

Rubin & Hays

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CHARLES S. MUSSON
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June 18, 2012

RECEIVED

JUN 20 2012

PUBLIC SERVICE
COMMISSION

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

Re: Allen County Water District **PSC Case No. 2012-00144**


Dear Mr. Derouen:

In accordance with paragraphs No. 2 and 3 of the PSC Order dated May 21, 2012 relating to the above case, enclosed please find the final refunding schedules which include the actual gross and net present value savings and the final loan debt service, including the final principal amount and the interest rates. The Kentucky Rural Water Finance Corporation loan to the District was dated May 30, 2012.

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

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:ilm
Enclosures

Final

\$2,935,000

Allen County Water District
Kentucky Rural Water Finance Corporation
Public Projects Refunding Revenue Bonds, Series 2012 D

Sources & Uses

Dated 05/30/2012 | Delivered 05/30/2012

Sources Of Funds

Par Amount of Bonds	\$2,935,000.00
Reoffering Premium	5,066.35
Transfers from Prior Issue Debt Service Funds	66,564.57
Total Sources	\$3,006,630.92

Uses Of Funds

Total Underwriter's Discount (1.680%)	49,310.85
Costs of Issuance	49,025.00
Deposit to Current Refunding Fund	2,904,623.83
Rounding Amount	3,671.24
Total Uses	\$3,006,630.92

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Final

\$2,935,000

Allen County Water District

Kentucky Rural Water Finance Corporation

Public Projects Refunding Revenue Bonds, Series 2012 D

Debt Service Comparison

Date	Total P+I	Expenses	Net New D/S	Old Net D/S	Savings
12/30/2012	-	-	-	67,596.88	67,596.88
12/30/2013	184,246.24	450.00	184,696.24	198,162.82	13,466.58
12/30/2014	188,016.26	450.00	188,466.26	197,542.50	9,076.24
12/30/2015	189,341.26	450.00	189,791.26	196,804.06	7,012.80
12/30/2016	186,011.26	450.00	186,461.26	198,386.56	11,925.30
12/30/2017	188,526.26	450.00	188,976.26	198,267.50	9,291.24
12/30/2018	190,881.26	450.00	191,331.26	198,959.07	7,627.81
12/30/2019	187,681.26	450.00	188,131.26	197,971.57	9,840.31
12/30/2020	189,401.26	450.00	189,851.26	198,307.50	8,456.24
12/30/2021	186,172.51	450.00	186,622.51	197,941.87	11,319.36
12/30/2022	187,863.76	450.00	188,313.76	197,873.44	9,559.68
12/30/2023	184,288.76	450.00	184,738.76	198,079.69	13,340.93
12/30/2024	185,518.76	450.00	185,968.76	199,023.44	13,054.68
12/30/2025	186,403.76	450.00	186,853.76	199,683.44	12,829.68
12/30/2026	186,993.76	450.00	187,443.76	198,105.94	10,662.18
12/30/2027	187,338.76	450.00	187,788.76	199,267.19	11,478.43
12/30/2028	187,436.26	450.00	187,886.26	199,120.94	11,234.68
12/30/2029	187,348.76	450.00	187,798.76	200,153.76	12,355.00
12/30/2030	172,272.51	450.00	172,722.51	184,741.88	12,019.37
12/30/2031	172,204.38	450.00	172,654.38	183,445.00	10,790.62
12/30/2032	171,857.50	450.00	172,307.50	184,841.25	12,533.75
12/30/2033	171,228.75	450.00	171,678.75	186,839.38	15,160.63
12/30/2034	136,093.75	450.00	136,543.75	150,293.13	13,749.38
12/30/2035	131,551.25	450.00	132,001.25	148,804.06	16,802.81
12/30/2036	131,760.00	450.00	132,210.00	149,051.87	16,841.87
12/30/2037	131,615.00	450.00	132,065.00	148,012.81	15,947.81
12/30/2038	96,995.00	450.00	97,445.00	111,588.75	14,143.75
Total	\$4,499,048.29	\$11,700.00	\$4,510,748.29	\$4,888,866.30	\$378,118.01

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	378,118.01
Gross PV Debt Service Savings	271,698.03
Effects of changes in Expenses	(7,464.39)
Net PV Cashflow Savings @ 3.738%(Bond Yield)	264,233.63
Transfers from Prior Issue Debt Service Fund	(66,564.57)
Contingency or Rounding Amount	3,964.34
Net Future Value Benefit	\$315,517.78
Net Present Value Benefit	\$201,633.40
Net PV Benefit / \$2,848,000 Refunded Principal	7.080%
Net PV Benefit / \$2,935,000 Refunding Principal	6.870%

Refunding Bond Information

Refunding Dated Date	5/30/2012
Refunding Delivery Date	5/30/2012
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Morgan Keegan & Company, Inc.

Public Finance

Final

\$2,935,000

Allen County Water District
 Kentucky Rural Water Finance Corporation
 Public Projects Refunding Revenue Bonds, Series 2012 D

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/30/2012	-	-	-	-	-
02/01/2013	60,000.00	4.200%	71,845.61	131,845.61	-
08/01/2013	-	-	52,400.63	52,400.63	-
12/30/2013	-	-	-	-	184,246.24
02/01/2014	85,000.00	4.200%	52,400.63	137,400.63	-
08/01/2014	-	-	50,615.63	50,615.63	-
12/30/2014	-	-	-	-	188,016.26
02/01/2015	90,000.00	4.200%	50,615.63	140,615.63	-
08/01/2015	-	-	48,725.63	48,725.63	-
12/30/2015	-	-	-	-	189,341.26
02/01/2016	90,000.00	3.200%	48,725.63	138,725.63	-
08/01/2016	-	-	47,285.63	47,285.63	-
12/30/2016	-	-	-	-	186,011.26
02/01/2017	95,000.00	2.200%	47,285.63	142,285.63	-
08/01/2017	-	-	46,240.63	46,240.63	-
12/30/2017	-	-	-	-	188,526.26
02/01/2018	100,000.00	3.200%	46,240.63	146,240.63	-
08/01/2018	-	-	44,640.63	44,640.63	-
12/30/2018	-	-	-	-	190,881.26
02/01/2019	100,000.00	3.200%	44,640.63	144,640.63	-
08/01/2019	-	-	43,040.63	43,040.63	-
12/30/2019	-	-	-	-	187,681.26
02/01/2020	105,000.00	3.200%	43,040.63	148,040.63	-
08/01/2020	-	-	41,360.63	41,360.63	-
12/30/2020	-	-	-	-	189,401.26
02/01/2021	105,000.00	2.950%	41,360.63	146,360.63	-
08/01/2021	-	-	39,811.88	39,811.88	-
12/30/2021	-	-	-	-	186,172.51
02/01/2022	110,000.00	3.200%	39,811.88	149,811.88	-
08/01/2022	-	-	38,051.88	38,051.88	-
12/30/2022	-	-	-	-	187,863.76
02/01/2023	110,000.00	3.300%	38,051.88	148,051.88	-
08/01/2023	-	-	36,236.88	36,236.88	-
12/30/2023	-	-	-	-	184,288.76
02/01/2024	115,000.00	3.400%	36,236.88	151,236.88	-
08/01/2024	-	-	34,281.88	34,281.88	-
12/30/2024	-	-	-	-	185,518.76
02/01/2025	120,000.00	3.600%	34,281.88	154,281.88	-
08/01/2025	-	-	32,121.88	32,121.88	-
12/30/2025	-	-	-	-	186,403.76
02/01/2026	125,000.00	3.600%	32,121.88	157,121.88	-
08/01/2026	-	-	29,871.88	29,871.88	-
12/30/2026	-	-	-	-	186,993.76
02/01/2027	130,000.00	3.700%	29,871.88	159,871.88	-
08/01/2027	-	-	27,466.88	27,466.88	-
12/30/2027	-	-	-	-	187,338.76
02/01/2028	135,000.00	3.700%	27,466.88	162,466.88	-
08/01/2028	-	-	24,969.38	24,969.38	-
12/30/2028	-	-	-	-	187,436.26
02/01/2029	140,000.00	3.700%	24,969.38	164,969.38	-
08/01/2029	-	-	22,379.38	22,379.38	-
12/30/2029	-	-	-	-	187,348.76
02/01/2030	130,000.00	3.825%	22,379.38	152,379.38	-
08/01/2030	-	-	19,893.13	19,893.13	-
12/30/2030	-	-	-	-	172,272.51
02/01/2031	135,000.00	3.825%	19,893.13	154,893.13	-
08/01/2031	-	-	17,311.25	17,311.25	-
12/30/2031	-	-	-	-	172,204.38
02/01/2032	140,000.00	3.950%	17,311.25	157,311.25	-
08/01/2032	-	-	14,546.25	14,546.25	-
12/30/2032	-	-	-	-	171,857.50
02/01/2033	145,000.00	3.950%	14,546.25	159,546.25	-
08/01/2033	-	-	11,682.50	11,682.50	-
12/30/2033	-	-	-	-	171,228.75
02/01/2034	115,000.00	3.950%	11,682.50	126,682.50	-
08/01/2034	-	-	9,411.25	9,411.25	-
12/30/2034	-	-	-	-	136,093.75
02/01/2035	115,000.00	3.950%	9,411.25	124,411.25	-
08/01/2035	-	-	7,140.00	7,140.00	-
12/30/2035	-	-	-	-	131,551.25
02/01/2036	120,000.00	4.200%	7,140.00	127,140.00	-
08/01/2036	-	-	4,620.00	4,620.00	-
12/30/2036	-	-	-	-	131,760.00
02/01/2037	125,000.00	4.200%	4,620.00	129,620.00	-
08/01/2037	-	-	1,995.00	1,995.00	-
12/30/2037	-	-	-	-	131,615.00
02/01/2038	95,000.00	4.200%	1,995.00	96,995.00	-
12/30/2038	-	-	-	-	96,995.00
Total	\$2,935,000.00	-	\$1,564,048.29	\$4,499,048.29	-

Yield Statistics

Bond Year Dollars	541,339.82
Average Life	14.085 Years
Average Coupon	3.7833941%
Net Interest Cost (NIC)	3.8904205%
True Interest Cost (TIC)	3.8983267%
Bond Yield for Arbitrage Purposes	3.7379667%
All Inclusive Cost (AIC)	4.0897562%
IRS Form 8038	
Net Interest Cost	3.7993550%
Weighted Average Maturity	13.956 Years
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Morgan Keegan & Company, Inc.

Public Finance