

Rubin & Hays

ATTORNEYS AT LAW

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April 22, 2004

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PUBLIC SERVICE
COMMISSION

Mr. Thomas Dorman, Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: McCreary County Water District PSC Case No. 2004-00061

Dear Mr. Dorman:

Pursuant to the Commission's Order, dated March 24, 2004, enclosed please find the final financial schedules relating to the District's Kentucky Rural Water Finance Corporation Loan. Such schedules contain all of the relevant financial information requested by the Commission in its Order.

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
cc: Mr. Steve Owens, MCWD

\$2,050,000
McCreary County Water District
Aggregate Numbers
Kentucky Rural Water Finance Corporation

SOURCES & USES

Dated 02/01/2004

Delivered 03/24/2004

SOURCES OF FUNDS

Par Amount of Bonds.....	\$2,050,000.00
Reoffering Premium.....	343.04
Accrued Interest.....	10,688.04
Transfers from Prior Issue Debt Service Funds.....	93,877.13
TOTAL SOURCES.....	\$2,154,908.21

USES OF FUNDS

Original Issue Discount (OID).....	21,807.05
Total Underwriter's Discount.....	19,323.53
Costs of Issuance.....	33,250.00
Gross Bond Insurance Premium.....	9,128.34
Deposit to Debt Service Fund.....	10,688.04
Deposit to Current Refunding Fund.....	2,058,890.28
Rounding Amount.....	1,820.87
TOTAL USES.....	\$2,154,908.11

Morgan Keegan & Co., Inc.

Kentucky Public Finance

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\$2,050,000
McCreary County Water District
Aggregate Numbers
Kentucky Rural Water Finance Corporation
DEBT SERVICE COMPARISON

Date	Total P+I	Expenses	Net New D/S	Old Net D/S	Savings
12/30/2004	36,914.02	-	36,914.02	145,767.88	108,853.86
12/30/2005	136,179.14	450.00	136,629.14	144,200.50	7,571.36
12/30/2006	138,840.14	450.00	139,290.14	145,818.75	6,528.61
12/30/2007	139,439.34	450.00	139,889.34	148,232.50	8,343.16
12/30/2008	164,619.84	450.00	165,069.84	170,996.25	5,926.41
12/30/2009	161,413.79	450.00	161,863.79	169,957.50	8,093.71
12/30/2010	130,471.74	450.00	130,921.74	136,550.00	5,628.26
12/30/2011	131,674.74	450.00	132,124.74	136,870.00	4,745.26
12/30/2012	129,666.84	450.00	130,116.84	135,957.50	5,840.66
12/30/2013	131,448.61	450.00	131,898.61	136,987.50	5,088.89
12/30/2014	130,997.96	450.00	131,447.96	135,857.50	4,409.54
12/30/2015	133,285.84	450.00	133,735.84	137,542.50	3,806.66
12/30/2016	129,406.25	450.00	129,856.25	136,042.50	6,186.25
12/30/2017	131,350.46	450.00	131,800.46	138,332.50	6,532.04
12/30/2018	130,058.22	450.00	130,508.22	136,412.50	5,904.28
12/30/2019	129,559.48	450.00	130,009.48	136,332.50	6,323.02
12/30/2020	129,864.88	450.00	130,314.88	136,140.00	5,825.12
12/30/2021	128,968.17	450.00	129,418.17	135,635.00	6,216.83
12/30/2022	132,718.16	450.00	133,168.16	135,992.50	2,824.34
12/30/2023	116,436.87	450.00	116,886.87	120,387.50	3,500.63
12/30/2024	116,267.98	450.00	116,717.98	120,045.00	3,327.02
12/30/2025	116,899.50	450.00	117,349.50	119,487.50	2,138.00
12/30/2026	115,353.62	450.00	115,803.62	119,690.00	3,886.38
12/30/2027	57,938.66	450.00	58,388.66	57,325.00	(1,063.66)
12/30/2028	54,743.33	450.00	55,193.33	56,292.50	1,099.17
12/30/2029	53,548.01	450.00	53,998.01	56,267.50	2,269.49
12/30/2030	56,219.63	450.00	56,669.63	56,122.50	(547.13)
12/30/2031	-	-	-	55,760.00	55,760.00
Total	3,164,285.22	11,700.00	3,175,985.22	3,461,003.38	285,018.16

PRESENT VALUE ANALYSIS SUMMARY (NET TO NET)

Gross PV Debt Service Savings.....	204,708.15
Effects of changes in Expenses.....	(7,356.36)
Net PV Cashflow Savings @ 3.808%(Bond Yield).....	197,351.79
Accrued Interest Credit to Debt Service Fund.....	10,869.13
Transfers from Prior Issue Debt Service Fund.....	(93,877.13)
Contingency or Rounding Amount.....	1,884.58
NET PRESENT VALUE BENEFIT.....	\$116,228.37
NET PV BENEFIT / \$2,009,866 REFUNDED PRINCIPAL.....	5.783%
NET PV BENEFIT / \$2,050,000 REFUNDING PRINCIPAL.....	5.670%

REFUNDING BOND INFORMATION

Refunding Dated Date.....	
Refunding Delivery Date.....	3/24/2004

\$2,050,000
McCreary County Water District
Aggregate Numbers
Kentucky Rural Water Finance Corporation
TOTAL DEBT SERVICE

Date	Principal		Interest	Total P+I
12/30/2004	-		36,914.02	36,914.02
12/30/2005	63,000.00	2.060%	73,179.14	136,179.14
12/30/2006	67,000.00	2.060%	71,840.14	138,840.14
12/30/2007	69,000.00	2.060%	70,439.34	139,439.34
12/30/2008	96,000.00	2.310%	68,619.84	164,619.84
12/30/2009	95,000.00	2.310%	66,413.79	161,413.79
12/30/2010	66,000.00	2.560%	64,471.74	130,471.74
12/30/2011	69,000.00	2.760%	62,674.74	131,674.74
12/30/2012	69,000.00	3.060%	60,666.84	129,666.84
12/30/2013	73,000.00	3.185%	58,448.61	131,448.61
12/30/2014	75,000.00	3.435%	55,997.96	130,997.96
12/30/2015	80,000.00	3.560%	53,285.84	133,285.84
12/30/2016	79,000.00	3.685%	50,406.25	129,406.25
12/30/2017	84,000.00	3.810%	47,350.46	131,350.46
12/30/2018	86,000.00	3.935%	44,058.22	130,058.22
12/30/2019	89,000.00	4.060%	40,559.48	129,559.48
12/30/2020	93,000.00	4.060%	36,864.88	129,864.88
12/30/2021	96,000.00	4.185%	32,968.17	128,968.17
12/30/2022	104,000.00	4.310%	28,718.16	132,718.16
12/30/2023	92,000.00	4.435%	24,436.87	116,436.87
12/30/2024	96,000.00	4.435%	20,267.98	116,267.98
12/30/2025	101,000.00	4.435%	15,899.50	116,899.50
12/30/2026	104,000.00	4.435%	11,353.62	115,353.62
12/30/2027	50,000.00	4.435%	7,938.66	57,938.66
12/30/2028	49,000.00	4.435%	5,743.33	54,743.33
12/30/2029	50,000.00	4.435%	3,548.01	53,548.01
12/30/2030	55,000.00	4.435%	1,219.63	56,219.63
Total	2,050,000.00		1,114,285.22	3,164,285.22

PAR AMOUNTS OF SELECTED ISSUES

SERIES 2004 A -KRWFC - McCreary County 1985.....	204,000.00
SERIES 2004 A -KRWFC - McCreary County 1986 A.....	614,000.00
SERIES 2004 A -KRWFC - McCreary County 1986 B.....	262,000.00
SERIES 2004 A -KRWFC - McCreary County 1991 A.....	759,000.00
SERIES 2004 A -KRWFC - McCreary County 1973 B.....	72,000.00
SERIES 2004 A -KRWFC - McCreary County 1991 B.....	139,000.00
TOTAL.....	2,050,000.00

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\$2,050,000
McCreary County Water District
Aggregate Numbers
Kentucky Rural Water Finance Corporation
TOTAL NET DEBT SERVICE

Date	Principal	Interest	Expenses	Net New D/S
12/30/2004	-	36,914.02	-	36,914.02
12/30/2005	63,000.00	73,179.14	450.00	136,629.14
12/30/2006	67,000.00	71,840.14	450.00	139,290.14
12/30/2007	69,000.00	70,439.34	450.00	139,889.34
12/30/2008	96,000.00	68,619.84	450.00	165,069.84
12/30/2009	95,000.00	66,413.79	450.00	161,863.79
12/30/2010	66,000.00	64,471.74	450.00	130,921.74
12/30/2011	69,000.00	62,674.74	450.00	132,124.74
12/30/2012	69,000.00	60,666.84	450.00	130,116.84
12/30/2013	73,000.00	58,448.61	450.00	131,898.61
12/30/2014	75,000.00	55,997.96	450.00	131,447.96
12/30/2015	80,000.00	53,285.84	450.00	133,735.84
12/30/2016	79,000.00	50,406.25	450.00	129,856.25
12/30/2017	84,000.00	47,350.46	450.00	131,800.46
12/30/2018	86,000.00	44,058.22	450.00	130,508.22
12/30/2019	89,000.00	40,559.48	450.00	130,009.48
12/30/2020	93,000.00	36,864.88	450.00	130,314.88
12/30/2021	96,000.00	32,968.17	450.00	129,418.17
12/30/2022	104,000.00	28,718.16	450.00	133,168.16
12/30/2023	92,000.00	24,436.87	450.00	116,886.87
12/30/2024	96,000.00	20,267.98	450.00	116,717.98
12/30/2025	101,000.00	15,899.50	450.00	117,349.50
12/30/2026	104,000.00	11,353.62	450.00	115,803.62
12/30/2027	50,000.00	7,938.66	450.00	58,388.66
12/30/2028	49,000.00	5,743.33	450.00	55,193.33
12/30/2029	50,000.00	3,548.01	450.00	53,998.01
12/30/2030	55,000.00	1,219.63	450.00	56,669.63
Total	2,050,000.00	1,114,285.22	11,700.00	3,175,985.22

PAR AMOUNTS OF SELECTED ISSUES

SERIES 2004 A -KRWFC - McCreary County 1985.....	204,000.00
SERIES 2004 A -KRWFC - McCreary County 1986 A.....	614,000.00
SERIES 2004 A -KRWFC - McCreary County 1986 B.....	262,000.00
SERIES 2004 A -KRWFC - McCreary County 1991 A.....	759,000.00
SERIES 2004 A -KRWFC - McCreary County 1973 B.....	72,000.00
SERIES 2004 A -KRWFC - McCreary County 1991 B.....	139,000.00
TOTAL.....	2,050,000.00

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