

Berger, Cox & Nienaber

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John A. Berger  
Darrell A. Cox  
Thomas R. Nienaber

Gregory N. Schabell  
R. Leslie Knight  
Bryan C. Berger

February 17, 2010

Public Service Commission  
Attn: Mr. Jeff Derouen, Executive Director  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

RECEIVED

FEB 18 2010

PUBLIC SERVICE  
COMMISSION

Re: Bullock Pen Water District  
Application to Approve Refinancing of Debt

Dear Mr. Derouen:

Enclosed please find an original and ten (10) copies of the District's Application for approval of Refinancing of Debt. Please file these documents with the Commission and return a file-stamped copy to this office.

Thanking you in advance for your attention, I remain,

Very truly yours,

BERGER, COX & NIENABER

  
Thomas R. Nienaber

TRN/css  
Enclosure

cc: Bullock Pen Water District, Attn: Mr. Bobby Burgess  
Bullock Pen Water District, Attn: Mr. Billy Simpson  
Bullock Pen Water District, Attn: Mr. Charles Givin  
Bullock Pen Water District, Attn: Mr. Billy Frank Simpson  
Bullock Pen Water District, Attn: Ms. Andrea Walton

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

FEB 18 2010

PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BULLOCK PEN WATER )  
DISTRICT FOR APPROVAL TO ENTER INTO A )  
LEASE AGREEMENT WITH THE COUNTY OF )  
GRANT, KENTUCKY IN A PRINCIPAL )  
AMOUNT NOT TO EXCEED \$1,250,000 FOR )  
THE PURPOSE OF REFINANCING CERTAIN )  
OUTSTANDING SUBLEASE AGREEMENTS )  
WITH THE COUNTY OF GRANT, KENTUCKY )

CASE NO. 2010- 00072

APPLICATION

The applicant Bullock Pen Water District (the "District"), by counsel, files this Application pursuant to KRS 278.300, 807 KAR 5.001, and all other applicable laws and regulations, and requests that the Kentucky Public Service Commission (the "Commission") enter an order authorizing the District to enter into a Lease Agreement (the "Lease") with the County of Grant, Kentucky (the "County"). Proceeds of the Lease will be used by the District to refund and retire two outstanding Sublease Agreements with the County, and will provide debt service savings to the District and resulting savings to ratepayers.

In support of this Application, the District states as follows:

(1) That it is a water district organized pursuant to KRS Chapter 74, whose full legal name is Bullock Pen Water District (807 KAR 5:001, Section 8(1)).

(2) The governing body of the District is its Board of Commissioners, a body corporate with the power to make contracts in the furtherance of its lawful and proper purposes as KRS 74.010 provides. The District is now, and has been since its formation, regulated by the Commission, all records and proceedings of the Commission with reference to the District are

incorporated in this Application by reference. The District does not have any Articles of Incorporation due to the fact that it is a statutory entity.

(3) The mailing address of the District is:

1 Farrell Drive	(859) 428-2112
Crittenden, KY 41030	(859) 428-1293 Fax

(4) A description of the District's water system and its property, together with a statement of the original cost is contained in its December 31, 2008 year end Annual Report (Exhibit 1) which is on file with the Commission, the Annual Report is incorporated herein by reference.

(5) The District proposes to enter into the Lease with the County in an amount not to exceed \$1,250,000, for the purpose of refunding: (i) the outstanding Sublease Agreement between the District and the County dated September 7, 1995 (the "1995 Sublease"); and (ii) the outstanding Sublease Agreement between the District and the County dated October 17, 1996 (the "1996 Sublease", and together with the 1995 Sublease, the "Prior Obligations"). The County will fund the Lease through the issuance of its General Obligation Refunding Bonds, Series 2010 (the "Bonds") which have been preliminarily approved by the Department for Local Government pursuant to a Recommended Order dated January 29, 2010 (Exhibit 2).

(6) The estimated debt service for the Bonds is shown in Exhibit 3. The refinancing of the Prior Obligations is expected to save approximately \$120,733 in interest costs, which produces a net present value savings of approximately \$105,285, depending on market conditions on the date of the sale of the Bonds and method of refinancing. Payments under the Lease will match debt service payments on the Bonds.

(7) Proceeds from the sale of the Bonds will be used to: (i) refund and retire the outstanding Lease Agreements related to the Prior Obligations; and (ii) pay the costs of issuance of the Bonds.

(8) A detailed explanation of the sources and uses of the proceeds of the Bonds are provided in Exhibit 3, hereto and are incorporated by reference.

(9) The final principal amount of the Lease will be adjusted to match the final principal amount of the Bonds based upon the lowest bid received by the County at the advertised competitive sale of the Bonds. Final financial figures will be submitted to the Commission in a timely manner. The Bonds will not be issued if interest rates at the time of the sale of the Bonds do not produce a net savings to the District after the retirement of the Prior Obligations.

(10) A combined debt service schedule for the Prior Obligations is shown in Exhibit 3.

(11) The District has determined and represents that the Lease is in the public interest and is intended to accomplish the purpose of strengthening the financial condition of the District by producing debt service savings. This is a lawful objective within the public purposes of the District's utility operations. The Lease is necessary, appropriate for, and consistent with the proper performance by the District of its service to the public and will not impair its ability to perform that service.

(12) The District represents that it will, as soon as reasonably possible after the closing of the Lease, file with the Commission a statement setting forth the date of issuance of the Lease,

the final par amount, all fees and expenses incurred in the issuance of the Bonds, and the terms and interest rates of the Lease.

(13) A detailed Statement of Revenue and Expenses, Balance Sheet and Statement of Cash Flows for the twelve month period ending December 31, 2008 are attached as Exhibit 4. The remaining financial information required is contained in the District's 2008 Annual Report which is on file with the Commission.

(14) No rate adjustment is being proposed.

(15) The following information is provided in response to 807 KAR 5:001 (8):

- a. Articles of Incorporation - None, the District is a statutorily created water district under KRS Chapter 74.

(16) The following information is supplied pursuant to 807 KAR 5:001(9):

- a. Facts relied upon to show that the application is in the public interest: See the Plan of Refinancing in Exhibit 3.

(17) The following information is provided as required by 807 KAR 5:001 (11):

- a. A general description of the property is contained in the Annual Report;
- b. No stock is to be issued. Bonds to be refinanced and terms are described in Exhibit 3;
- c. The refunding of bonds and refinancing is described in Exhibit 3;

- d. The proceeds of the refinancing are to refinance existing bonds to achieve a net savings of interest over the remaining life of the bonds;
- e. The par value, expenses, use of proceeds, interest rates and other information is contained in Exhibit 3.

(18) The following exhibits are provided pursuant to 807 KAR 5:001 (11)(2):

a. On July 8, 2008, the District applied for an adjustment of rates with the Commission in Case No. 2008-00170. All of the financial information required to be filed with this Application is contained in that Rate Adjustment Application proceeding before the Commission and is incorporated herein by reference (“Rate Adjustment Proceeding”). In addition, the Rate Adjustment Proceeding also contains all other information required to be filed with this Application relating to the District’s financial condition; status of assets, indebtedness and the like. The District would request that it be granted a deviation to file any additional or updated financial information in that the financial information contained in the Rate Adjustment Proceeding accurately reflects the financial condition of the District in that there have been no material changes, alterations or modifications to the status of the District’s financial condition and/or assets since the Commission entered its Orders in the Rate Adjustment Proceeding.

b. At the January, 2010 meeting, the District authorized Van Gorder, Walker & Co., Inc. to prepare an audited financial statement for the year ending December 31, 2009. As of the filing of this Application, the annual audit has not

yet been completed. Once that audit is completed, a copy will be provided to the Commission.

b. No property is to be acquired.

(19) The following information is provided pursuant to 807 KAR 5:001(6):

a. No stock is authorized;

b. No stock is issued;

c. There are no stock preferences;

d. Mortgages are listed in the Annual Report;

e. Bonds are listed in Exhibit 3;

f. Notes are listed in Exhibit 1;

g. Other indebtedness is listed in Exhibit 1 and Case No. 2008-00170;

h. No dividends have been paid;

i. The District's most recent balance sheet and income statement is attached as Exhibit 4.

(20) The District requests that it be granted a deviation under 807 KAR 5:004(14), if necessary to accommodate any situation where inflexible compliance with a regulation would be impracticable, onerous or which would hinder the District's daily operations. The District states that there has been no material change in the financial condition or operation of the District since

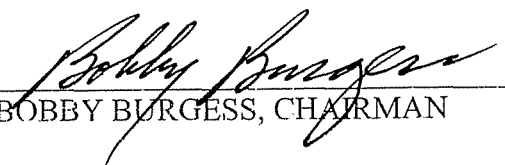
December 31, 2008. The financial data filed with this Application and in the Rate Adjustment Proceeding is the most recent published financial data available. Due to the volatility of the bond market, the District cannot run the risk of delaying the closing of the Lease while more current financial data is compiled. Further the County has been gracious enough to issue the Bonds supported by the full General Obligation pledge of the County, which will enable the District to access the bond market at a lower interest rate relative to bonds supported solely by a pledge of District revenues.

For these reasons, the District requests that it be granted an order authorizing the refinancing of these bonds in the manner most beneficial to the District.



Comes now Bullock Pen Water District, by and through its Chairman Bobby Burgess after being sworn, states that he is authorized to submit this Application on behalf of Bullock Pen Water District and that the statements contained in this Application are true and correct to the best of his information and knowledge.

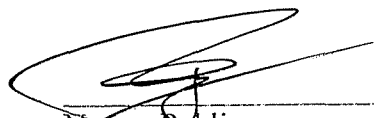
BULLOCK PEN WATER DISTRICT

BY:   
BOBBY BURGESS, CHAIRMAN

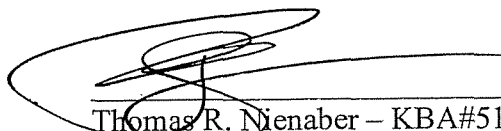
COMMONWEALTH OF KENTUCKY

COUNTY OF GRANT

Sworn and acknowledged before me by Chairman Bobby Burgess on the 16 day of February, 2010.

  
Notary Public  
My Commission Expires on: 3/24/12

BERGER, COX & NIENABER, P.S.C.

  
Thomas R. Nienaber – KBA#51820  
401 Madison Avenue  
Covington, KY 41011  
(859) 491-9088



# **EXHIBIT “1”**

KENTUCKY PUBLIC SERVICE COMMISSION
REPORT OF GROSS OPERATING REVENUES DERIVED FROM INTRA-KENTUCKY
BUSINESS FOR THE YEAR ENDING DECEMBER 31, 20 08

BULLOCK PEN WATER DISTRICT, P. O. BOX 188, CRITTENDEN, KY 41030

(Utility Reporting)

(Address)

FEIN # (Federal Employer Identification Number)

6 1 - 6 0 1 7 2 9 2

(DO NOT INCLUDE TAXES COLLECTED)

- (1) Gross Revenues of Electric Utility...\$
(2) Gross Revenues of Gas Utility...\$
(3) Gross Revenues of Water Utility...\$ 2,784,496
(4) Gross Revenues of Sewer Utility...\$
(5) Other Operating Revenues...\$
\*\*\* TOTAL GROSS REVENUES...\$ 2,784,496

OATH

State of KENTUCKY
County of GRANT ) ss.

CHARLES GIVIN being duly sworn, states that he/she is
(Officer)

TREASURER of the BULLOCK PEN WATER DISTRICT that the above
( Official Title) (Utility Reporting)

report of gross revenues is in exact accordance with BULLOCK PEN WATER DISTRICT, and that such
(Utility Reporting)

books accurately show the gross revenues of: BULLOCK PEN WATER DISTRICT, derived from
(Utility Reporting)

Intra-Kentucky business for the calendar year ending December 31, 20 08.

(Officer) (Title)

This the day of , 20

(Notary Public) (County) (Commission Expires)

NOTE: ANY DIFFERENCE BETWEEN THE AMOUNT OF THE GROSS REVENUES SHOWN IN THE
ANNUAL REPORT AND THE AMOUNT APPEARING ON THIS STATEMENT MUST BE
RECONCILED ON THE REVERSE OF THIS REPORT.

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Title Page

Water  
Districts/Associations

Annual Report of

Respondent      BULLOCK PEN WATER    1 FARRELL DRIVE    P.O. BOX 188      CRITTENDEN      KY      41030  
DISTRICT

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Principal Payment and Interest Information

Amount of Principal Payment During Calendar  
Year

\$450,016.79

Is Principal Current?

Y

Is Interest Current?

Y

Has all long-term debt been approved by the  
Public Service Commission?

Y

Services Performed by Independent CPA



Are your financial statements examined by a Certified Public Accountant?

Enter Y for Yes or N for No

If yes, which service is performed?

Enter an X on each appropriate line

Audit  X

Compilation

Review

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Additional Requested Information



Name of Utility and Web Address

BULLOCK PEN WATER DISTRICT

NONE

Contact Name and Email Address

WILLIAM L. CATLETT

BULLOCKPEN@FUSE.NET



19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Additional Information Required

2007-00339

02/14/2005

PHASE 7-50 CUSTOMERS 12/31/08  
7524.52 SURCHG BILLED 2008  
22598.60 SURCHG BILLED SINCE DATE OF  
ORDER \$74,000.00 REMAINING DEBT  
SERVICE ON KRWFC LOAN

2005-00231

02/12/2005

PHASE 8-152 CUSTOMERS 12/31/08 \$  
21,831.30 SURCHG BILLED 2008 \$54,503.76  
SURCHG BILLED SINCE DATE OF ORDER  
\$489,000.00 REMAINING DEBT SERVICE ON  
KRWFC LOAN

2005-00231

02/12/2005

PHASE 10-96 CUSTOMERS 12/31/08  
\$12,317.28 SURCHG BILLED 2008 \$28,515.18  
SURCHG BILLED SINCE DATE OF ORDER  
\$276,000 REMAINING DEBT SERVICE ON  
KRWFC LOAN

Major Water Projects

Provide details about each major water project which is planned but has not yet been submitted for approval to the Public Service commission.

For the limited purpose of this report, a "Major Project" is defined as one which is not in the ordinary course of business, and will increase your community plant by at least 20 percent.

Brief Project Description: (improvement, replacement, building, construction, expansion; if expansion, provide the estimated number of new connections)

Projected Costs and Funding Sources/Amounts:

Approval Status: (Application for financial assistance filed, but not approved; or application approved, but have not advertised for construction bids)

Location: (community, area or nearby roads)

History-Legal Name (Ref Page: 4)

1. Exact name of utility making this report.

(Use the words "The", "Company", or "Incorporated" only when part of the corporate name.)

BULLOCK PEN WATER DISTRICT

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

History-Location (Ref Page: 4)

Give the location, including street and number, and TELEPHONE NUMBER of the principal office in KY.

principal office in KY: CRITTENDEN 1 FARRELL DRIVE P.O. BOX 188 CRITTENDEN KY 41030 8594282112  
OFFICE

Give name, title, address and TELEPHONE NUMBER of the officer

to whom correspondence concerning this report should be addressed:

BOBBY BURGESS 160 CHOCTAW DRIVE DRY RIDGE KY 41030 8598245088

Location where books are located: CRITTENDEN 1 FARRELL DRIVE P.O. BOX 188 CRITTENDEN KY 41030 8594282112  
OFFICE

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

History-Date Organized (Ref Page: 4)



Date of Organization

1957

History-Laws of Organization (Ref Page: 4)

If a consolidated or merger company, name all contingent and all merged companies. Give reference to charters or general laws governing each, and all amendments of same

Date and Authority for each consolidation and each merger

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

History-Departments (Ref Page: 4)



State whether respondent is a water district or association

WATER DISTRICT

Name all operating departments other than water

NONE

**19200 Bullock Pen Water District 01/01/2008 - 12/31/2008**

**History - Counties (Ref Page: 5)**

**Boone, Gallatin, Grant, Kenton, Pendleton**



19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

History - Number of Employees (Ref Page: 5)



Number of Full-time employees

16

Number of Part-time employees

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Contacts (Ref Page: 6)



Person to send correspondence: OFFICE MANAGER BOWLING GAIL P.O. BOX 188, CRITTENDEN, KY 41030

Person who prepared this report: IGPA MORRIS & BRESSNER PSC P.O. BOX 545 FLORENCE, KY 41022-0545

Officers and Managers

CHAIRPERSON	BURGESS	BOBBY	DRY RIDGE, KY	\$3,800.00 02/05/2012
TREASURER	GIVIN	CHARLES	DRY RIDGE, KY	\$2,600.00 02/13/2011
SECRETARY	KING	JIMMIE	VERONA, KY	\$2,600.00 07/31/2010
COMMISSIONER	SIMPSON	BILLY F.	WILLIAMSTOWN, KY	\$2,600.00 02/15/2012
COMMISSIONER	WALTON	ANDREA	VERONA, KY	\$2,400.00 12/31/2009
GENERAL MANAGER	CATLETT	WILLIAM L.	CRITTENDEN, KY	\$72,436.47
OFFICE MANAGER	BOWLING	GAIL	CRITTENDEN, KY	\$69,288.60

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Balance Sheet - Assets and Other Debits (Ref Page: 7)

<b>UTILITY PLANT</b>		
Utility Plant (101-106)	\$22,752,256.00	\$23,244,565.00
Less: Accumulated Depreciation and Amortization (108-110)	\$5,045,622.00	\$5,542,930.00
Net Plant	\$17,706,634.00	\$17,701,635.00
Utility Plant Acquisition Adjustments (Net) (114-115)		
Other Utility Plant Adjustments (116)		
Total Net Utility Plant	\$17,706,634.00	\$17,701,635.00
<b>OTHER PROPERTY AND INVESTMENTS</b>		
Nonutility Property (121)		
Less: Accumulated Depreciation and Amortization (122)		
Net Nonutility Property		
Investment in Associated Companies (123)		
Utility and Other Investments (124-125)		
Sinking Funds (126)	\$260,157.00	\$279,653.00
Other Special Funds (127)	\$607,829.00	\$695,159.00
Total Other Property and Investments	\$867,986.00	\$974,812.00
<b>CURRENT AND ACCRUED ASSETS</b>		
Cash (131)	\$166,781.00	\$143,085.00
Special Deposits (132)		
Other Special Deposits (133)		
Working Funds (134)		
Temporary Cash Investments (135)	\$306,729.00	\$58,517.00
Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts (141-144)	\$562,075.00	\$488,437.00
Accounts Receivable from Associated Companies (145)		
Notes Receivable from Associated Companies (146)		
Materials and Supplies (151-153)	\$139,064.00	\$139,569.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Balance Sheet - Assets and Other Debits (Ref Page: 7)

Stores Expense (161)		
Prepayments (162)	\$47,609.00	\$36,381.00
Accrued Interest and Dividends Receivable (171)	\$2,291.00	\$283.00
Rents Receivable (172)		
Accrued Utility Revenues (173)		
Misc. Current and Accrued Assets (174)		
Total Current and Accrued Assets	\$1,224,549.00	\$866,272.00
DEFERRED DEBITS		
Unamortized Debt Discount and Expense (181)	\$96,134.00	\$87,480.00
Extraordinary Property Losses (182)		
Preliminary Survey and Investigation Charges (183)		
Cleaning Accounts (184)		
Temporary Facilities (185)		
Misc. Deferred Debits (186)	\$60,280.00	\$63,396.00
Research and Development Expenditure (187)		
Total Deferred Debits	\$156,414.00	\$150,876.00
TOTAL ASSETS AND OTHER DEBITS	\$19,955,583.00	\$19,693,595.00

**19200 Bullock Pen Water District 01/01/2008 - 12/31/2008**  
**Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)**

**EQUITY CAPITAL**

Appropriated Retained Earnings (214)

Retained Earnings From Income before contributions (215.1)	\$1,444,068.00	\$951,242.00
Donated Capital (215.2)	\$11,679,180.00	\$12,175,600.00
<b>Total Equity Capital</b>	<b>\$13,123,248.00</b>	<b>\$13,126,842.00</b>

**LONG TERM DEBT**

Bonds (221)	\$3,010,000.00	\$2,858,000.00
Reaquired Bonds (222)		
Advances from Associated Companies (223)		
Other Long Term Debt (224)	\$3,255,096.00	\$2,966,807.00
<b>Total Long Term Debt</b>	<b>\$6,265,096.00</b>	<b>\$5,824,807.00</b>

**CURRENT AND ACCRUED LIABILITIES**

Accounts Payable (231)	\$353,927.00	\$404,195.00
Notes Payable (232)	\$0.00	\$115,000.00
Accounts Payable to Associated Co. (233)		
Notes Payable to Associated Co. (234)		
Customer Deposits (235)	\$110,896.00	\$117,165.00
Accrued Taxes (236)	\$2,080.00	\$2,675.00
Accrued Interest (237)	\$52,550.00	\$49,228.00
Matured Long Term Debt (239)		
Matured Interest (240)		
Tax Collections Payable (241)	\$21,185.00	\$17,123.00
Misc. Current and Accrued Liabilities (242)	\$26,601.00	\$36,560.00
<b>Total Current and Accrued Liabilities</b>	<b>\$567,239.00</b>	<b>\$741,946.00</b>

**DEFFERRED CREDITS**

Unamortized Premium on Debt (251)

Advances for Construction (252)

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008  
Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

Other Deferred Credits (253)

Total Deferred Credits

OPERATING RESERVES

Accumulated Provision For

Property Insurance (261)

Injuries and Damages (262)

Pensions and Benefits (263)

Miscellaneous Operating Reserves (265)

Total Operating Reserves

Total Equity Capital and Liabilities

\$19,955,583.00

\$19,693,595.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Comparative Operating Statement (Ref Page: 11)

UTILITY OPERATING INCOME

Operating Revenues (400)	\$2,876,797.00	\$2,784,496.00
Operating Expenses (401)	\$2,399,143.00	\$2,560,017.00
Depreciation Expenses (403)	\$455,849.00	\$492,160.00
Amortization of Utility Plant Acquisition Adjustment (406)		
Amortization Expense (407)	\$6,801.00	\$6,801.00
Taxes Other Than Income (408.10-408.13)	\$53,836.00	\$58,778.00
Utility Operating Expenses	\$2,915,629.00	\$3,117,756.00
Utility Operating Income	(\$38,832.00)	(\$333,260.00)
Income From Utility Plant Leased to Others (413)		
Gains (Losses) from Disposition of Utility Property (414)	\$6,149.00	
Total Utility Operating Income	(\$32,683.00)	(\$333,260.00)

OTHER INCOME AND DEDUCTIONS

Revenues From Merchandising, Jobbing and Contract Work (415)	\$110,004.00	\$114,174.00
Costs and Expenses of Merchandising, Jobbing and Contract Work (416)		
Interest and Dividend Income (419)	\$44,786.00	\$20,582.00
Allowance for funds Used During Constructions (420)		
Nonutility Income (421)		
Miscellaneous Nonutility Expenses (426)		
Total Other Income and Deductions	\$154,790.00	\$134,756.00

TAXES APPLICABLE TO OTHER INCOME

Taxes Other Than Income (408.20)		
Total Taxes Applic. to Other Income		

INTEREST EXPENSE

Interest Expense (427)	\$301,680.00	\$285,668.00
Amortization of Debt Discount and Exp. (428)	\$8,654.00	\$8,654.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Comparative Operating Statement (Ref Page: 11)



Amortization of Premium on Debt (429)

Total Interest Expense	\$510,334.00	\$294,322.00
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EXTRAORDINARY ITEMS

Extraordinary Income (433)

Extraordinary Deductions (434)

Total Extraordinary Items

NET INCOME BEFORE CONTRIBUTIONS	(\$188,227.00)	(\$492,826.00)
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19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Statement of Retained Earnings 2002 (Ref Page: 12)

Appropriated Retained earnings (214)

(state balance and purpose of each appropriated amount at year end.)

Total Appropriated Retained Earnings

Retained Earnings From Income Before Contributions (215.1)

Balance beginning of year

\$1,444,068.00

Balance transferred from Net Income Before Contributions (435)

(\$492,826.00)

Changes to account:

Appropriations of Retained Earnings (436)

Adjustments to Retained Earnings (439)

(requires Commission approval prior to use):

Credits

Debits

Balance End of Year

\$951,242.00


19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Statement of Retained Earnings (cont. 215.2) (Ref Page: 12)

Donated Capital (215.2)				
Balance Beginning of the Year	\$4,951,432.00	\$3,942,459.00	\$2,785,309.00	\$11,679,180.00
Credits				
Proceeds from capital contributions (432)	\$223,894.00	\$37,957.00	\$234,569.00	\$496,420.00
Other Credits (explain)				
Debits (explain - requires Commission Approval)				
Balance End of Year	\$5,175,326.00	\$3,980,396.00	\$3,019,878.00	\$12,175,600.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Net Utility Plant (Accts. 101-106) (Ref Page: 13)



Utility Plant in Service (101)	\$23,042,607.00
Utility Plant Leased to Others (102)	
Property Held for Future Use (103)	
Utility Plant Purchased or Sold (104)	
Construction Work in Progress (105)	\$201,958.00
Completed Construction Not Classified (106)	
Total Utility Plant	\$23,244,565.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Accumulated Depreciation ( Acct. 108) (Ref Page: 13)

Balance First of Year	\$5,045,622.00
Credit during year:	
Accruals Charged to Account 108.1	\$497,308.00
Accruals Charged to Account 108.2	
Accruals Charged to Account 108.3	
Accruals Charged to Other Accounts (specify)	
(specify)	
Salvage Value Recovered on Plant Retired	
Other Credits	
(specify)	
Total Credits	\$497,308.00
Debits during year:	
Book Cost of Plant Retired	
Cost of Removal	
Other Debits	
(specify)	
Total Debits	
Balance at End of Year	\$5,542,930.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Water Utility Plant Accounts (Ref Page: 14)

Organization (301)										
Franchises (302)										
Land and Land Rights (303)	\$161,757.00	\$0.00	\$0.00	\$161,757.00	\$0.00	\$4,211.00	\$8,000.00	\$60,944.00	\$88,602.00	
Structures and Improvements (304)	\$1,481,052.00	\$6,270.00	\$0.00	\$1,487,322.00	\$0.00	\$97,610.00	\$1,171,049.00	\$13,726.00	\$204,937.00	
Collecting and Impounding Reservoirs (305)										
Lakes, Rivers and Other Intakes (306)										
Wells and Springs (307)										
Infiltration Galleries and Tunnels (308)										
Supply Mains (309)										
Power Generation Equipment (310)										
Pumping Equipment (311)	\$78,893.00	\$0.00	\$0.00	\$78,893.00	\$0.00	\$78,893.00	\$0.00	\$0.00	\$0.00	\$0.00
Water Treatment Equipment (320)	\$88,422.00	\$4,699.00	\$0.00	\$93,021.00	\$0.00	\$0.00	\$93,021.00	\$0.00	\$0.00	\$0.00
Distribution Reservoirs and Standpipes (330)	\$2,127,209.00	\$0.00	\$0.00	\$2,127,209.00	\$0.00	\$0.00	\$0.00	\$2,127,209.00	\$0.00	\$0.00
Transmission and Distribution Mains (331)	\$12,743,033.00	\$895,184.00	\$0.00	\$13,638,217.00	\$0.00	\$0.00	\$0.00	\$13,638,217.00	\$0.00	\$0.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Water Utility Plant Accounts (Ref Page: 14)

Services (333)									
Meters and Meter Installations (334)	\$3,663,404.00	\$11,416.00	\$0.00	\$3,674,820.00	\$0.00	\$0.00	\$0.00	\$3,674,820.00	\$0.00
Hydrants (335)	\$1,007,908.00	\$100,753.00	\$0.00	\$1,108,661.00	\$0.00	\$0.00	\$0.00	\$1,108,661.00	\$0.00
Backflow Prevention Devices (336)									
Other Plant and Misc. Equipment (339)	\$258,320.00	\$20,340.00	\$0.00	\$278,660.00	\$0.00	\$0.00	\$36,468.00	\$242,192.00	\$0.00
Office Furniture and Equip. (340)	\$65,476.00	\$4,378.00	\$0.00	\$69,852.00	\$0.00	\$0.00	\$0.00	\$0.00	\$69,852.00
Transportation Equipment (341)	\$257,402.00	\$7,424.00	\$0.00	\$264,826.00	\$0.00	\$0.00	\$0.00	\$0.00	\$264,826.00
Stores Equipment (342)									
Tools, Shop and Garage Equip (343)	\$55,805.00	\$0.00	\$0.00	\$55,805.00	\$0.00	\$0.00	\$0.00	\$0.00	\$55,805.00
Laboratory Equipment (344)	\$3,564.00	\$0.00	\$0.00	\$3,564.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,564.00
Power Operated Equipment (345)									
Communication Equipment (346)									
Miscellaneous Equipment (347)									
Other Tangible Plant (348)									
Total Water Plant	\$21,892,245.00	\$1,150,362.00	\$0.00	\$23,042,607.00	\$0.00	\$180,714.00	\$1,308,538.00	\$20,865,769.00	\$687,586.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

Organization (301)

Franchises (302)

Land and Land Rights  
(303)

Structures and Improvements (304)	\$721,340.00	\$307,993.00	\$0.00	\$0.00	\$0.00	\$752,133.00
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Collecting and Impounding  
Reservoirs (305)

Lake, River and Other  
Intakes (306)

Wells and Springs (307)

Infiltration Galleries and  
Tunnels (308)

Supply Mains (309)

Power Generating  
Equipment (310)

Pumping Equipment (311)	\$42,465.00	\$5,434.00	\$0.00	\$0.00	\$0.00	\$47,899.00
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Water Treatment Equipment (320)	\$52,642.00	\$5,511.00	\$0.00	\$0.00	\$0.00	\$59,153.00
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Distributions Reservoirs and Standpipes (330)	\$441,403.00	\$48,347.00	\$0.00	\$0.00	\$0.00	\$489,750.00
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Transmission and Distribution Mains (331)	\$2,669,645.00	\$268,261.00	\$0.00	\$0.00	\$0.00	\$2,937,906.00
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Services (333)

Meters and Meter Installations (334)	\$577,193.00	\$72,134.00	\$0.00	\$0.00	\$0.00	\$649,327.00
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Hydrants (335)	\$103,877.00	\$21,677.00	\$0.00	\$0.00	\$0.00	\$125,554.00
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Backflow Prevention  
Devices (336)

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

Other Plant and Miscellaneous Equipment (339)	\$173,510.00	\$14,142.00	\$0.00	\$0.00	\$0.00	\$187,652.00
Office Furniture and Equip (340)	\$55,151.00	\$4,761.00	\$0.00	\$0.00	\$0.00	\$59,912.00
Transportation Equipment (341)	\$154,365.00	\$24,116.00	\$0.00	\$0.00	\$0.00	\$178,481.00
Stores Equipment (342)						
Tools, Shop and Garage Equip (343)	\$50,467.00	\$1,132.00	\$0.00	\$0.00	\$0.00	\$51,599.00
Laboratory Equipment (344)						
Power Operated Equipment (345)						
Communication Equipment (346)						
Miscellaneous Equipment (347)						
Other Tangible Plant (348)	\$3,564.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,564.00
Totals	\$5,045,622.00	\$497,308.00	\$0.00	\$0.00	\$0.00	\$5,542,930.00



19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Accumulated Amortization ( Acct. 110) (Ref Page: 16)

Balance First of Year

Credit during year:

Accruals Charged to Account 110.1

Accruals Charged to Account 110.2

Other Credits

(specify)

Total Credits

Debits during year:

Book Cost of Plant Retired

Other Debits

(specify)

Total Debits

Balance end of Year

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008  
Utility Plant Acquisition Adjustments (Accts. 114-115) (Ref Page: 16)



Acquisition Adjustments (114)

(specify)

Total Plant Acquisition Adjustments

Accumulated Amortization (115)

(specify)

Total Accumulated Amortization

Net Acquisition Adjustments

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Investments and Special Funds (Ref Page: 17)

Investment in Associated Companies (123)

Total Investment in Associated Companies

Utility Investments (124)

Total Utility Investments

Other Investments (125)

Total Other Investments

Sinking Funds (126)

SINKING FUNDS	\$279,653.00	\$279,653.00
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Total Sinking Funds	\$279,653.00	\$279,653.00
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Other Special Funds (127)

CUSTOMER DEPOSITS	\$133,381.00	\$133,381.00
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RESERVE FUND	\$163,887.00	\$163,887.00
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CONSTRUCTION FUNDS	\$100,071.00	\$100,071.00
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REPLACEMENT RESERVE	\$272,934.00	\$272,934.00
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SURCHARGE FUNDS	\$23,728.00	\$23,728.00
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LOAN PROCEEDS AVAILABLE FOR DRAW	\$1,158.00	\$1,158.00
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Total Other Special Funds	\$695,159.00	\$695,159.00
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**19200 Bullock Pen Water District 01/01/2008 - 12/31/2008**  
**Accounts and Notes Receivable - Net (Accts 141-144) (Ref Page: 18)**

Accounts and Notes Receivable		
Customer Accounts Receivable (141)		\$396,883.00
Other Accounts Receivable (142)		
	REIMBURSEMENTS RECEIVABLE	\$26,273.00
	MANAGEMENT FEES RECEIVABLE	\$14,486.00
	GRANTS RECEIVABLE	\$72,295.00
Total Other Accounts Receivable		\$113,054.00
Notes Receivable (144)		
Total Notes Receivable		
Total Accounts and Notes Receivable		\$509,937.00
Accumulated Provision for Uncollectible Accounts (143)		
Balance First of Year		\$29,500.00
Add:		
Provision for uncollectibles for current year		\$9,076.00
Collections of accounts previously written off		\$2,444.00
Other		
(specify)		
Total Additions		\$11,520.00
Deduct accounts written off during year:		
Other		
(specify)	ACCOUNTS WRITTEN OFF DURING THE YEAR	\$19,520.00
Total Deductions		\$19,520.00
Balance end of Year		\$21,500.00
Total Accounts and Notes Receivable - Net		\$488,437.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Materials and Supplies (151-153) (Ref Page: 19)

Plant Materials and Supplies (151)	\$139,569.00
Merchandise (152)	
Other Materials and Supplies (153)	
Total Materials and Supplies	\$139,569.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Prepayments (Acct. 162) (Ref Page: 19)

Prepaid Insurance		\$4,256.00
Prepaid Rents		
Prepaid Interest		
Prepaid Taxes		
Other Prepayments		
(Specify)	PREPAID RAILROAD LICENSE AGREEMENTS	\$32,125.00
Total Prepayments		\$36,381.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Miscellaneous Deferred Debits (Acct. 186) (Ref Page: 20)

Miscellaneous Deferred Debits (186)

Deferred Rate Case Expense (186.1)	\$9,918.00
Other Deferred Debits (186.2)	\$53,478.00
Regulatory Assets (186.3)	
Total Miscellaneous Deferred Debits	\$63,396.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Unamortized Debt Discount and Expense and Premium on Debt (Accts 181 and 251) (Ref Page: 20)

Unamortized Debt Discount and Expense (181)

1991 BONDS	\$374.00	\$900.00
1993 BONDS	\$662.00	\$2,926.00
2002 BONDS	\$5,084.00	\$45,701.00
2003 BONDS	\$1,096.00	\$9,863.00
2004 BONDS	\$306.00	\$3,085.00
2005 BONDS	\$1,132.00	\$25,005.00
<b>Total Unamortized Debt Discount and Expense</b>	<b>\$8,654.00</b>	<b>\$87,480.00</b>

Unamortized Premium on Debt (251)

Total Unamortized Premium on Debt



19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Extraordinary Property Losses (Acct. 182) (Ref Page: 21)

Extraordinary Property Losses (182)

(Specify)

Total Extraordinary Property Losses

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Advances for Construction (Acct. 252) (Ref Page: 21)

Balance First of Year

Add credits during year

Deduct charges during year

Balance end of year

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Long Term Debt (Ref Page: 22)

KACOLT-GRANT FISCAL CT./BPWD, SUBLEASEE \$1500000.	09-07-95	02-01-2019	6.4740	\$61,232.00	\$942,000.00
KACOLT-GRANT FISCAL CT./BPWD, SUBLEASEE \$336,000	10-04-96	02-01-2016	6.1500	\$11,633.00	\$189,000.00
NOTE PAYABLE-KIA-REFINANC ED	09-01-04	06-01-2011	2.5000	\$3,868.00	\$62,500.00
FINANCING LEASE WITH PUBLIC FINANCE.COM \$477,050	09-01-03	02-05-2014	4.5000	\$13,697.00	\$274,250.00
FINANCING LEASE WITH PUBLIC FINANCE.COM \$170,450	03-05-04	03-05-2011	3.8500	\$2,794.00	\$57,736.00
NOTE PAYABLE KIA/DWSRF TRUST \$350,367	12-01-02	12-01-2022	3.8000	\$10,677.00	\$271,314.00
NOTE PAYABLE KIA/DWSRF TRUST \$1,210,604	11-01-03	06-01-2024	3.0000	\$30,989.00	\$999,544.00
FINANCING LEASE/DIAMLER CHRYSLER AND BPWD \$64,371	10-17-05	10-17-2010	4.9400	\$1,584.00	\$25,463.00
NOTE PAYABLE-KIA-REFINANC ING	09-01-04	06-01-2013	2.2500	\$8,223.00	\$145,000.00
Total			0.0000	\$144,697.00	\$2,966,807.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Bonds - Account 221 (Ref Page: 23)

	\$125,000.00	\$125,000.00	\$0.00	\$71,000.00	\$3,750.00	\$3,750.00
	\$574,000.00	\$574,000.00	\$0.00	\$435,000.00	\$19,263.00	\$19,631.00
	\$1,330,000.00	\$1,330,000.00	\$0.00	\$561,000.00	\$30,500.00	\$30,500.00
	\$974,000.00	\$375,831.00	\$0.00	\$325,000.00	\$17,407.00	\$17,622.00
	\$341,000.00	\$341,773.00	\$0.00	\$295,000.00	\$15,808.00	\$16,023.00
	\$460,000.00	\$444,200.00	\$0.00	\$332,000.00	\$14,259.00	\$14,609.00
	\$98,000.00	\$93,258.00	\$0.00	\$74,000.00	\$2,858.00	\$2,938.00
	\$514,000.00	\$495,658.00	\$0.00	\$489,000.00	\$21,065.00	\$21,287.00
	\$290,000.00	\$279,658.00	\$0.00	\$276,000.00	\$11,886.00	\$12,005.00
Total	\$4,106,000.00	\$4,059,378.00	\$0.00	\$2,858,000.00	\$136,796.00	\$138,365.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Schedule of Bond Maturities (Ref Page: 23)

PH 8 1-12	01-01-07	4.0900	\$12,000.00	\$12,000.00	\$0.00
13-25	01-01-08	4.0900	\$13,000.00	\$13,000.00	\$0.00
26-39	01-01-09	4.0900	\$14,000.00	\$0.00	\$14,000.00
40-53	01-01-10	4.0900	\$14,000.00	\$0.00	\$14,000.00
54-67	01-01-11	4.0900	\$14,000.00	\$0.00	\$14,000.00
68-82	01-01-12	4.0900	\$15,000.00	\$0.00	\$15,000.00
83-97	01-01-13	4.0900	\$15,000.00	\$0.00	\$15,000.00
98-113	01-01-14	4.0900	\$16,000.00	\$0.00	\$16,000.00
114-130	01-01-15	4.0900	\$17,000.00	\$0.00	\$17,000.00
131-147	01-01-16	4.0900	\$17,000.00	\$0.00	\$17,000.00
148-166	01-01-17	4.0900	\$19,000.00	\$0.00	\$19,000.00
167-185	01-01-18	4.0900	\$19,000.00	\$0.00	\$19,000.00
186-205	01-01-19	4.0900	\$20,000.00	\$0.00	\$20,000.00
206-225	01-01-20	4.1900	\$20,000.00	\$0.00	\$20,000.00
226-246	01-01-21	4.2150	\$21,000.00	\$0.00	\$21,000.00
247-267	01-01-22	4.2900	\$21,000.00	\$0.00	\$21,000.00
268-289	01-01-23	4.3400	\$22,000.00	\$0.00	\$22,000.00
290-312	01-01-24	4.3400	\$23,000.00	\$0.00	\$23,000.00
313-337	01-01-25	4.3900	\$25,000.00	\$0.00	\$25,000.00
338-363	01-01-26	4.4400	\$26,000.00	\$0.00	\$26,000.00
364-391	01-01-27	4.4650	\$28,000.00	\$0.00	\$28,000.00
392-419	01-01-28	4.4650	\$28,000.00	\$0.00	\$28,000.00
420-450	01-01-29	4.4900	\$31,000.00	\$0.00	\$31,000.00
451-481	01-01-30	4.5900	\$31,000.00	\$0.00	\$31,000.00
482-514	01-01-31	4.5900	\$33,000.00	\$0.00	\$33,000.00
PH 10 1-7	01-01-07	4.0900	\$7,000.00	\$7,000.00	\$0.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Schedule of Bond Maturities (Ref Page: 23)

8-14	01-01-08	4.0900	\$7,000.00	\$7,000.00	\$0.00
15-22	01-01-09	4.0900	\$8,000.00	\$0.00	\$8,000.00
23-30	01-01-10	4.0900	\$8,000.00	\$0.00	\$8,000.00
31-38	01-01-11	4.0900	\$8,000.00	\$0.00	\$8,000.00
39-46	01-01-12	4.0900	\$8,000.00	\$0.00	\$8,000.00
47-55	01-01-13	4.0900	\$9,000.00	\$0.00	\$9,000.00
56-64	01-01-14	4.0900	\$9,000.00	\$0.00	\$9,000.00
65-73	01-01-15	4.0900	\$9,000.00	\$0.00	\$9,000.00
74-83	01-01-16	4.0900	\$10,000.00	\$0.00	\$10,000.00
84-94	01-01-17	4.0900	\$11,000.00	\$0.00	\$11,000.00
95-105	01-01-18	4.0900	\$11,000.00	\$0.00	\$11,000.00
106-116	01-01-19	4.0900	\$11,000.00	\$0.00	\$11,000.00
117-127	01-01-20	4.1900	\$11,000.00	\$0.00	\$11,000.00
128-139	01-01-21	4.2150	\$12,000.00	\$0.00	\$12,000.00
140-151	01-01-22	4.2900	\$12,000.00	\$0.00	\$12,000.00
153-163	01-01-23	4.3400	\$12,000.00	\$0.00	\$12,000.00
164-177	01-01-24	4.3400	\$14,000.00	\$0.00	\$14,000.00
178-191	01-01-25	4.3900	\$14,000.00	\$0.00	\$14,000.00
192-206	01-01-26	4.4400	\$15,000.00	\$0.00	\$15,000.00
207-221	01-01-27	4.4650	\$15,000.00	\$0.00	\$15,000.00
222-237	01-01-28	4.4650	\$16,000.00	\$0.00	\$16,000.00
238-254	01-01-29	4.4900	\$17,000.00	\$0.00	\$17,000.00
255-272	01-01-30	4.5900	\$18,000.00	\$0.00	\$18,000.00
273-290	01-01-31	4.5900	\$18,000.00	\$0.00	\$18,000.00
PH 7 1-6	01-01-05	3.1200	\$6,000.00	\$6,000.00	\$0.00
7-12	01-01-06	3.1200	\$6,000.00	\$6,000.00	\$0.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Schedule of Bond Maturities (Ref Page: 23)

13-18	01-01-07	3.1200	\$6,000.00	\$6,000.00	\$0.00
19-24	01-01-08	3.2200	\$6,000.00	\$6,000.00	\$0.00
25-30	01-01-09	3.3700	\$6,000.00	\$0.00	\$6,000.00
31-36	01-01-10	3.3700	\$6,000.00	\$0.00	\$6,000.00
37-42	01-01-11	3.3700	\$6,000.00	\$0.00	\$6,000.00
43-48	01-01-12	3.5000	\$6,000.00	\$0.00	\$6,000.00
49-55	01-01-13	3.6200	\$7,000.00	\$0.00	\$7,000.00
56-62	01-01-14	4.1200	\$7,000.00	\$0.00	\$7,000.00
63-69	01-01-15	4.1200	\$7,000.00	\$0.00	\$7,000.00
70-76	01-01-16	4.1200	\$7,000.00	\$0.00	\$7,000.00
77-83	01-01-17	4.1200	\$7,000.00	\$0.00	\$7,000.00
84-90	01-01-18	4.1200	\$7,000.00	\$0.00	\$7,000.00
91-98	01-01-19	4.1200	\$8,000.00	\$0.00	\$8,000.00
BNDS #1	1985	5.0000	\$1,000.00	\$1,000.00	\$0.00
2	1986	5.0000	\$1,000.00	\$1,000.00	\$0.00
3	1987	5.0000	\$1,000.00	\$1,000.00	\$0.00
4	1988	5.0000	\$1,000.00	\$1,000.00	\$0.00
5	1989	5.0000	\$1,000.00	\$1,000.00	\$0.00
6	1990	5.0000	\$1,000.00	\$1,000.00	\$0.00
7	1991	5.0000	\$1,000.00	\$1,000.00	\$0.00
8-9	1992	5.0000	\$2,000.00	\$2,000.00	\$0.00
10-11	1993	5.0000	\$2,000.00	\$2,000.00	\$0.00
12-13	1994	5.0000	\$2,000.00	\$2,000.00	\$0.00
14-15	1995	5.0000	\$2,000.00	\$2,000.00	\$0.00
16-17	1996	5.0000	\$2,000.00	\$2,000.00	\$0.00
18-19	1997	5.0000	\$2,000.00	\$2,000.00	\$0.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Schedule of Bond Maturities (Ref Page: 23)

20-21	1998	5.0000	\$2,000.00	\$2,000.00	\$0.00
22-23	1999	5.0000	\$2,000.00	\$2,000.00	\$0.00
24-25	2000	5.0000	\$2,000.00	\$2,000.00	\$0.00
26-28	2001	5.0000	\$3,000.00	\$3,000.00	\$0.00
29-31	2002	5.0000	\$3,000.00	\$3,000.00	\$0.00
32-34	2003	5.0000	\$3,000.00	\$3,000.00	\$0.00
35-37	2004	5.0000	\$3,000.00	\$3,000.00	\$0.00
38-40	2005	5.0000	\$3,000.00	\$3,000.00	\$0.00
41-43	2006	5.0000	\$3,000.00	\$3,000.00	\$0.00
44-46	2007	5.0000	\$3,000.00	\$3,000.00	\$0.00
47-50	2008	5.0000	\$4,000.00	\$4,000.00	\$0.00
51-54	2009	5.0000	\$4,000.00	\$4,000.00	\$0.00
55-58	2010	5.0000	\$4,000.00	\$0.00	\$4,000.00
59-62	2011	5.0000	\$4,000.00	\$0.00	\$4,000.00
63-66	2012	5.0000	\$4,000.00	\$0.00	\$4,000.00
67-71	2013	5.0000	\$5,000.00	\$0.00	\$5,000.00
72-76	2014	5.0000	\$5,000.00	\$0.00	\$5,000.00
77-81	2015	5.0000	\$5,000.00	\$0.00	\$5,000.00
82-86	2016	5.0000	\$5,000.00	\$0.00	\$5,000.00
87-92	2017	5.0000	\$6,000.00	\$0.00	\$6,000.00
93-98	2018	5.0000	\$6,000.00	\$0.00	\$6,000.00
99-104	2019	5.0000	\$6,000.00	\$0.00	\$6,000.00
105-111	2020	5.0000	\$7,000.00	\$0.00	\$7,000.00
112-118	2021	5.0000	\$7,000.00	\$0.00	\$7,000.00
119-125	2022	5.0000	\$7,000.00	\$0.00	\$7,000.00
2002 BONDS	01-01-03	3.1500	\$21,000.00	\$21,000.00	\$0.00



19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Schedule of Bond Maturities (Ref Page: 23)

	01-01-04	3.1500	\$23,000.00	\$23,000.00	\$0.00
	01-01-05	3.1500	\$23,000.00	\$23,000.00	\$0.00
	01-01-06	3.1500	\$23,000.00	\$23,000.00	\$0.00
	01-01-07	3.1500	\$23,000.00	\$23,000.00	\$0.00
	01-01-08	3.4000	\$26,000.00	\$26,000.00	\$0.00
	01-01-09	3.6500	\$27,000.00	\$0.00	\$27,000.00
	01-01-10	3.7800	\$28,000.00	\$0.00	\$28,000.00
	01-01-11	3.9000	\$29,000.00	\$0.00	\$29,000.00
	01-01-12	4.0200	\$29,000.00	\$0.00	\$29,000.00
	01-01-13	4.1500	\$30,000.00	\$0.00	\$30,000.00
	01-01-14	4.1500	\$31,000.00	\$0.00	\$31,000.00
	01-01-15	4.4000	\$33,000.00	\$0.00	\$33,000.00
	01-01-16	4.5000	\$33,000.00	\$0.00	\$33,000.00
	01-01-17	4.6000	\$35,000.00	\$0.00	\$35,000.00
	01-01-18	4.7000	\$37,000.00	\$0.00	\$37,000.00
	01-01-19	4.8000	\$39,000.00	\$0.00	\$39,000.00
	01-01-20	4.9000	\$41,000.00	\$0.00	\$41,000.00
	01-01-21	5.0000	\$43,000.00	\$0.00	\$43,000.00
1978 BONDS	FHA	0.0000	\$0.00	\$0.00	\$0.00
1-12	1981	5.0000	\$12,000.00	\$12,000.00	\$0.00
13-25	1982	5.0000	\$13,000.00	\$13,000.00	\$0.00
26-39	1983	5.0000	\$14,000.00	\$14,000.00	\$0.00
40-53	1984	5.0000	\$14,000.00	\$14,000.00	\$0.00
54-68	1985	5.0000	\$15,000.00	\$15,000.00	\$0.00
69-84	1986	5.0000	\$16,000.00	\$16,000.00	\$0.00
85-101	1987	5.0000	\$17,000.00	\$17,000.00	\$0.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Schedule of Bond Maturities (Ref Page: 23)

102-118	1988	5.0000	\$17,000.00	\$17,000.00	\$0.00
119-136	1989	5.0000	\$18,000.00	\$18,000.00	\$0.00
137-155	1990	5.0000	\$19,000.00	\$19,000.00	\$0.00
156-175	1991	5.0000	\$20,000.00	\$20,000.00	\$0.00
176-196	1992	5.0000	\$21,000.00	\$21,000.00	\$0.00
197-218	1993	5.0000	\$22,000.00	\$22,000.00	\$0.00
219-241	1994	5.0000	\$23,000.00	\$23,000.00	\$0.00
242-265	1995	5.0000	\$24,000.00	\$24,000.00	\$0.00
266-291	1996	5.0000	\$26,000.00	\$26,000.00	\$0.00
292-318	1997	5.0000	\$27,000.00	\$27,000.00	\$0.00
319-346	1998	5.0000	\$28,000.00	\$28,000.00	\$0.00
347-376	1999	5.0000	\$30,000.00	\$30,000.00	\$0.00
377-407	2000	5.0000	\$31,000.00	\$31,000.00	\$0.00
408-440	2001	5.0000	\$33,000.00	\$33,000.00	\$0.00
441-474	2002	5.0000	\$34,000.00	\$34,000.00	\$0.00
475-510	2003	5.0000	\$36,000.00	\$36,000.00	\$0.00
511-548	2004	5.0000	\$38,000.00	\$38,000.00	\$0.00
549-588	2005	5.0000	\$40,000.00	\$40,000.00	\$0.00
589-630	2006	5.0000	\$42,000.00	\$42,000.00	\$0.00
631-674	2007	5.0000	\$44,000.00	\$44,000.00	\$0.00
675-720	2008	5.0000	\$46,000.00	\$46,000.00	\$0.00
721-769	2009	5.0000	\$49,000.00	\$49,000.00	\$0.00
770-820	2010	5.0000	\$51,000.00	\$0.00	\$51,000.00
821-874	2011	5.0000	\$54,000.00	\$0.00	\$54,000.00
875-930	2012	5.0000	\$56,000.00	\$0.00	\$56,000.00
931-989	2013	5.0000	\$59,000.00	\$0.00	\$59,000.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Schedule of Bond Maturities (Ref Page: 23)

990-1051	2014	5.0000	\$62,000.00	\$0.00	\$62,000.00
1052-1116	2015	5.0000	\$65,000.00	\$0.00	\$65,000.00
1117-1184	2016	5.0000	\$68,000.00	\$0.00	\$68,000.00
1185-1255	2017	5.0000	\$71,000.00	\$0.00	\$71,000.00
1256-1330	2018	5.0000	\$75,000.00	\$0.00	\$75,000.00
PH 5 & 5A	02-01-03	5.1500	\$10,000.00	\$10,000.00	\$0.00
	02-01-04	5.1500	\$15,000.00	\$15,000.00	\$0.00
	02-01-05	5.1500	\$15,000.00	\$15,000.00	\$0.00
	02-01-06	5.1500	\$15,000.00	\$15,000.00	\$0.00
	02-01-07	5.1500	\$20,000.00	\$20,000.00	\$0.00
	02-01-08	5.1500	\$20,000.00	\$20,000.00	\$0.00
	02-01-09	5.1500	\$20,000.00	\$0.00	\$20,000.00
	02-01-10	5.1500	\$20,000.00	\$0.00	\$20,000.00
	02-01-11	5.1500	\$20,000.00	\$0.00	\$20,000.00
	02-01-12	5.1500	\$25,000.00	\$0.00	\$25,000.00
	02-01-13	5.1500	\$25,000.00	\$0.00	\$25,000.00
	02-01-14	5.1500	\$25,000.00	\$0.00	\$25,000.00
	02-01-15	5.1500	\$25,000.00	\$0.00	\$25,000.00
	02-01-16	5.1500	\$30,000.00	\$0.00	\$30,000.00
	02-01-17	5.1500	\$30,000.00	\$0.00	\$30,000.00
	02-01-18	5.4500	\$30,000.00	\$0.00	\$30,000.00
	02-01-19	5.4500	\$35,000.00	\$0.00	\$35,000.00
	02-01-20	5.4500	\$35,000.00	\$0.00	\$35,000.00
	02-01-21	5.4500	\$35,000.00	\$0.00	\$35,000.00
	02-01-22	5.4500	\$40,000.00	\$0.00	\$40,000.00
	02-01-23	5.4500	\$40,000.00	\$0.00	\$40,000.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Schedule of Bond Maturities (Ref Page: 23)

	02-01-24	5.4500	\$45,000.00	\$0.00	\$45,000.00
	02-01-25	5.4500	\$45,000.00	\$0.00	\$45,000.00
	02-01-26	5.4500	\$45,000.00	\$0.00	\$45,000.00
	02-01-27	5.4500	\$50,000.00	\$0.00	\$50,000.00
2003 BONDS	01-01-04	1.4700	\$25,000.00	\$25,000.00	\$0.00
	01-01-05	1.9200	\$25,000.00	\$25,000.00	\$0.00
	01-01-06	2.3700	\$25,000.00	\$25,000.00	\$0.00
	01-01-07	2.7200	\$26,000.00	\$26,000.00	\$0.00
	01-01-08	3.1200	\$27,000.00	\$27,000.00	\$0.00
	01-01-09	3.3700	\$27,000.00	\$0.00	\$27,000.00
	01-01-10	3.7200	\$28,000.00	\$0.00	\$28,000.00
	01-01-11	3.9700	\$29,000.00	\$0.00	\$29,000.00
	01-01-12	4.1200	\$31,000.00	\$0.00	\$31,000.00
	01-01-13	4.5200	\$32,000.00	\$0.00	\$32,000.00
	01-01-14	4.5200	\$35,000.00	\$0.00	\$35,000.00
	01-01-15	4.5200	\$35,000.00	\$0.00	\$35,000.00
	01-01-16	4.5200	\$40,000.00	\$0.00	\$40,000.00
	01-01-17	4.5200	\$35,000.00	\$0.00	\$35,000.00
	01-01-18	4.5200	\$40,000.00	\$0.00	\$40,000.00
Total			\$4,106,000.00	\$1,248,000.00	\$2,858,000.00

(The total of Column 12  
must agree with the total of  
col 4)

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Notes Payable (Accts 232 and 234) (Ref Page: 24)



Account 232 - Notes  
Payable

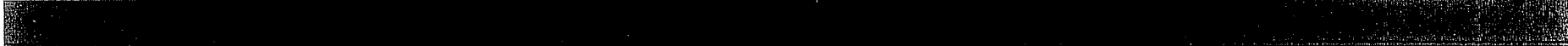
LINE OF CREDIT 5/03/08 - 5/03/08	5/03/09	3,5000	\$3,590.00	\$115,000.00
FORCHT BANK				
Total Account 232			\$3,590.00	\$115,000.00

Account 234 - Notes  
Payable to Associated  
Companies

		0		
Total Account 234				

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Accounts Payable to Associated Companies (Acct. 233) (Ref Page: 24)



Show Payable to Each Associated Company Separately

(Specify)	NONE	\$0.00
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Total

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Taxes Accrued (Acct. 236) (Ref Page: 25)

Balance First of Year	\$2,080.00
Accruals Charged:	
Utility regulatory assessment fees (408.10)	\$4,611.00
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	\$54,167.00
Other taxes and licenses (408.13)	
Taxes other than income, other income and deductions (408.20)	
Total taxes accrued:	\$58,778.00
Taxes paid during year:	
Utility regulatory assessment fees (408.10)	\$4,611.00
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	\$53,572.00
Other taxes and licenses (408.13)	
Taxes other than income, other income and deductions (408.20)	
Total Taxes Paid	\$58,183.00
Balance end of year:	\$2,675.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Accrued Interest (Account 237) 2002 (Ref Page: 25)

Long Term Debt:

BONDS	44168.0000	\$136,796.00	\$138,365.00	\$42,597.00
LONG TERM DEBT	8111.0000	\$144,697.00	\$146,458.00	\$6,350.00
		\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
Notes Payable:				
LINE OF CREDIT		\$3,590.00	\$3,590.00	\$0.00
Customer Deposits:				
CUSTOMER DEPOSITS	273.0000	\$585.00	\$577.00	\$281.00
Other:				
		\$0.00	\$0.00	\$0.00
Total Acct. No 237	52550.0000	\$285,668.00	\$288,990.00	\$49,228.00




19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Miscellaneous Current and Accrued Liabilities (Acct. 242) (Ref Page: 26)

	WITHHELD & ACCRUED RETIREMENT	\$12,774.00
	ACCRUED VACATION PAY	\$22,874.00
	WITHHELD INSURANCE	\$462.00
	WITHHELD DEFERRED COMPENSATION	\$450.00
Total Miscellaneous Current and Accrued Liabilities		\$36,560.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Regulatory Commission Expense( Acct 666 and 667) (Ref Page: 26)



DEFERRED RATE CASE	\$9,918.00	\$9,918.00 666	\$0.00
EXPENSE			
Total	\$9,918.00	\$9,918.00	\$0.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Water Operating Revenue (Ref Page: 27)

Operating Revenues

Unmetered Water Revenue (460)	0	0	\$4,067.00
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Metered Water Revenue (461)

Sales to Residential Customers (461.1)	6,235	6,255	\$2,464,612.00
--	-------	-------	----------------

Sales to Commercial Customers (461.2)	322	331	\$191,080.00
---------------------------------------	-----	-----	--------------

Sales to Industrial Customers (461.3)	4	4	\$8,628.00
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Sales to Public Authorities (461.4)

Sales to Multiple Family Dwellings (461.5)

Sales through Bulk Loading Stations (461.6)	0	0	\$29,774.00
---	---	---	-------------

Total Metered Sales	6,559	6,590	\$2,694,094.00
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Fire Protection Revenue (462)

Public Fire Protection (462.1)

Private Fire Protection (462.2)

Total Fire Protection Revenue

Other Sales to Public Authorities (464)

Sales to Irrigation Customers (465)

Sales for Resale (466)

Interdepartmental Sales (467)

Total Sales of Water	6,559	6,590	\$2,698,161.00
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Other Water Revenues

Guaranteed Revenues (469)

Forfeited Discounts (470)			\$60,196.00
---------------------------	--	--	-------------

Miscellaneous Service Revenues (471)			\$26,139.00
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Rents from Water Property (472)

Interdepartments Rents (473)

Other Water Revenues (474)

Total Other Water Revenues			\$86,335.00
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19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Water Operating Revenue (Ref Page: 27)



Total Water Operating Revenues

\$2,784,496.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Water Utility Expense Accounts (Ref Page: 28)

Salaries and Wages-Employees (601)	\$741,478.00	\$46,585.00	\$0.00	\$29,464.00	\$58,089.00	\$80,569.00	\$214,315.00	\$163,513.00	\$148,943.00
Salaries and Wages-Officers, Directors and Majority Stockholders (603)	\$14,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$14,000.00
Employee Pensions and Benefits (604)	\$425,739.00	\$30,249.00	\$0.00	\$33,998.00	\$31,892.00	\$47,637.00	\$104,654.00	\$108,231.00	\$69,078.00
Purchased Water (610)	\$870,317.00	\$870,317.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Purchased Power (615)	\$70,094.00	\$32,607.00	\$0.00	\$8,152.00	\$0.00	\$25,809.00	\$0.00	\$2,558.00	\$968.00
Fuel for Power Production (616)									
Chemicals (618)	\$67,587.00	\$0.00	\$0.00	\$67,587.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Materials and Supplies (620)	\$101,680.00	\$2,709.00	\$2,710.00	\$10,049.00	\$7,655.00	\$8,071.00	\$18,778.00	\$38,243.00	\$13,465.00
Contractual Services - Eng. (631)	\$13,506.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,506.00
Contractual Services - Acct. (632)	\$38,862.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$38,862.00
Contractual Services - Legal (633)	\$17,349.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17,349.00
Contractual Services Management Fees (634)	\$2,679.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,679.00	\$0.00	\$0.00	\$0.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Water Utility Expense Accounts (Ref Page: 28)

Contractual Serves - Water Testing (635)	\$20,555.00	\$0.00	\$0.00	\$20,555.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contractual Services - Other (636)	\$53,923.00	\$802.00	\$84.00	\$10,985.00	\$0.00	\$1,897.00	\$9,234.00	\$10,094.00	\$20,827.00
Rental of Bld./Real Property (641)	\$4,075.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,075.00	\$0.00	\$0.00	\$0.00
Rental of Equipment (642)	\$7,538.00	\$0.00	\$0.00	\$0.00	\$336.00	\$0.00	\$6,514.00	\$0.00	\$688.00
Transportation Expenses (650)	\$46,973.00	\$163.00	\$8,726.00	\$0.00	\$0.00	\$2,986.00	\$19,461.00	\$8,105.00	\$7,532.00
Insurance - Vehicle (656)	\$10,073.00	\$0.00	\$1,529.00	\$0.00	\$0.00	\$589.00	\$4,584.00	\$1,781.00	\$1,590.00
Insurance - General Liability (657)	\$16,321.00	\$1,855.00	\$1,207.00	\$1,855.00	\$1,207.00	\$6,428.00	\$1,207.00	\$1,281.00	\$1,281.00
Insurance - Worker's Compensation (658)	\$20,876.00	\$1,381.00	\$0.00	\$868.00	\$1,586.00	\$2,764.00	\$5,299.00	\$4,708.00	\$4,270.00
Insurance - Other (659)	\$6,739.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$430.00	\$6,309.00
Advertising Expenses (660)	\$167.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$167.00
Regulatory Commission Exp.									
Amortization of Rate Case (666)									
-Other (667)									

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Water Utility Expense Accounts (Ref Page: 28)



Water Resource  
 Conservation  
 Expense (668)

Bad Debt (670)	\$9,076.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,076.00	\$0.00
Miscellaneous Expenses (675)	\$410.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$12.00	\$398.00
Total	\$2,560,017.00	\$986,668.00	\$14,256.00	\$183,513.00	\$100,765.00	\$183,504.00	\$384,046.00	\$348,032.00	\$359,233.00

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Pumping and Water Statistics - part one (Ref Page: 29)

January	32,904	14,696	47,600	27,815
February	23,901	11,870	35,771	25,341
March	23,509	10,867	34,376	27,995
April	22,398	10,499	32,897	24,865
May	20,928	12,815	33,743	30,839
June	22,705	19,234	41,939	30,331
July	24,874	17,253	42,127	32,891
August	25,326	17,480	42,806	35,265
September	27,515	13,752	41,267	31,657
October	24,687	10,863	35,050	29,463
November	20,187	12,820	33,007	30,718
December	16,623	16,870	33,493	26,157
Total for the year	285,557	168,519	454,076	353,337



19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Pumping and Water Statistics - part two (Ref Page: 29)



Maximum Gallons pumped by all methods in any one day (Omit 901  
000's)

06/01/2008

Minimum Gallons pumped by all methods in any one day (Omit 216  
000's)

04/03/2008

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Pumping and Water Statistics - part three (Ref Page: 29)

If water is purchased indicate the following:

Vendor:

BOONE COUNTY WATER DISTRICT, CITY OF WILLIAMSTOWN, CITY OF WALTON,  
NORTHERN KY WATER SERVICE DIST

Point of Delivery

SW CORNER US 42 & HWY 338, BATON ROUGE METER, SALEM CREEK METER, US 25 &  
BRACHT PINER RD

If water is sold to other water utilities for redistribution, identify all entities with whom the utility has a water sales contract and the maximum quantity the utility is under contract

to provide daily and monthly. If unlimited then list "unlimited" otherwise list in thousands of gallons.

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Sales For Resale (466) (Ref Page: 30)



Total

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Water Statistics (Ref Page: 30)

1. Water Produced, Purchased and Distributed

2. Water Produced	168,519
3. Water Purchased	285,557
4. Total Produced and Purchased	454,076

6. Water Sales:

7. Residential	321,794
8. Commercial	24,931
9. Industrial	1,522
10. Bulk Loading Stations	5,090

11. Resale

12. Other Sales

13. Total Water Sales	353,337
-----------------------	---------

15. Other Water Used

16. Utility/water treatment plant	17,345
17. Wastewater plant	
18. System flushing	14,219
19. Fire department	3,850
20. Other	24
21. Total Other Water Used	35,438

23. Water Loss:

24. Tank Overflows

25. Line Breaks	2,498
-----------------	-------

26. Line Leaks

27. Other	62,803
-----------	--------

28. Total Line Loss	65,301
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Note: Line 13 + Line 21 + Line 28 must equal Line 4

32. Water Loss Percentage

Water Statistics (Ref Page: 30)



33. Line 28 divided by Line 4

14.3811

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Plant Statistics (Ref Page: 31)

	603 2 1/2" AND 6" ON 4" AND 6" LINES
Number of fire hydrants, by size	NONE
Number of private fire hydrants, by size	ARTIFICIAL LAKE
If produced whether water supply is river, impounded streams, well, springs, artificial lake, or collector well	PUMPING
If produced whether supply is by gravity, pumping or a combination	
Type, capacity, and elevation of reservoirs at overflow and ground level	A. MAN MADE LAKE, B. SIX ELEVATED STORAGE TANKS, CAPACITY 120,000 GALLONS, 150,000 GALLONS, 3 @ 200,000 GALLONS, 300,000 GALLONS
Miles of main by size and kind	5.22 MILES 12" MAIN, 11 MILES 10" MAIN, 259.57 MILES 6" MAIN, 49.02 MILES 8" MAIN, 8.37 MILES 4" MAIN, 8.69 MILES 3" MAIN, 9.0 MILES 2" MAIN
Types of filters: gravity or pressure, number of units and total rated in capacity in gal. per min.	MIXED MEDIA, GRAVITY, 4 UNITS, 512 GPM
Type of disinfectant, number of units and capacity in pounds per 24 hours	GAS, 2 UNITS, 5 LBS/UNIT HOUR
Station Equipment. List each pump, giving type and capacity, HP of driving unit and character of driving unit (steam/electric/int. combustion) also whether pump is high/ low duty	2-100 HPVS ELEC TYP RV 4 HIGH THRUST 1 MGD, 1-50HPGE ELEC TYP K HIGH THRUST 360,000 PD, 1-5 HPUS ELEC TYP AVH LOW THRUST, 1-7 HPUS ELEC TYP AVH LOW THRUST, 1MGD, 1-5 HPUS ELEC TYP AVH LOW THRUST, 720,000 PD, 2-3 HP MASTER METERS TYP PB LOW THRUST, 360,000 PD, 4-5 GP ELEC TYP PB LOW THRUST, 150,000 PD, 2-30 HP ELEC TYP CENTRIF PUMPS 542 GPM @ 154 FEET
Quantity of fuel used: coal in lbs, gas in cu.ft, oil in gals, and electric in KWH	ELECTRIC
Give description and total cost of any sizable additions or retirements to plant and service outside the normal system of growth for the period covered by this report	ONE PROJECT ADDED .86 MILES OF 4" MAIN AND 14.36 MILES OF 6" MAIN. 52 METERS, AND 34 FIRE HYDRANTS AT A COST OF 1,040,839
Capacity of clear well	130,000 GALLONS
Peak month, in gallons of water sold	AUGUST
Peak day, in gallons of water sold	SUNDAY 6/01/08

Plant Statistics - Part B (Ref Page: 31)



Choose one to indicate the type of Water Supply

Art. Lake



19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

Plant Statistics - Part C (Ref Page: 31)



Choose one to indicate the type of Water Supply Method

Pumping

**19200 Bullock Pen Water District 01/01/2008 - 12/31/2008**

**CheckList (2002)**

Item	Value 1	Value 2	Agree	Explain
NOTE: Any mention of page numbers or Line items refers to the annual report published and distributed for the 2002 report period.				
Identifications pages (ref 4-6) have been completed.				
Balance Sheet - Assets and Other Debts (ref. pg 7)				
Utility Plant (Accts 101-106) agrees with Sched: Net Utility Plants Accts 101-106 (ref pg 13) Line: Total Utility Plant	23244565.00	23244565.00	OK	
Accts 108-110 Acc. Depreciation and Amort. agrees with Sched: Analysis of Acc. Dep. and Amort. (ref pg 15) Line: Total 301-348 Col h	5542930.00	5542930.00	OK	
Accts 114-115 Utility Plant Acquisition Adjustments agrees with Sched: Utility Plant Acquisition Adjustments (ref pg 16) Line: Net Acquisition Adjustments (114-115)	0	0	OK	
Accts 123 Investment in Assoc. Companies agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total Investment in Associated Companies	0	0	OK	
Accts 124-125 Utility Investments agrees with Sched: Investments and Spec. Funds (ref pg 17) Sum of Lines: 124 Total Utility Investments and 125 Total Other Investments	0	0	OK	
Accts 126 Sinking Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: 126 Total Sinking Funds	279653.00	279653.00	OK	
Accts 127 Other Special Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total 127 Other Special Funds	695159.00	695159.00	OK	
Accts 141-144 Accounts and Notes Receivable agrees with Sched: Accts and Notes Receivable (ref pg 18) Line: Net Balance 141-144	488437.00	488437.00	OK	
Accts 151-153 Material and Supplies agrees with Sched: Material and Supplies (ref pg 19) Line: Total 151-153	139569.00	139569.00	OK	

**19200 Bullock Pen Water District 01/01/2008 - 12/31/2008**

**CheckList (2002)**

Item	Value 1	Value 2	Agree	Explain
Accts 162 Prepayments agrees with Sched: Prepayments (ref pg 19) Line: Total 162	36381.00	36381.00	OK	
Accts 181 Unamortized Debt Discount and Expense agrees with Sched: Unamortized Debt Discount and Exp. (ref pg 20) Line: Total 181	87480.00	87480.00	OK	
Accts 182 Extraordinary Prop. losses agrees with Sched: Extraordinary Property Losses (ref pg 21) Line: Total 182	0	0	OK	
Accts 186 Misc. Deferred Debits agrees with Sched: Misc. Deferred Debits (ref pg 20) Line: Total 186	63396.00	63396.00	OK	
Balance Sheet - Equity Capitol and Liabilities (ref. pg 9)				
Accts 214 Appropriated Retained Earnings agrees with Sched: Statement of Retained Earnings (ref pg 12) Line: Total Appropriated Retained Earnings 214	0	0	OK	
Accts 215.1 Retained Earnings from Income before Contributions with Sched: Statement of Retained Earnings (ref pg 12) Line: Balance End of Year 215.1	951242.00	951242.00	OK	
Accts 215.2 Donated Capital with Sched: Statement of Retained Earnings (cont. 215.2) (ref pg 12) Line: Balance End of Year 215.2	12175600.00	12175600.00	OK	
Accts 221 Bonds agrees with Sched: Account 221 (ref pg 23) Line: Total Outstanding Bonds Col 4	2858000.00	2858000.00	OK	
Accts 221 Bonds agrees with Sched: Schedule of Bond Maturities (ref pg 23) Line: Total Remaining Bonds (Col 12)	2858000.00	2858000.00	OK	
Accts 224 Other Long Term Debt agrees with Sched: Long Term Debt (ref pg 22) Line: Total Acct 224 col f	2966807.00	2966807.00	OK	
Accts 232 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 232	115000.00	115000.00	OK	

**19200 Bullock Pen Water District 01/01/2008 - 12/31/2008**

**CheckList (2002)**

Item	Value 1	Value 2	Agree	Explain
Accts 233 Accounts Payable to Associated Co. agrees with Sched: Accounts Payable to Assoc. Companies (Accts 233) (ref pg 24) Line: Total Acct 233		0	0	OK
Accts 234 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 234		0	0	OK
Accts 236 Taxes Accrued Balance First of Year agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Beginning Balance	2080.00	2080.00		OK
Accts 236 Taxes Accrued agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Ending Balance	2675.00	2675.00		OK
Accts 237 Accrued Interest Balance from Prev Year agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance Beginning of Year -Col b	52550.00	52550.00		OK
Accts 237 Accrued Interest agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance End of Year -Col e	49228.00	49228.00		OK
Accts 242 Misc. Current and Accrued Liabilities agrees with Sched: Misc current and Accrued Liabilities (Accts 242) (ref pg 26) Line: Total Miscellaneous and Current Accrued Liabilities	36560.00	36560.00		OK
Accts 251 Unamortized Premium on Debt agrees with Sched: Unamorted Debt Discount and Expense and Premium on Debt (Accts 181 - 251) (ref pg 20) Line: Total 251		0	0	OK
Accts 252 Advances for Contruction agrees with Sched: Advances for Contstruction (Accts 252) (ref pg 21) Line: Total 252		0	0	OK
Total Equity Capital and Liabilities agrees with Balance Sheet - Assets and Other Debits: Total Assets and Other Debits	19693595.00	19693595.00		OK
Comparitive Operating Statement (ref pg 10)				

19200 Bullock Pen Water District 01/01/2008 - 12/31/2008

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 400 Operating Revenues agrees with Sched: Water Operating Revenue (Accts 400) (ref pg 27) Line: Total Water Operating Revenues - Col e	2784496.00	2784496.00	OK	
Accts 401 Operating Expenses agrees with Sched: Water Utility Expense Accounts (ref pg 28) Line: Total Accts (601-675) - Col c	2560017.00	2560017.00	OK	
Accts 408.1 Taxes Other than Income agrees with Schedule Taxes Accrued (Acct 236) (ref pg 26) Sum of Accts 408.10 - 408.13	58778.00	58778.00	OK	
Sum of Accts 408.1 and 408.2 agrees with Sched: Taxes Accrued (Acct 236) (ref pg 25) Line: Total taxes Accrued	58778.00	58778.00	OK	
Accts 427 Interest Expense agrees with Sched: Accrued Interest (Acct 237) (ref pg 25) Line: Total Acct No 237 Col c - Interest Accrued	285668.00	285668.00	OK	
Net Income agrees with Sched: Retained Earnings (Acct 237) (ref pg 12) Line: Balance Transferred from Income (Acct 435)	-492826.00	-492826.00	OK	
Miscellaenous				
Schedule Net Utility Plant Accts 101 - 106 (ref pg 13) Utility Plant (101) agrees with Sched: Water Utility Plant Accounts (ref pg 14) Line: Total Water Plant Col f - Current Year	23042607.00	23042607.00	OK	
The analysis of water utility plant accounts Cols c though k has been completed (Ref pg 14)				
The analysis of accumulated depreciation and amortization by primary account has been completed. (Ref pg 14)				
Sched: Misc. Defferred Debits (Acct 186) Deferred Rate Case (Acct 186.1) agrees with Sched: Amort. of Rate Case (Acct 665 and 667) (ref pg 26) Line: Total Col c - Amt Transferred to 186.1	9918.00	9918.00	OK	
Schedule of Long Term Debt has been completed (ref pg 22)				

**19200 Bullock Pen Water District 01/01/2008 - 12/31/2008**

**CheckList (2002)**

Item	Value 1	Value 2	Agree	Explain
Schedule of Bond Maturities has been completed (ref pg 23)				
Taxes collected (example: school tax, sales tax, franchise tax ) have been excluded from Operating Revenue ( Ref pg 29)				
The analysis of water opertating revenue Cols c,d and e have been completed. (Ref pg 28)				
The analysis of water utility expense accounts Cols c through k have been completed. (Ref pg 28)				
Schedule of Pumping and Purchased Water Statistics has been completed ( Ref pg 29)				
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Total (d) agrees with Sched Water Statistics (ref pg 30) Line 4. Total Produced and Purchased Col Gallons	454076	454076	OK	
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Water Sold(e) agrees with Sched Water Statistics (ref pg 30) Line Total Water Sales Col Gallons	353337	353337	OK	
Sched Sales for Resale (ref pg 30) 466 Total Gal agrees with Sched Water Statistics (ref pg 30) Total Water Sales	0	0	OK	
Oath Page Has been Completed				

OATH

Commonwealth of KENTUCKY )  
County of GRANT ) ss:

CHAREES A. GIVIN makes oath and says  
(Name of Officer)

that he/she is TREASURER of  
(Official title of officer)

BULLOCK PEN WATER DISTRICT  
(Exact legal title or name of respondent)

that it is her/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

JANUARY 1, 20 08, to and including DECEMBER 31, 20 08

\_\_\_\_\_  
(Signature of Officer)

subscribed and sworn to before me, a \_\_\_\_\_, in and for  
the State and County named in the above this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

(Apply Seal Here)

My Commission expires \_\_\_\_\_

\_\_\_\_\_  
(Signature of officer authorized to administer oath)





# **EXHIBIT “2”**



COMMONWEALTH OF KENTUCKY  
OFFICE OF THE GOVERNOR  
DEPARTMENT FOR LOCAL GOVERNMENT  
09-SLDO-024

IN THE MATTER OF:

**Grant County, Kentucky**

**Grant County General Obligation Refunding Bonds**

**(Water System Refunding Project)**

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**RECOMMENDED ORDER**

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The Fiscal Court of Grant County, Kentucky (the "County") proposes to adopt and authorize a plan to provide funds to refinance two existing leases that funded a water system project in Grant County with the issuance of Grant County, Kentucky General Obligation Refunding Bonds. This refunding project will be collectively hereinafter referred to as the "Project". It is proposed that the County issue, sell and deliver an amount not to exceed \$1,250,000.00 of General Obligation Refunding Bonds, (the "Bonds").

The Grant County Fiscal Court petitioned the State Local Debt Officer to approve the financing plan in accordance with KRS 66.310(2). Upon the filing of such petition with the State Local Debt Officer and pursuant to Notice published in accordance with Kentucky Revised Statutes, a hearing was scheduled for January 28, 2010 at 10:00 a.m. (Prevailing Eastern Time) in the third floor conference room, Department for Local Government (DLG), 1024 Capital Center Drive, Frankfort, Kentucky. At which time, there appeared the following: Darrell Link, Grant County Judge Executive; Peggy Updike, Grant County Treasurer; Keith Brock Financial Advisor representing Ross, Sinclair & Associates, Inc.; Wendy Thompson, Local Government Advisor, Division of Financial Management and Administration, representing DLG, Wendell Townsend, Executive Director of Division of Financial Management and Administration, Observing and Scott Sharp, Hearing Officer.

**FINDINGS OF FACT**

The Hearing Officer, having access to the records of the State Auditor's Office, having in his possession various documents furnished by the County, Bond Counsel, Financial Advisor, and the Department for Local Government and having testimony presented at the hearing finds as follows:

- 1:** *The financial condition and Projects of the County, warrant, a reasonable expectation that the payments required to meet the General Obligation Improvement Bonds can be met when due. The following table shows the estimated sources and uses of funds for the Project:*

**Grant County General Obligation Refunding Bonds  
(Water System Refunding Project)**

**Sources of Funds**

Par Amount of Bonds	<u>\$1,005,000.00</u>
<b>Total</b>	<b>\$1,005,000.00</b>

**Use of Funds**

Total Underwriters Discount (1.000%)	\$10,050.00
Financial Advisor	12,500.00
Bond Counsel	10,000.00
Trustee Origination	3,000.00
Rating Agency Fee	6,000.00
Deposit to Current refunding Fund	962,584.08
Rounding Amount	<u>865.92</u>
<b>Total</b>	<b>\$1,005,000.00</b>

Grant County proposes to issue General Obligation Improvement Bonds to be dated on or about February, 2010. It is proposed that the principal and interest requirements of the Bonds be provided by the general funds of Grant County who will be compensated by the Bullock Penn Water District for this refunding project. The County believes that the Bonds will be retired exclusively from these revenues. Nevertheless, the County covenants to levy, collect, and segregate tax to the extent general funds are insufficient to meet the annual debt service requirements of the Bonds and has or will designate the Bonds as full General Obligation Bonds of the County to the payment of which the full faith and credit of the County and Revenues of the County are pledged for the prompt payment thereof.

Based on the above findings and the fact that Grant County has a reliable record of good budget management, it is therefore the opinion of the Hearing Officer that the County should be able to meet the terms of the proposed bond financing without adversely affecting other expenditures of the County.

The County's financial condition is sufficient to meet the proposed Improvement Bonds as presented in the Plan of Financing.

***2. The proposed financing plan for the issuance of the Bonds for the Project will serve the best interest of the County.***

The County has determined that the issuance of the Bonds will serve the best interest of the taxpayers, citizens, and inhabitants of the County; that said issuance of the Bonds is for public purposes; and that the Project is essential in the interest of the proper performance of governmental functions of the County for the protection, safety, benefit, and well-being of the citizens of the County.

The Hearing Officer concurs with the County that the proposed financing plan for the issuance of the Bonds is for the public good, is a public project for a public purpose, and appears to be in the best interest of the County.

***3: The proposed financing plan for the issuance of the Bonds appears to be valid. The Fiscal Court will authorize, and take such additional steps as are necessary and required to authorize, in accordance with this Finding, the proposed plan of financing including the adoption of an Ordinance or Resolution authorizing the Bonds.***

Based upon the evidence presented at the hearing, it appears that the project is valid and the County's contracted indebtedness will not exceed available income and revenue for the Fiscal Years in which the obligation is incurred.

**4:    *Section 158 of the Constitution of the Commonwealth of Kentucky states in part, "Cities, towns, counties, and taxing districts shall not incur indebtedness to an amount exceeding the following maximum percentages on the value to the taxable property therein, to be estimated by the last assessment previous to the incurring of the indebtedness; and counties and taxing districts, two percent (2%), unless in case of emergency, the public health or safety should so require."***

Based on the assessment previous to the petition to incur the indebtedness mentioned in this decision, Grant County's maximum debt capacity is listed at \$25,376,439.00. According to the last quarterly budget report, dated December 31, 2009, Grant County has stated its indebtedness at \$7,048,000.00. As the amount of indebtedness requested maintains the county under its 2% capacity, the approval of these Bonds meets the constitutional requirement.

**CONCLUSIONS OF LAW**

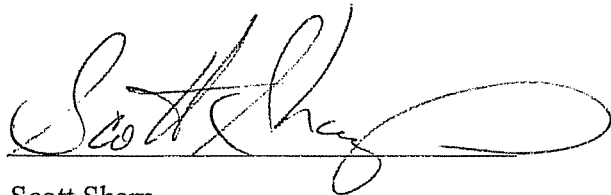
Upon review of the evidence presented at the time of and subsequent to the hearing, the Hearing Officer concludes that Grant County Fiscal Court has met the three statutory requirements and the Kentucky Constitutional requirement that permits the county to issue the requested Bonds. The Hearing Officer therefore finds that the proposed Note issuance and plan for financing the Project appear to be legal and valid in all respects.

**RECOMMENDED ORDER**

THEREFORE, the Hearing Officer, on the basis of the foregoing findings, hereby recommends the approval of the form of the proposed financial plan for the issuance of an amount not to exceed of \$1,250,000 principal amount of Grant County General Obligation Refunding Bonds, (Water System Refunding Project).

The Hearing Officer hereby Bonds the designation of US Bank as the Paying Agent for this project.

Dated at Frankfort, Kentucky, this the 29<sup>th</sup> day of January 29, 2010.

A handwritten signature in black ink, appearing to read "Scott Sharp", written over a horizontal line. The signature is cursive and includes a large, sweeping flourish at the end.

Scott Sharp

Hearing Officer

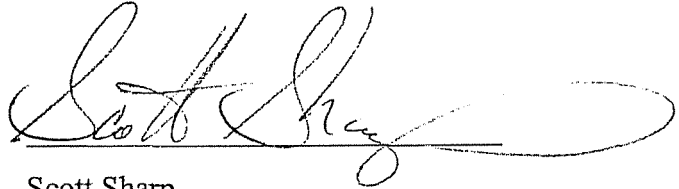
## EXCEPTIONS and APPEAL RIGHTS

Written exceptions to this Recommended Order must be filed to the attention of Junior Wright, State Local Debt Officer, whose address is 1024 Capital Center Drive, Suite 340, Frankfort, Kentucky 40601. Written exceptions must be received by close of business February 12, 2010 in order to be considered a part of this record.

Any decision of the State Local Debt Officer may be appealed in accordance with KRS Chapter 13B. Additionally, a decision by the State Local Debt Officer approving or disapproving a county's proposal to issue bonds may be appealed under KRS 66.310(6) or (7). KRS 66.310(6) states in pertinent part as follows: "Within thirty (30) days after the date of a decision by the state local debt officer approving a county's proposal to issue bonds, any interested party or taxpayer of the county may appeal to the Circuit Court of the county proposing to issue the bonds." KRS 66.310(7) states in pertinent part as follows: "A county proposing to issue bonds may appeal a decision of the state local debt officer disapproving the issuance of the bonds by filing a complaint with the Franklin Circuit Court within thirty (30) days after the date of the decision."

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Order has been served upon the following by mailing same, postage prepaid, this the 29<sup>th</sup> day of January 2010:



Scott Sharp

Hearing Officer

- (1) The Honorable Darrell Link  
Grant County Judge/Executive  
Grant County Courthouse  
101 North Main Street  
Williamstown, Kentucky 41097
- (2) Grant County Fiscal Court Clerk  
Grant County Courthouse  
101 North Main Street  
Williamstown, Kentucky 41097
- (3) Peggy Updike  
Grant County Treasurer  
Grant County Courthouse  
101 North Main Street  
Williamstown, Kentucky 41097
- (4) Keith Brock  
Ross, Sinclair & Associates  
325 West Main Street, Suite 300  
Lexington, Kentucky 40507



# **EXHIBIT “3”**

**Grant County, Kentucky**  
**General Obligation Bonds, Series 2010 (Bullock Pen Refinancing)**  
**Preliminary Plan of Finance**

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**Bond Schedules**

Savings Comparison Report	1
Sources & Uses	2
Pricing Summary	3
Net Debt Service (Semi-Annual)	4
Net Debt Service (Fiscal Year)	5

**Cumulative Debt Structure**

Debt Capsule Report	6
Debt Service Structure Graph	7
Debt Structure Report	8
Principal Retirement Report	9



**Grant County, Kentucky**

**General Obligation Refunding Bonds, Series 2010**

**Bullock Pen Water District**

**(Assume: A Rated, Bank Qualified, Level Savings)**

Combined KACo Leases					Series 2010-EST Bonds			
Fiscal Year	Principal	Interest	Fees	Total Payment	Principal	Interest	Total Payment	Savings
Closing								
2010	\$0	\$12,961	\$2,459	\$15,420	\$0	\$0	\$0	\$15,420
2011	\$92,000	\$49,783	\$9,445	\$151,228	115,000.00	21,593.75	\$136,594	\$14,634
2012	\$98,000	\$44,705	\$8,478	\$151,183	115,000.00	24,762.50	\$139,763	\$11,420
2013	\$103,000	\$39,329	\$7,453	\$149,782	115,000.00	22,750.00	\$137,750	\$12,032
2014	\$108,000	\$33,684	\$6,378	\$148,062	115,000.00	20,162.50	\$135,163	\$12,899
2015	\$114,000	\$27,747	\$5,246	\$146,994	120,000.00	17,287.50	\$137,288	\$9,706
2016	\$132,000	\$21,232	\$4,003	\$157,234	130,000.00	13,987.50	\$143,988	\$13,247
2017	\$99,000	\$14,865	\$2,792	\$116,657	95,000.00	10,087.50	\$105,088	\$11,569
2018	\$104,000	\$9,356	\$1,757	\$115,113	100,000.00	7,000.00	\$107,000	\$8,113
2019	\$111,000	\$3,529	\$663	\$115,192	100,000.00	3,500.00	\$103,500	\$11,692
<b>Totals:</b>	<b>\$961,000</b>	<b>\$257,190</b>	<b>\$48,674</b>	<b>\$1,266,864</b>	<b>\$1,005,000</b>	<b>\$141,131</b>	<b>\$1,146,131</b>	<b>\$120,733</b>

Gross Savings Amount:	\$120,733
Present Value Savings Amount:	\$105,285
NPV Savings % of Bonds:	10.96%

Combined Series Average Interest Cost + Fees:	6.372%
Series 2010 Net Interest Cost:	3.197%
Interest Rate Reduction	3.18%

**Grant County, Kentucky**

General Obligation Bonds, Series 2010

Bullock Pen Refinancing

(Preliminary Plan of Finance - 1.22.10)

**Sources & Uses**

Dated 04/01/2010 | Delivered 04/01/2010

**Sources Of Funds**

Par Amount of Bonds

\$1,005,000.00

**\$1,005,000.00**

**Total Sources**

**Uses Of Funds**

Total Underwriter's Discount (1.000%)

10,050.00

Financial Advisor

12,500.00

Bond Counsel

10,000.00

Trustee Origination

3,000.00

Rating Agency Fee

6,000.00

Deposit to Current Refunding Fund

962,584.08

Rounding Amount

865.92

**\$1,005,000.00**

**Total Uses**

Bullock Pen Ref 1.22.10 L | SINGLE PURPOSE | 1/27/2010 | 6:31 PM

**Ross Sinclair & Associates, LLC**

Public Finance - MGeorge

**Grant County, Kentucky**

General Obligation Bonds, Series 2010  
 Bullock Pen Refinancing  
 (Preliminary Plan of Finance - 1.22.10)

**Pricing Summary**

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2011	Serial Coupon	1.000%	1.000%	115,000.00	100.000%	115,000.00
02/01/2012	Serial Coupon	1.750%	1.750%	115,000.00	100.000%	115,000.00
02/01/2013	Serial Coupon	2.250%	2.250%	115,000.00	100.000%	115,000.00
02/01/2014	Serial Coupon	2.500%	2.500%	115,000.00	100.000%	115,000.00
02/01/2015	Serial Coupon	2.750%	2.750%	120,000.00	100.000%	120,000.00
02/01/2016	Serial Coupon	3.000%	3.000%	130,000.00	100.000%	130,000.00
02/01/2017	Serial Coupon	3.250%	3.250%	95,000.00	100.000%	95,000.00
02/01/2018	Serial Coupon	3.500%	3.500%	100,000.00	100.000%	100,000.00
02/01/2019	Serial Coupon	3.500%	3.500%	100,000.00	100.000%	100,000.00
<b>Total</b>	-	-	-	<b>\$1,005,000.00</b>	-	<b>\$1,005,000.00</b>

**Bid Information**

Par Amount of Bonds	\$1,005,000.00
Gross Production	\$1,005,000.00
Total Underwriter's Discount (1.000%)	\$(10,050.00)
Bid (99.000%)	994,950.00
<b>Total Purchase Price</b>	<b>\$994,950.00</b>
Bond Year Dollars	\$4,727.50
Average Life	4.704 Years
Average Coupon	2.9853252%
Net Interest Cost (NIC)	3.1979112%
True Interest Cost (TIC)	3.2026969%

Bullock Pen Ref 1.22.10 L | SINGLE PURPOSE | 1/27/2010 | 6:31 PM

Ross Sinclair & Associates, LLC  
 Public Finance - MGeorge

**Grant County, Kentucky**

General Obligation Bonds, Series 2010

Bullock Pen Refinancing

(Preliminary Plan of Finance - 1.22.10)

**Net Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
08/01/2010	-	-	8,637.50	8,637.50	8,637.50
02/01/2011	115,000.00	1.000%	12,956.25	127,956.25	127,956.25
08/01/2011	-	-	12,381.25	12,381.25	12,381.25
02/01/2012	115,000.00	1.750%	12,381.25	127,381.25	127,381.25
08/01/2012	-	-	11,375.00	11,375.00	11,375.00
02/01/2013	115,000.00	2.250%	11,375.00	126,375.00	126,375.00
08/01/2013	-	-	10,081.25	10,081.25	10,081.25
02/01/2014	115,000.00	2.500%	10,081.25	125,081.25	125,081.25
08/01/2014	-	-	8,643.75	8,643.75	8,643.75
02/01/2015	120,000.00	2.750%	8,643.75	128,643.75	128,643.75
08/01/2015	-	-	6,993.75	6,993.75	6,993.75
02/01/2016	130,000.00	3.000%	6,993.75	136,993.75	136,993.75
08/01/2016	-	-	5,043.75	5,043.75	5,043.75
02/01/2017	95,000.00	3.250%	5,043.75	100,043.75	100,043.75
08/01/2017	-	-	3,500.00	3,500.00	3,500.00
02/01/2018	100,000.00	3.500%	3,500.00	103,500.00	103,500.00
08/01/2018	-	-	1,750.00	1,750.00	1,750.00
02/01/2019	100,000.00	3.500%	1,750.00	101,750.00	101,750.00
<b>Total</b>	<b>\$1,005,000.00</b>	<b>-</b>	<b>\$141,131.25</b>	<b>\$1,146,131.25</b>	<b>\$1,146,131.25</b>

**Grant County, Kentucky**

General Obligation Bonds, Series 2010

Bullock Pen Refinancing

(Preliminary Plan of Finance - 1.22.10)

**Net Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
06/30/2010	-	-	-	-	-
06/30/2011	115,000.00	1.000%	21,593.75	136,593.75	136,593.75
06/30/2012	115,000.00	1.750%	24,762.50	139,762.50	139,762.50
06/30/2013	115,000.00	2.250%	22,750.00	137,750.00	137,750.00
06/30/2014	115,000.00	2.500%	20,162.50	135,162.50	135,162.50
06/30/2015	120,000.00	2.750%	17,287.50	137,287.50	137,287.50
06/30/2016	130,000.00	3.000%	13,987.50	143,987.50	143,987.50
06/30/2017	95,000.00	3.250%	10,087.50	105,087.50	105,087.50
06/30/2018	100,000.00	3.500%	7,000.00	107,000.00	107,000.00
06/30/2019	100,000.00	3.500%	3,500.00	103,500.00	103,500.00
<b>Total</b>	<b>\$1,005,000.00</b>	<b>-</b>	<b>\$141,131.25</b>	<b>\$1,146,131.25</b>	<b>\$1,146,131.25</b>

*Debt Capsule Summary Report*

Bond Series	Type	Description	Original Par Amount	Amount Outstanding	Interest Rate Range	Final Maturity	Call Information
1998	Revenue	Detention Center	\$7,775,000	\$5,690,000	4.625% - 4.750%	07/01/24	Callable @ 102%
2005	Revenue	Detention Center Refunding	\$500,000	\$310,000	4.000% - 4.500%	07/01/24	Callable @ 100%
2007*	AOC	Courthouse	\$16,615,000	\$15,495,000	4.000% - 4.500%	12/01/27	Dec 2017 @ 100%
2010-EST	General Obligation	Bullock Pen Refunding	\$1,005,000	\$1,005,000	1.000% - 3.500%	02/01/19	Non Callable
Total:	---	---	\$25,895,000	\$22,500,000	---	---	---

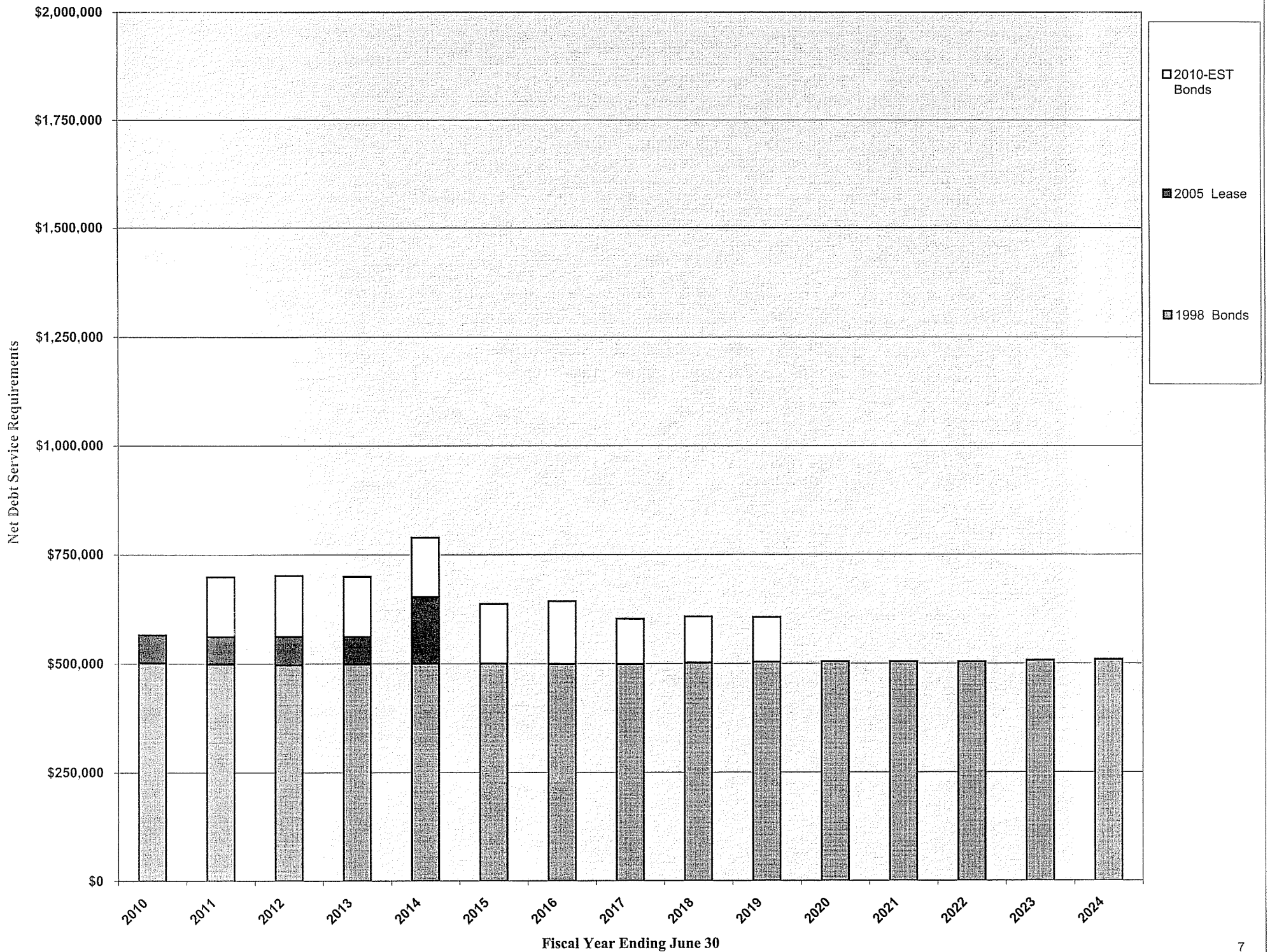
**Bonding Capacity**

2009 Total Valuation of Assessed Property	\$1,268,821,935
Statutory Debt Limit	2.00%
Maximum Debt Capacity	\$25,376,439
Outstanding GO Debt Principal	\$1,005,000
<b>Total Debt Capacity Available</b>	<b>\$24,371,439</b>

*Disclaimer: Information presented is taken from the County's 2007 audit and subject to change upon review and consultation with the County.*

*\*The Administrative Office of the Courts makes all of the debt payments on the Series 2007 Bonds.*





*Net Debt Service Structure Report*

	<i>Revenue</i>	<i>Revenue</i>	<i>Revenue</i>	<i>GO</i>			
FY Ending June 30	Series 1998 Bonds	Series 2005 Lease	Series 2007 Bonds	Series 2010-EST Bonds	Less AOC Payments	Less Bullock Pen Payments	Net Payment Amount
2010	\$501,268	\$64,925	\$1,236,675	\$0	(\$1,236,675)		\$566,193
2011	\$499,237	\$62,925	\$1,238,375	\$136,594	(\$1,238,375)	(\$136,594)	\$562,162
2012	\$496,745	\$65,756	\$1,239,075	\$139,763	(\$1,239,075)	(\$139,763)	\$562,501
2013	\$498,673	\$63,419	\$1,238,775	\$137,750	(\$1,238,775)	(\$137,750)	\$562,092
2014	\$499,797	\$153,625	\$1,237,475	\$135,163	(\$1,237,475)	(\$135,163)	\$653,422
2015	\$500,109		\$1,240,075	\$137,288	(\$1,240,075)	(\$137,288)	\$500,109
2016	\$499,717		\$1,236,575	\$143,988	(\$1,236,575)	(\$143,988)	\$499,717
2017	\$498,619		\$1,236,975	\$105,088	(\$1,236,975)	(\$105,088)	\$498,619
2018	\$501,699		\$1,241,075	\$107,000	(\$1,241,075)	(\$107,000)	\$501,699
2019	\$503,839		\$1,238,875	\$103,500	(\$1,238,875)	(\$103,500)	\$503,839
2020	\$505,039		\$1,240,375		(\$1,240,375)		\$505,039
2021	\$505,192		\$1,239,919		(\$1,239,919)		\$505,192
2022	\$504,292		\$1,236,906		(\$1,236,906)		\$504,292
2023	\$507,323		\$1,241,031		(\$1,241,031)		\$507,323
2024	\$509,167		\$1,237,719		(\$1,237,719)		\$509,167
2025			\$1,236,888		(\$1,236,888)		\$0
2026			\$1,238,288		(\$1,238,288)		\$0
2027			\$1,237,438		(\$1,237,438)		\$0
2028			\$1,237,225		(\$1,237,225)		\$0
Totals:	\$7,530,715	\$410,650	\$23,529,738	\$1,146,131	(\$23,529,738)	(\$1,146,131)	\$7,941,365

*Principal Reduction Report*

	<i>Revenue</i>	<i>Revenue</i>	<i>Revenue</i>	<i>GO</i>			
FY Ending June 30	Series 1998 Bonds	Series 2005 Lease	Series 2007 Bonds	Series 2010-EST Bonds	Less AOC Payments	Outstanding Principal	Retirement (10 Years)
2010	\$255,000	\$50,000	\$570,000	\$0	(\$570,000)	\$7,005,000	66.02%
2011	\$265,000	\$50,000	\$595,000	\$115,000	(\$595,000)	\$6,575,000	70.34%
2012	\$275,000	\$55,000	\$620,000	\$115,000	(\$620,000)	\$6,130,000	75.53%
2013	\$290,000	\$55,000	\$645,000	\$115,000	(\$645,000)	\$5,670,000	81.92%
2014	\$305,000	\$150,000	\$670,000	\$115,000	(\$670,000)	\$5,100,000	89.71%
2015	\$320,000		\$700,000	\$120,000	(\$700,000)	\$4,660,000	100.00%
2016	\$335,000		\$725,000	\$130,000	(\$725,000)	\$4,195,000	
2017	\$350,000		\$755,000	\$95,000	(\$755,000)	\$3,750,000	
2018	\$370,000		\$790,000	\$100,000	(\$790,000)	\$3,280,000	
2019	\$390,000		\$820,000	\$100,000	(\$820,000)	\$2,790,000	
2020	\$410,000		\$855,000		(\$855,000)	\$2,380,000	
2021	\$430,000		\$890,000		(\$890,000)	\$1,950,000	
2022	\$450,000		\$925,000		(\$925,000)	\$1,500,000	
2023	\$475,000		\$970,000		(\$970,000)	\$1,025,000	
2024	\$500,000		\$1,010,000		(\$1,010,000)	\$525,000	
2025	\$525,000		\$1,055,000		(\$1,055,000)	\$0	
2026			\$1,105,000		(\$1,105,000)	\$0	
2027			\$1,155,000		(\$1,155,000)	\$0	
2028			\$1,210,000		(\$1,210,000)	\$0	
Totals:	\$5,945,000	\$360,000	\$16,065,000	\$1,005,000	(\$16,065,000)	---	---

# **EXHIBIT “4”**

# MORRIS & BRESSLER

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February 16, 2010

To the Commissioners  
Bullock Pen Water District  
P. O. Box 188  
Crittenden, KY 41030

We have compiled the accompanying balance sheet of Bullock Pen Water District as of December 31, 2009 and the related statement of revenues, expenses and changes in net assets for the year ended December 31, 2009, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Water District's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has not presented the management's discussion and analysis and budgetary comparison information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

We are not independent with respect to Bullock Pen Water District.

*Morris & Bressler, PSC*

Morris & Bressler, PSC  
Certified Public Accountants

**MORRIS & BRESSLER, PSC**  
**Certified Public Accountants**

7309 Dixie Highway • P.O. Box 545 • Florence, KY 41022-0545 • (859) 525-6306

**BULLOCK PEN WATER DISTRICT  
BALANCE SHEET  
DECEMBER 31, 2009**

**ASSETS**

Current Assets

Cash and cash equivalents	\$80,717
Accounts receivable	
Customers, net of allowance	348,686
Others	30,794
Inventories	149,191
Prepays	38,904
Unamortized expenses	17,514
<b>Total Current Assets</b>	<b><u>665,806</u></b>

Restricted Assets

Debt service reserve fund - Kentucky Infrastructure Authority	20,976
Current reserve fund - USDA Rural Development	147,011
Debt payment account	245,612
Construction funds	94,345
Accounts receivable - surcharges	9,506
Customer deposits	137,345
Maintenance and replacement reserve	314,362
<b>Total Restricted Assets</b>	<b><u>969,157</u></b>

Noncurrent Assets

Miscellaneous deferred charges	<u>149,292</u>
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Capital Assets

Land, building, transmission system, equipment, and vehicles	23,013,723
Construction in progress	1,554,968
Total utility plant in service	<u>24,568,691</u>
Less accumulated depreciation	<u>(5,954,702)</u>
<b>Total Capital Assets, Net</b>	<b><u>18,613,989</u></b>

**TOTAL ASSETS**

**\$20,398,244**

**LIABILITIES**

Current Liabilities

Accounts payable	\$177,043
Accrued liabilities	71,860
Line of credit - Forcht Bank	115,000
<b>Total Current Liabilities</b>	<b><u>363,903</u></b>

Current Liabilities Payable From Restricted Assets

Revenue bonds - current portion	162,000
Notes payable - current portion	123,641
Lease obligations - current portion	170,643
Customer deposits	125,766
Accrued interest payable	50,410
Accounts payable - construction	245,231
<b>Total Current Liabilities Payable From Restricted Assets</b>	<b><u>877,691</u></b>

Long-Term Obligations

Bonds	2,539,000
Notes payable	2,484,749
Capital lease obligations	1,146,032
<b>Total Long-term Obligations</b>	<b><u>6,169,781</u></b>

**TOTAL LIABILITIES**

**7,411,375**

**NET ASSETS**

Invested in capital assets, net of related debt	12,068,745
Restricted	467,017
Unrestricted	451,107
	<u>12,986,869</u>

**TOTAL NET ASSETS**

**12,986,869**

**TOTAL LIABILITIES AND NET ASSETS**

**\$20,398,244**

See accompanying accountants' report.

**BULLOCK PEN WATER DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**OPERATING REVENUES**

Water revenue	\$2,658,881
Forfeited discounts	64,277
Other water revenues	48,124
Management fees	<u>115,665</u>

**TOTAL OPERATING REVENUES** 2,886,947

**OPERATING EXPENSES**

Water purchased	859,050
Operation and maintenance expense	1,545,403
Depreciation	<u>496,908</u>

**TOTAL OPERATING EXPENSES** 2,901,361

**OPERATING LOSS** (14,414)

**NON-OPERATING INCOME (EXPENSE)**

Investment income	8,132
Loss on disposal of assets	(5,332)
Interest on long-term obligations	(261,110)
Amortization of bond discounts and expenses	<u>(8,654)</u>

**NET NON-OPERATING EXPENSE** (266,964)

**NET LOSS** (281,378)

**CAPITAL CONTRIBUTIONS** 141,420

**CHANGE IN NET ASSETS** (139,958)

**NET ASSETS, JANUARY 1** 13,126,827

**NET ASSETS, DECEMBER 31** \$12,986,869

See accompanying accountants' report.