

# Rubin & Hays

ATTORNEYS AT LAW

Kentucky Home Trust Building, 450 South Third Street, Louisville, Kentucky 40202-1410  
Telephone (502) 569-7525 Telefax (502) 569-7555 Email: rh@rubinhays.com

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

PARALEGAL  
MARY M. EMBRY

March 22, 2004

RECEIVED

MAR 23 2004

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:

Enclosed please find the original and ten (10) copies of the Financial Schedules of the McCreary County Water District which show the interest rates for the securities.

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

Sincerely,

Rubin & Hays

By

  
W. Randall Jones

WRJ:jlm  
Enclosures

RECEIVED

MAR 23 2004

PUBLIC SERVICE  
COMMISSION

**\$15,645,000**  
*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
<b>Total</b>	<b>2,050,000.00</b>		<b>1,114,285.22</b>	<b>3,164,285.22</b>

**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
<b>TOTAL.....</b>	<b>2,050,000.00</b>

Morgan Keegan & Co., Inc.  
Kentucky Public Finance

File = SERIES 2004 A 9 bp.SF-  
3/16/2004 11:20 AM

**\$15,645,000**  
**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
<b>Total</b>	<b>2,050,000.00</b>	<b>1,114,285.22</b>	<b>11,700.00</b>	<b>3,175,985.22</b>

**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
<b>TOTAL.....</b>	<b>2,050,000.00</b>

**\$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

**\$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
<b>Total</b>	<b>3,164,285.22</b>	<b>11,700.00</b>	<b>3,175,985.22</b>	<b>3,461,003.38</b>	<b>285,018.16</b>

**PRESENT VALUE ANALYSIS SUMMARY (NET TO NET)**

Gross PV Debt Service Savings.....	204,708.15
Effects of changes in Expenses.....	(7,356.36)
<b>Net PV Cashflow Savings @ 3.808%(Bond Yield).....</b>	<b>197,351.79</b>
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
<b>NET PRESENT VALUE BENEFIT.....</b>	<b>\$116,228.37</b>
<b>NET PV BENEFIT / \$2,009,866 REFUNDED PRINCIPAL.....</b>	<b>5.783%</b>
<b>NET PV BENEFIT / \$2,050,000 REFUNDING PRINCIPAL.....</b>	<b>5.670%</b>

**REFUNDING BOND INFORMATION**

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