$18,625.00	\$65,000.00
2027	\$15,000.00	\$1,625.00	\$1,250.00	\$17,875.00	\$50,000.00
2028	\$16,000.00	\$1,250.00	\$850.00	\$18,100.00	\$34,000.00
2029	\$17,000.00	\$850.00	\$425.00	\$18,275.00	\$17,000.00
2030	\$17,000.00	\$425.00	\$0.00	\$17,425.00	\$0.00
2031	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2032	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2033	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$316,000.00	\$196,625.00	\$188,725.00	\$701,350.00	

BOND RESOLUTION

SANDY HOOK WATER DISTRICT

AUTHORIZING

SANDY HOOK WATER DISTRICT WATERWORKS REVENUE BONDS OF 1988

IN THE AMOUNT OF

\$237,000

## BOND RESOLUTION

RESOLUTION OF THE SANDY HOOK WATER DISTRICT OF ELLIOTT COUNTY, KENTUCKY, AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF \$237,000 PRINCIPAL AMOUNT OF SANDY HOOK WATER DISTRICT WATERWORKS REVENUE BONDS OF 1988, FOR THE PURPOSE OF FINANCING THE COST (NOT OTHERWISE PROVIDED) OF THE CONSTRUCTION OF EXTENSIONS, ADDITIONS, AND IMPROVEMENTS TO THE EXISTING WATERWORKS SYSTEM OF SAID DISTRICT; PROVIDING FOR SAID BONDS TO RANK ON A PARITY WITH CERTAIN OUTSTANDING REVENUE BONDS, PREVIOUSLY ISSUED BY SAID DISTRICT; SETTING FORTH TERMS AND CONDITIONS UPON WHICH SAID BONDS MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE COLLECTION, SEGREGATION, AND DISTRIBUTION OF THE REVENUES OF SAID WATERWORKS SYSTEM; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.

WHEREAS, the waterworks system (the "System") of the Sandy Hook Water District (the "District") is owned and operated by said District under Chapters 74 and 106 of the Kentucky Revised Statutes (the "Act"), and

WHEREAS, the District presently has outstanding certain Prior Bonds (as hereinafter defined), which Prior Bonds, by their terms, are payable from and secured on a parity by a first pledge of the revenues derived from the operation of and by a first statutory mortgage lien against the System, and

WHEREAS, all of the Prior Bonds presently outstanding are current as to payment of both principal and interest, and for the security of which a certain Sinking Fund and certain reserves are being maintained in the manner and by the means prescribed in the Prior Bond Resolution (as hereinafter defined) of the District, authorizing the Prior Bonds, and

WHEREAS, the Prior Bonds were issued to and are now held by the Farmers Home Administration of the Department of Agriculture of the United States of America (the "FmHA"), and

WHEREAS, the FmHA, as the Owner of the Prior Bonds, has consented to the issuance by the District of \$237,000 of bonds (the "Current Bonds"), ranking on a parity with the Prior Bonds, and

WHEREAS, it is the desire and intent of the District at this time to adopt this Resolution pursuant to the Act, to authorize and provide for the issuance of revenue bonds in the

principal amount of \$237,000, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions, and improvements to the System of the District, in accordance with plans and specifications prepared by Kenco Associates, Inc., 9714 U. S. Route 60, Ashland, Kentucky 41101, now on file in the office of the Secretary of the District, and to prescribe the covenants of the District, the rights of Bondowners, and the details of the issuance and sale of the proposed Current Bonds, and

WHEREAS, the District desires and intends that the Current Bonds be issued so as to rank on a parity basis with the Prior Bonds, and

WHEREAS, the Public Service Commission of Kentucky has issued an Order on May 18, 1988, granting to the District a Certificate of Public Convenience and Necessity, authorizing the construction of said extensions, additions, and improvements, and

WHEREAS, the proceeds of the Current Bonds will be supplemented by Grant Proceeds (as hereinafter defined) in the amount of approximately \$486,000, to provide the total cost of such construction, and

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SANDY HOOK WATER DISTRICT OF ELLIOTT COUNTY, KENTUCKY, AS FOLLOWS:



91-03

Name	Sandy Hook Water District		Loan No 03		
		Amount of Series		Interest Rate	
BOND SERIES		\$237,000.00		6.250%	
YEAR	1992 PRINCIPAL	INTEREST JANUARY	INTEREST JULY	TOTAL	BALANCE \$237,000.00
1991	\$1,000.00	\$7,406.25	\$7,375.00	\$15,781.25	\$236,000.00
1992	\$1,000.00	\$7,375.00	\$7,343.75	\$15,718.75	\$235,000.00
1993	\$1,000.00	\$7,343.75	\$7,312.50	\$15,656.25	\$234,000.00
1994	\$2,000.00	\$7,312.50	\$7,250.00	\$16,562.50	\$232,000.00
1995	\$2,000.00	\$7,250.00	\$7,187.50	\$16,437.50	\$230,000.00
1996	\$2,000.00	\$7,187.50	\$7,125.00	\$16,312.50	\$228,000.00
1997	\$2,000.00	\$7,125.00	\$7,062.50	\$16,187.50	\$226,000.00
1998	\$2,000.00	\$7,062.50	\$7,000.00	\$16,062.50	\$224,000.00
1999	\$2,000.00	\$7,000.00	\$6,937.50	\$15,937.50	\$222,000.00
2000	\$2,000.00	\$6,937.50	\$6,875.00	\$15,812.50	\$220,000.00
2001	\$3,000.00	\$6,875.00	\$6,781.25	\$16,656.25	\$217,000.00
2002	\$3,000.00	\$6,781.25	\$6,687.50	\$16,468.75	\$214,000.00
2003	\$3,000.00	\$6,687.50	\$6,593.75	\$16,281.25	\$211,000.00
2004	\$3,000.00	\$6,593.75	\$6,500.00	\$16,093.75	\$208,000.00
2005	\$3,000.00	\$6,500.00	\$6,406.25	\$15,906.25	\$205,000.00
2006	\$4,000.00	\$6,406.25	\$6,281.25	\$16,687.50	\$201,000.00
2007	\$4,000.00	\$6,281.25	\$6,156.25	\$16,437.50	\$197,000.00
2008	\$4,000.00	\$6,156.25	\$6,031.25	\$16,187.50	\$193,000.00
2009	\$5,000.00	\$6,031.25	\$5,875.00	\$16,906.25	\$188,000.00
2010	\$5,000.00	\$5,875.00	\$5,718.75	\$16,593.75	\$183,000.00
2011	\$5,000.00	\$5,718.75	\$5,562.50	\$16,281.25	\$178,000.00
2012	\$6,000.00	\$5,562.50	\$5,375.00	\$16,937.50	\$172,000.00
2013	\$6,000.00	\$5,375.00	\$5,187.50	\$16,562.50	\$166,000.00
2014	\$6,000.00	\$5,187.50	\$5,000.00	\$16,187.50	\$160,000.00
2015	\$7,000.00	\$5,000.00	\$4,781.25	\$16,781.25	\$153,000.00
2016	\$8,000.00	\$4,781.25	\$4,531.25	\$17,312.50	\$145,000.00
2017	\$8,000.00	\$4,531.25	\$4,281.25	\$16,812.50	\$137,000.00
2018	\$9,000.00	\$4,281.25	\$4,000.00	\$17,281.25	\$128,000.00
2019	\$9,000.00	\$4,000.00	\$3,718.75	\$16,718.75	\$119,000.00
2020	\$10,000.00	\$3,718.75	\$3,406.25	\$17,125.00	\$109,000.00
2021	\$11,000.00	\$3,406.25	\$3,062.50	\$17,468.75	\$98,000.00
2022	\$11,000.00	\$3,062.50	\$2,718.75	\$16,781.25	\$87,000.00
2023	\$12,000.00	\$2,718.75	\$2,343.75	\$17,062.50	\$75,000.00
2024	\$13,000.00	\$2,343.75	\$1,937.50	\$17,281.25	\$62,000.00
2025	\$14,000.00	\$1,937.50	\$1,500.00	\$17,437.50	\$48,000.00
2026	\$15,000.00	\$1,500.00	\$1,031.25	\$17,531.25	\$33,000.00
2027	\$16,000.00	\$1,031.25	\$531.25	\$17,562.50	\$17,000.00
2028	\$17,000.00	\$531.25	\$0.00	\$17,531.25	\$0.00
2029	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2030	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2031	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$237,000.00	\$200,875.00	\$193,468.75	\$631,343.75	

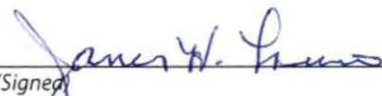
**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between Sandy Hook Water District ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
Trina Sartaine, DBA Elliott Co. Sanitation	Garbage Collection	\$715.72

- ☐ Check this box if the Utility has no related party transactions.
- ☐ Check box if additional transactions are listed on the supplemental page.
- ☐ Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

James Lewis  
(Print Name)

  
(Signed)

Chairperson  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF Elliott

Subscribed and sworn to before me by James Lewis  
(Name)

this 14 day of July, 2016.

Budgett Howard  
NOTARY PUBLIC  
State-at-Large

# **STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between Sandy Hook Water District ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
Trina Sartaine, DBA Elliot Co. Sanitation	Garbage Collection	\$715.72

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Estill Howard  
(Print Name)

*Estill Howard*  
(Signed)

Board Member  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF Elliott

Subscribed and sworn to before me by Estill Howard  
(Name)

this 14 day of July, 2016.

Budgett Howard  
NOTARY PUBLIC  
State-at-Large



### **STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between Sandy Hook Water District ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
Trina Sartaine, DBA Elliot Co. Sanitation	Garbage Collection	\$715.72

- ☐ Check this box if the Utility has no related party transactions.
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Ira Vest  
(Print Name)

  
(Signed)

Board Member  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF Elliott

Subscribed and sworn to before me by Ira Vest  
(Name)

this 14 day of July, 2016.

Budgett Howard  
NOTARY PUBLIC  
State-at-Large

## **STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between Sandy Hook Water District ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
Trina Sartaine, DBA Elliot Co. Sanitation	Garbage Collection	\$715.72

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Darren Fannin  
(Print Name)

  
(Signed)

Board Member  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF Elliott

Subscribed and sworn to before me by Darren Fanning  
(Name)

this 14 day of July, 2016.

Budgett Howard  
NOTARY PUBLIC  
State-at-Large

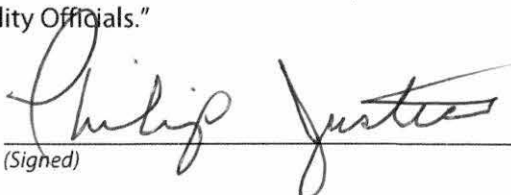
### **STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between Sandy Hook Water District ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
Trina Sartaine, DBA Elliot Co. Sanitation	Garbage Collection	\$715.72

- ☐ Check this box if the Utility has no related party transactions.
- ☐ Check box if additional transactions are listed on the supplemental page.
- ☐ Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

Phillip Justice  
(Print Name)

  
(Signed)

Board Member  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.



COMMONWEALTH OF KENTUCKY

COUNTY OF Elliott

Subscribed and sworn to before me by Philip Justice  
(Name)

this 14 day of July, 2016.

Budgett Howard  
NOTARY PUBLIC  
State-at-Large

### **STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS**

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Trina Sartaine  
(Print Name)

  
(Signed)

General Manager  
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Elliott

Subscribed and sworn to before me by Tina Sartaine  
(Name)

this 14 day of July, 20 16.

Budgett Howard  
NOTARY PUBLIC  
State-at-Large