

Rubin & Hays

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

October 20, 2016

RECEIVED

OCT 25 2016

Public Service
Commission

Ms. Talina R. Mathews, Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Case No. 2016-00376

Re: Green River Valley Water District PSC Application

Dear Ms. Mathews:

Enclosed please find the original and ten (10) copies of the Application of the Green River Valley Water District for an Order authorizing the District to issue securities pursuant to KRS 278.300.

Please be advised that the District is requesting the Commission to expedite this Application and issue the approving Order as soon as possible due to the fact that an upward shift in the current interest rate market could negate any interest cost savings to the District.

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

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jlm
Enclosures

cc: Mr. David Paige, Green River Valley Water District
Ms. Kristen Millard, Raymond James and Associates

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

RECEIVED

OCT 25 2016

Public Service
Commission

IN THE MATTER OF:

THE APPLICATION OF GREEN RIVER VALLEY)
 WATER DISTRICT TO ISSUE SECURITIES IN)
 THE APPROXIMATE PRINCIPAL AMOUNT OF)
 \$5,845,000 FOR THE PURPOSE OF REFUNDING) CASE NO. 2016 - 00376
 CERTAIN OUTSTANDING REVENUE BONDS OF)
 THE DISTRICT PURSUANT TO THE PROVISIONS)
 OF KRS 278.300 AND 807 KAR 5:001)

** *** **** ***** **** *** **

APPLICATION

The Applicant, Green River Valley Water District (the "District"), 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 issue certain securities in the approximate principal amount of \$5,845,000 (subject to adjustment of up to 10%), for the purpose of refunding certain outstanding waterworks revenue bonds of the District. In support of this Application, and in compliance with the rules and regulations of the Commission, the District states as follows:

1. The District was established in accordance with the provisions of Chapter 74 of the Kentucky Revised Statutes pursuant to an Order of the County Judge/Executive of Hart County, which Order is on file in the County Court Order Books in the office of the Clerk of Hart County, Kentucky. The District is now, and has been since its inception, regulated by the Commission, and

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.

2. The governing body of the District is its Board of Commissioners which is a public body corporate, with power to make contracts in furtherance of its lawful and proper purpose as provided for in KRS 74.070 and all applicable law and regulations.

3. The mailing address of the District is as follows:

Green River Valley Water District
c/o Mr. David Paige, Manager
1180 East Main Street
Horse Cave, Kentucky 42749
Telephone: (270) 786-2134
Fax: (270) 786-5261
Email: dsp@scrtc.com

4. A general description of the District's water system property, together with a statement of the original cost, is contained in the District's Annual Report for 2015 which is on file with the Commission. The Annual Report is incorporated herein by reference.

5. The District proposes to borrow funds from the Kentucky Rural Water Finance Corporation ("KRWFC") pursuant to an Assistance Agreement (the "KRWFC Loan"), in the estimated principal amount of \$5,845,000 (subject to adjustment of up to 10%) for the purpose of refunding the outstanding revenue bonds designated as (i) Green River Valley Water District Waterworks Revenue Bonds, 1996 Series A in the original principal amount of \$1,050,000, dated November 7, 1996 and bearing interest at the rate of 4.50% per annum (the "1996A Bonds"); (ii) Green River Valley Water District Waterworks Revenue Bonds, 1996 Series B, dated November 7, 1996, in the original principal amount of \$650,000, bearing interest at the rate of 4.50% per annum

(the "1996B Bonds"); (iii) Green River Valley Water District Waterworks Revenue Bonds, 1996 Series C, dated June 12, 1997, in the original principal amount of \$249,000, bearing interest at the rate of 4.50% per annum (the "1996C Bonds"); and (iv) Green River Valley Water District Waterworks Revenue Bonds, 2004 Series A, dated February 22, 2006, in the original principal amount of \$5,000,000, bearing interest at the rate of 4.50% per annum (the "2004A Bonds")(hereinafter, the 1996A Bonds, the 1996B Bonds, the 1996C Bonds and the 2004A Bonds shall be collectively referred to as the "Prior Bonds"). The Prior Bonds are held by the U.S. Department of Agriculture, acting through Rural Development.

6. The estimated debt service for the KRWFC Loan is shown in **Exhibit A** which is attached hereto and incorporated herein by reference. The debt service schedule and estimated interest rates are subject to change because of market conditions. The final terms and details of the KRWFC Loan may vary from the present assumptions based upon market conditions and other business judgment factors.

7. The KRWFC Loan will provide the District with the funds necessary to (i) refund the Prior Bonds; and (iii) pay the fees and expenses incident to the issuance of the KRWFC Loan.

8. The Sources and Uses of Funds to be obtained from the issuance of the KRWFC Loan are detailed as **Exhibit B**, which is attached hereto and incorporated herein by reference.

9. It is anticipated that the proposed refinancing will result in a net present value cashflow savings of approximately \$879,134.70. These savings are shown on the Debt Service Comparison, which is attached hereto and incorporated herein by reference as **Exhibit C**.

10. The final principal amount of the KRWFC Loan will be adjusted based upon final interest rates which will be known on or about the date of sale of the proposed KRWFC Loan. Final

financial figures will be submitted to the Commission in a timely manner. The Applicant will not issue the securities if interest rates in the bond market shift to a point where the Applicant will not achieve any debt service savings.

11. The Debt Service Schedule of the outstanding Prior Bonds being refunded is set forth in **Exhibit D**.

12. The District represents that the KRWFC Loan is in the public interest and is intended to accomplish the purpose of strengthening the financial condition of the District by producing substantial debt service savings. This is a lawful object within the corporate purposes of the District's utility operations. The KRWFC Loan 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.

13. The District represents that it will, as soon as reasonably possible after the closing of the KRWFC Loan, file with the Commission a statement setting forth the date of issuance of the KRWFC Loan, the price paid, the fees and expenses incurred in the issuance of the KRWFC Loan, and the terms and interest rates of the KRWFC Loan.

14. The detailed Statement of Revenues, Expenses and Changes in Fund Net Position, Statement of Cash Flows and Statement of Net Position for the twelve month period ending on June 30, 2016 are attached hereto and incorporated herein by reference as **Exhibit E** respectively.

15. Pursuant to 807 KAR 5:001, Section 12 - Financial Exhibit; the District hereby responds as follows:

- (i) Section 12(1)(b): The District states that it had less than \$5,000,000 in gross annual revenue in the immediate past calendar year and that no material

changes to the District's financial condition have occurred since the end of the twelve (12) month period contained in the District's most recent annual report on file with the Commission.

- (ii) Section 12(2)(a), (b) and (c) Stock: The District does not have any authorized, issued or outstanding stock as of the date hereof.
- (iii) Section 12(2)(d) Mortgages: The District does not have any outstanding mortgages as of the date hereof.
- (iv) Section 12(2)(e), (f) and (g) Indebtedness: The information concerning the outstanding indebtedness of the District is contained in the 2015 Annual Report on file with this Commission.
- (v) Section 12(2)(h) Dividends: The District has no outstanding stock and therefore pays no dividends.
- (vi) Section 12(2)(i) Financial Statements: See paragraph #14 above.

16. Pursuant to 807 KAR 5:001, Section 18, the District hereby responds as follows:

- (i) Section 18(1)(a): The District has complied with the requirements of 807 KAR 5:001, Section 14.
- (ii) Section 18(1)(b): A general description of the District's property, its field of operation and a statement of original cost of said property and the cost to the District is contained in the District's 2015 Annual Report on file with this Commission.
- (iii) Section 18(1)(c): The District is not issuing any stock as part of this financing. The information concerning the proposed KRWFC Loan is

contained in this Application. The KRWFC Loan will be secured by and payable from the gross revenues of the District's water system.

- (iv) Section 18(1)(d): The proceeds of the KRWFC Loan are being used to refund the outstanding Prior Bonds.
- (v) Section 18(1)(e): No property is being acquired with the proceeds of the KRWFC Loan.
- (vi) Section 18(1)(f): The details of the refunding of the Prior Bonds are contained in this Application and the Exhibits hereto.
- (vii) Section 18(1)(g): Written notification of the proposed issuance of the KRWFC Loan is being provided to the State Local Debt Officer (see **Exhibit "F"** attached hereto).
- (viii) Section 18(2)(a): See paragraph #15 above.
- (ix) Section 18(2)(b): The District does not have any outstanding trust deeds or mortgages.
- (x) Section 18(2)(c): No property is being acquired with the proceeds of the KRWFC Loan.

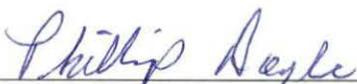
17. No rate adjustment will be necessary.

WHEREFORE, the District respectfully requests that the Commission take the following actions:

1. Authorize the issuance of the securities requested in the Application;
2. Due to the volatility of the present bond market and in order to achieve substantial interest cost savings to the District by taking full advantage of current low interest rates, the District requests that the Commission issued its Order as soon as possible; and
3. Process this Application without a formal hearing in order to save time and expense.

The District will promptly respond to any information requests by the Commission's staff.

Green River Valley Water District

By 
Phillip Doyle, Chairman
1180 East Main Street
Horse Cave, Kentucky 42749
Telephone: (270) 786-2134
Fax: (270) 786-5261
Email: dsp@scrwc.com

Rubin & Hays

By 
W. Randall Jones
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Phone: (502) 569-7525
Fax: (502) 569-7555
Counsel for Green River Valley Water
District
wrjones@rubinhays.com

STATE OF KENTUCKY)
) SS
COUNTY OF HART)

The affiant, Phillip Doyle, being first duly sworn, states: That he is the Chairman of the Green River Valley Water District, the Applicant in this case; that he has read the foregoing Application and has noted the contents thereof; that the same are true of his own knowledge and belief, except as to matters which are herein stated to be based on information or belief, and that these matters, he believes to be true and correct.

IN TESTIMONY WHEREOF, witness the signature of the undersigned on the 17th day of October, 2016.

Phillip Doyle
Phillip Doyle, Chairman

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Phillip Doyle, Chairman of the Green River Valley Water District, on this the 17th day of October, 2016.

My Commission expires: 12/29/2019.

David Paige
NOTARY PUBLIC
546601
NOTARY PUBLIC ID Number



\$5,845,000

Green River Valley Water District
 Potential Refunding through the
 Kentucky Rural Water Finance Corporation

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/29/2016	-	-	-	-	-
02/01/2017	40,000.00	3.200%	32,316.86	72,316.86	-
08/01/2017	-	-	93,183.13	93,183.13	-
12/31/2017	-	-	-	-	165,499.99
02/01/2018	150,000.00	3.200%	93,183.13	243,183.13	-
08/01/2018	-	-	90,783.13	90,783.13	-
12/31/2018	-	-	-	-	333,966.26
02/01/2019	155,000.00	3.200%	90,783.13	245,783.13	-
08/01/2019	-	-	88,303.13	88,303.13	-
12/31/2019	-	-	-	-	334,086.26
02/01/2020	155,000.00	2.200%	88,303.13	243,303.13	-
08/01/2020	-	-	86,598.13	86,598.13	-
12/31/2020	-	-	-	-	329,901.26
02/01/2021	160,000.00	2.200%	86,598.13	246,598.13	-
08/01/2021	-	-	84,838.13	84,838.13	-
12/31/2021	-	-	-	-	331,436.26
02/01/2022	170,000.00	3.200%	84,838.13	254,838.13	-
08/01/2022	-	-	82,118.13	82,118.13	-
12/31/2022	-	-	-	-	336,956.26
02/01/2023	170,000.00	3.200%	82,118.13	252,118.13	-
08/01/2023	-	-	79,398.13	79,398.13	-
12/31/2023	-	-	-	-	331,516.26
02/01/2024	180,000.00	3.200%	79,398.13	259,398.13	-
08/01/2024	-	-	76,518.13	76,518.13	-
12/31/2024	-	-	-	-	335,916.26
02/01/2025	185,000.00	3.200%	76,518.13	261,518.13	-
08/01/2025	-	-	73,558.13	73,558.13	-
12/31/2025	-	-	-	-	335,076.26
02/01/2026	190,000.00	3.200%	73,558.13	263,558.13	-
08/01/2026	-	-	70,518.13	70,518.13	-
12/31/2026	-	-	-	-	334,076.26
02/01/2027	200,000.00	3.200%	70,518.13	270,518.13	-
08/01/2027	-	-	67,318.13	67,318.13	-
12/31/2027	-	-	-	-	337,836.26
02/01/2028	205,000.00	3.200%	67,318.13	272,318.13	-
08/01/2028	-	-	64,038.13	64,038.13	-
12/31/2028	-	-	-	-	336,356.26
02/01/2029	210,000.00	3.200%	64,038.13	274,038.13	-
08/01/2029	-	-	60,678.13	60,678.13	-
12/31/2029	-	-	-	-	334,716.26
02/01/2030	215,000.00	3.200%	60,678.13	275,678.13	-
08/01/2030	-	-	57,238.13	57,238.13	-
12/31/2030	-	-	-	-	332,916.26
02/01/2031	225,000.00	3.200%	57,238.13	282,238.13	-
08/01/2031	-	-	53,638.13	53,638.13	-
12/31/2031	-	-	-	-	335,876.26
02/01/2032	230,000.00	3.200%	53,638.13	283,638.13	-
08/01/2032	-	-	49,958.13	49,958.13	-
12/31/2032	-	-	-	-	333,596.26
02/01/2033	235,000.00	3.325%	49,958.13	284,958.13	-
08/01/2033	-	-	46,051.25	46,051.25	-
12/31/2033	-	-	-	-	331,009.38
02/01/2034	245,000.00	3.325%	46,051.25	291,051.25	-
08/01/2034	-	-	41,978.13	41,978.13	-
12/31/2034	-	-	-	-	333,029.38
02/01/2035	250,000.00	3.325%	41,978.13	291,978.13	-
08/01/2035	-	-	37,821.88	37,821.88	-
12/31/2035	-	-	-	-	329,800.01
02/01/2036	255,000.00	3.325%	37,821.88	292,821.88	-
08/01/2036	-	-	33,582.50	33,582.50	-
12/31/2036	-	-	-	-	326,404.38
02/01/2037	185,000.00	3.325%	33,582.50	218,582.50	-
08/01/2037	-	-	30,506.88	30,506.88	-
12/31/2037	-	-	-	-	249,089.38
02/01/2038	180,000.00	3.325%	30,506.88	210,506.88	-
08/01/2038	-	-	27,514.38	27,514.38	-
12/31/2038	-	-	-	-	238,021.26
02/01/2039	185,000.00	3.325%	27,514.38	212,514.38	-
08/01/2039	-	-	24,438.75	24,438.75	-
12/31/2039	-	-	-	-	236,953.13
02/01/2040	190,000.00	3.325%	24,438.75	214,438.75	-
08/01/2040	-	-	21,280.00	21,280.00	-
12/31/2040	-	-	-	-	235,718.75
02/01/2041	195,000.00	3.325%	21,280.00	216,280.00	-
08/01/2041	-	-	18,038.13	18,038.13	-
12/31/2041	-	-	-	-	234,318.13
02/01/2042	205,000.00	3.325%	18,038.13	223,038.13	-
08/01/2042	-	-	14,630.00	14,630.00	-
12/31/2042	-	-	-	-	237,668.13
02/01/2043	210,000.00	3.325%	14,630.00	224,630.00	-
08/01/2043	-	-	11,138.75	11,138.75	-
12/31/2043	-	-	-	-	235,768.75
02/01/2044	215,000.00	3.325%	11,138.75	226,138.75	-
08/01/2044	-	-	7,564.38	7,564.38	-
12/31/2044	-	-	-	-	233,703.13
02/01/2045	225,000.00	3.325%	7,564.38	232,564.38	-
08/01/2045	-	-	3,823.75	3,823.75	-
12/31/2045	-	-	-	-	236,388.13
02/01/2046	230,000.00	3.325%	3,823.75	233,823.75	-
12/31/2046	-	-	-	-	233,823.75
Total	\$5,845,000.00		\$3,026,424.58	\$8,871,424.58	

Yield Statistics

Bond Year Dollars	592,291.64
Average Life	15.790 Years
Average Coupon	3.2791969%
Net Interest Cost (NIC)	3.3417888%
True Interest Cost (TIC)	3.3570140%
Bond Yield for Arbitrage Purposes	3.2489297%
All Inclusive Cost (AIC)	3.4667711%
IRS Form 8038	
Net Interest Cost	3.2913801%
Weighted Average Maturity	15.611 Years

Green River WD 10.11.16 | Issue Summary | 10/11/2016 | 11:27 AM

Raymond James & Associates, Inc.

\$5,845,000

Green River Valley Water District
Potential Refunding through the
Kentucky Rural Water Finance Corporation

Total Issue Sources And Uses

Dated 11/29/2016 | Delivered 11/29/2016

	Ref 1996	Ref 1996 B	Ref 1997	Ref 2006	Issue Summary
Sources Of Funds					
Par Amount of Bonds	\$745,000.00	\$460,000.00	\$175,000.00	\$4,465,000.00	\$5,845,000.00
Reoffering Premium	12,002.20	7,340.10	2,667.90	-	22,010.20
Transfers from Prior Issue Debt Service Funds	31,325.00	19,505.00	7,268.33	125,970.00	184,068.33
Total Sources	\$788,327.20	\$486,845.10	\$184,936.23	\$4,590,970.00	\$6,051,078.53
Uses Of Funds					
Original Issue Discount (OID)	-	-	-	6,714.75	6,714.75
Total Underwriter's Discount (1.250%)	9,312.50	5,750.00	2,187.50	55,812.50	73,062.50
Costs of Issuance	8,195.00	5,060.00	1,925.00	49,115.00	64,295.00
Deposit to Current Refunding Fund	768,967.50	475,639.50	182,311.50	4,479,363.00	5,906,281.50
Rounding Amount	1,852.20	395.60	(1,487.77)	(35.25)	724.78
Total Uses	\$788,327.20	\$486,845.10	\$184,936.23	\$4,590,970.00	\$6,051,078.53

\$5,845,000

Green River Valley Water District
Potential Refunding through the
Kentucky Rural Water Finance Corporation

Debt Service Comparison

Date	Total P+I	Expenses	Net New D/S	Old Net D/S	Savings
12/31/2016	-	-	-	-	-
12/31/2017	165,499.99	450.00	165,949.99	374,833.75	208,883.76
12/31/2018	333,966.26	450.00	334,416.26	373,990.00	39,573.74
12/31/2019	334,086.26	450.00	334,536.26	374,898.75	40,362.49
12/31/2020	329,901.26	450.00	330,351.26	373,560.00	43,208.74
12/31/2021	331,436.26	450.00	331,886.26	374,462.50	42,576.24
12/31/2022	336,956.26	450.00	337,406.26	374,561.25	37,154.99
12/31/2023	331,516.26	450.00	331,966.26	373,878.75	41,912.49
12/31/2024	335,916.26	450.00	336,366.26	374,392.50	38,026.24
12/31/2025	335,076.26	450.00	335,526.26	373,591.25	38,064.99
12/31/2026	334,076.26	450.00	334,526.26	373,475.00	38,948.74
12/31/2027	337,836.26	450.00	338,286.26	373,021.25	34,734.99
12/31/2028	336,356.26	450.00	336,806.26	373,207.50	36,401.24
12/31/2029	334,716.26	450.00	335,166.26	372,522.50	37,356.24
12/31/2030	332,916.26	450.00	333,366.26	373,432.50	40,066.24
12/31/2031	335,876.26	450.00	336,326.26	373,403.75	37,077.49
12/31/2032	333,596.26	450.00	334,046.26	373,436.25	39,389.99
12/31/2033	331,009.38	450.00	331,459.38	372,530.00	41,070.62
12/31/2034	333,029.38	450.00	333,479.38	370,707.50	37,228.12
12/31/2035	329,800.01	450.00	330,250.01	370,435.00	40,184.99
12/31/2036	326,404.38	450.00	326,854.38	369,667.50	42,813.12
12/31/2037	249,089.38	450.00	249,539.38	278,475.00	28,935.62
12/31/2038	238,021.26	450.00	238,471.26	266,195.00	27,723.74
12/31/2039	236,953.13	450.00	237,403.13	265,825.00	28,421.87
12/31/2040	235,718.75	450.00	236,168.75	265,095.00	28,926.25
12/31/2041	234,318.13	450.00	234,768.13	264,982.50	30,214.37
12/31/2042	237,668.13	450.00	238,118.13	265,442.50	27,324.37
12/31/2043	235,768.75	450.00	236,218.75	264,475.00	28,256.25
12/31/2044	233,703.13	450.00	234,153.13	265,057.50	30,904.37
12/31/2045	236,388.13	450.00	236,838.13	264,167.50	27,329.37
12/31/2046	233,823.75	450.00	234,273.75	263,805.00	29,531.25
TOTAL	\$8,871,424.58	\$13,500.00	\$8,884,924.58	\$10,127,527.50	\$1,242,602.92

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	887,653.37
Effects of changes in Expenses	(8,518.67)
Net PV Cashflow Savings @ 3.467%(AIC)	879,134.70
Transfers from Prior Issue Debt Service Fund	(184,068.33)
Contingency or Rounding Amount	724.78
Net Benefit	\$1,059,259.37
Net Present Value Benefit	\$695,791.15
Net PV Benefit / \$5,799,000 Refunded Principal	11.998%
Net PV Benefit / \$5,845,000 Refunding Principal	11.904%
Average Annual Cash Flow Savings	41,420.10

Refunding Bond Information

Refunding Dated Date	11/29/2016
Refunding Delivery Date	11/29/2016

Green River WD 10.11.16 | Issue Summary | 10/11/2016 | 11:27 AM

Raymond James & Associates, Inc.

Rural Development

GREEN RIVER VALLEY WATER DISTRICT

BOND AMORTIZATION SCHEDULE

EXHIBIT A												
RURAL DEVELOPMENT												
KRWF												
YEAR	1996-A Issue	4.50%	1996-B Issue	4.50%	1996-C Issue	4.50%	2001 Issue	5.09%	2003-C		2004-B	
ENDING	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
6/30												
2010	\$864,000	\$38,880	\$534,000	\$24,030	\$209,000	\$9,405	\$311,000	\$14,965	\$1,438,500	\$55,195	\$2,437,000	\$97,026
2011	\$844,000	\$37,980	\$522,000	\$23,490	\$204,500	\$9,203	\$277,000	\$13,209	\$1,312,100	\$49,380	\$2,235,000	\$91,774
2012	\$824,000	\$37,080	\$509,500	\$22,928	\$200,000	\$9,000	\$242,000	\$11,427	\$1,118,600	\$41,971	\$2,128,000	\$87,669
2013	\$803,000	\$36,135	\$496,500	\$22,343	\$195,000	\$8,775	\$207,000	\$9,569	\$916,800	\$33,957	\$2,018,000	\$83,156
2014	\$781,000	\$35,145	\$483,000	\$21,735	\$190,000	\$8,550	\$169,000	\$7,559	\$704,900	\$25,235	\$1,904,000	\$78,441
2015	\$758,000	\$34,110	\$468,500	\$21,083	\$184,500	\$8,303	\$128,000	\$5,472	\$480,600	\$16,488	\$1,784,000	\$73,524
2016	\$734,000	\$33,030	\$453,500	\$20,408	\$179,000	\$8,055	\$87,000	\$3,334	\$280,200	\$9,090	\$1,660,000	\$68,406
2017	\$709,000	\$31,905	\$438,000	\$19,710	\$173,500	\$7,808	\$44,000	\$1,120	\$131,500	\$3,160	\$1,530,000	\$63,066
2018	\$683,000	\$30,735	\$421,500	\$18,968	\$167,500	\$7,538			\$8,600	\$218	\$1,395,000	\$57,438
2019	\$655,000	\$29,475	\$404,500	\$18,203	\$161,000	\$7,245					\$1,255,000	\$51,496
2020	\$624,000	\$28,080	\$386,500	\$17,393	\$154,500	\$6,953					\$1,109,000	\$45,210
2021	\$597,000	\$26,865	\$368,000	\$16,560	\$147,500	\$6,638					\$957,000	\$38,555
2022	\$566,000	\$25,470	\$348,500	\$15,683	\$140,500	\$6,323					\$798,000	\$31,540
2023	\$533,000	\$23,985	\$328,000	\$14,760	\$133,000	\$5,985					\$634,000	\$24,888
2024	\$499,000	\$22,455	\$307,000	\$13,815	\$125,000	\$5,625					\$496,000	\$18,699
2025	\$463,000	\$20,835	\$284,500	\$12,803	\$117,000	\$5,265					\$353,000	\$12,224
2026	\$426,000	\$19,170	\$261,500	\$11,768	\$108,500	\$4,883					\$202,000	\$5,550
2027	\$384,000	\$17,280	\$237,000	\$10,665	\$99,500	\$4,478					\$50,000	\$1,101
2028	\$346,000	\$15,570	\$212,000	\$9,540	\$90,000	\$4,050						
2029	\$304,000	\$13,680	\$185,500	\$8,348	\$80,500	\$3,623						
2030	\$259,000	\$11,655	\$158,000	\$7,110	\$70,000	\$3,150						
2031	\$213,000	\$9,585	\$129,000	\$5,805	\$59,500	\$2,678						
2032	\$164,000	\$7,380	\$99,000	\$4,455	\$48,500	\$2,183						
2033	\$113,000	\$5,085	\$67,500	\$3,038	\$37,000	\$1,665						
2034	\$60,000	\$2,700	\$34,500	\$1,553	\$25,000	\$1,125						
2035					\$12,500	\$563						
2036												
2037												
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2049												

RURAL DEVELOPMENT										
2004-D		2004A 4.5%		2010 2.25%		TOTAL	CURRENT	CURRENT	CURRENT PRINCIPAL &	
YEAR	Principal	Interest	Principal	Interest	Principal	Interest	PRINCIPAL	PRINCIPAL	INTEREST	
ENDING									INTEREST DUE	
6/30										
2010	\$1,217,000	\$51,289	\$4,778,000	\$215,010	\$0	\$0	\$11,788,500	\$531,900	\$507,455	\$1,039,355
2011	\$1,146,000	\$48,947	\$4,716,000	\$212,220	3,200,000	34,600	\$14,456,600	\$562,000	\$522,559	\$1,084,559
2012	\$1,073,000	\$46,473	\$4,651,000	\$209,295	3,148,500	71,807	\$13,894,600	\$581,300	\$539,431	\$1,120,731
2013	\$998,000	\$43,838	\$4,583,000	\$206,235	3,096,000	70,644	\$13,313,300	\$604,400	\$516,510	\$1,120,910
2014	\$923,000	\$40,936	\$4,512,000	\$203,040	3,042,000	68,458	\$12,708,900	\$638,800	\$492,108	\$1,130,908
2015	\$842,000	\$34,344	\$4,438,000	\$199,710	2,986,500	68,237	\$12,070,100	\$626,900	\$463,357	\$1,090,257
2016	\$759,000	\$30,842	\$4,361,000	\$196,245	2,929,500	66,983	\$11,443,200	\$593,700	\$438,530	\$1,032,230
2017	\$672,000	\$27,175	\$4,280,000	\$192,600	2,871,500	65,696	\$10,849,500	\$584,900	\$414,455	\$999,355
2018	\$581,000	\$23,591	\$4,196,000	\$188,820	2,812,000	64,386	\$10,264,600	\$432,100	\$392,811	\$824,911
2019	\$498,000	\$20,151	\$4,108,000	\$184,860	2,751,000	63,041	\$9,832,500	\$440,000	\$374,470	\$814,470
2020	\$414,000	\$16,550	\$4,016,000	\$180,720	2,688,500	61,663	\$9,392,500	\$452,500	\$356,568	\$809,068
2021	\$326,000	\$12,492	\$3,920,000	\$176,400	2,624,500	60,251	\$8,940,000	\$486,500	\$337,760	\$824,260
2022	\$223,000	\$7,785	\$3,819,000	\$171,855	2,558,500	58,804	\$8,453,500	\$506,500	\$317,458	\$823,958
2023	\$114,000	\$2,633	\$3,714,000	\$167,130	2,491,000	57,313	\$7,947,000	\$494,000	\$296,695	\$790,695
2024	\$0		\$3,604,000	\$162,180	2,422,000	55,789	\$7,453,000	\$395,500	\$278,563	\$674,063
2025			\$3,489,000	\$157,005	2,351,000	54,229	\$7,057,500	\$412,000	\$262,360	\$674,360
2026			\$3,369,000	\$151,605	2,278,500	52,626	\$6,645,500	\$427,000	\$245,601	\$672,601
2027			\$3,244,000	\$145,980	2,204,000	50,987	\$6,218,500	\$330,000	\$230,491	\$560,491
2028			\$3,113,000	\$140,085	2,127,500	49,303	\$5,888,500	\$293,500	\$218,548	\$512,048
2029			\$2,976,000	\$133,920	2,049,000	47,574	\$5,595,000	\$306,000	\$207,144	\$513,144
2030			\$2,833,000	\$127,485	1,969,000	45,803	\$5,289,000	\$317,500	\$195,203	\$512,703
2031			\$2,683,000	\$120,735	1,887,000	43,995	\$4,971,500	\$330,500	\$182,798	\$513,298
2032			\$2,527,000	\$113,715	1,802,500	42,141	\$4,641,000	\$343,500	\$169,873	\$513,373
2033			\$2,364,000	\$106,380	1,716,000	40,232	\$4,297,500	\$357,500	\$156,399	\$513,899
2034			\$2,193,000	\$98,685	1,627,500	38,278	\$3,940,000	\$376,000	\$142,341	\$518,341
2035			\$2,015,000	\$90,675	1,536,500	36,278	\$3,564,000	\$291,500	\$127,515	\$419,015
2036			\$1,829,000	\$82,305	1,443,500	34,223	\$3,272,500	\$290,500	\$116,528	\$407,028
2037			\$1,634,000	\$73,530	1,348,000	32,121	\$2,982,000	\$302,000	\$105,651	\$407,651
2038			\$1,430,000	\$64,350	1,250,000	29,963	\$2,680,000	\$313,000	\$94,313	\$407,313
2039			\$1,217,000	\$54,765	1,150,000	27,750	\$2,367,000	\$324,500	\$82,515	\$407,015
2040			\$995,000	\$44,775	1,047,500	25,491	\$2,042,500	\$337,500	\$70,266	\$407,766
2041			\$763,000	\$34,335	942,000	23,173	\$1,705,000	\$351,000	\$57,508	\$408,508
2042			\$520,000	\$23,400	834,000	20,790	\$1,354,000	\$364,500	\$44,190	\$408,690
2043			\$266,000	\$11,970	723,500	18,351	\$989,500	\$379,500	\$30,321	\$409,821
2044					610,000	15,853	\$610,000	\$116,000	\$15,853	\$131,853
2045					494,000	13,290	\$494,000	\$119,000	\$13,290	\$132,290
2046					375,000	10,669	\$375,000	\$122,000	\$10,669	\$132,669
2047					253,000	7,980	\$253,000	\$125,000	\$7,980	\$132,980
2048					128,000	5,224	\$128,000	\$128,000	\$5,224	\$133,224
2049					-	2,400	\$0	\$0	\$2,400	\$2,400
						1,637,391		\$14,988,500	\$9,043,708	\$24,032,208
										\$600,805

GREEN RIVER VALLEY WATER DISTRICT
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operating revenue:		
Metered water sales:		
Residential	\$ 2,416,031	\$ 2,447,137
Commercial	<u>267,775</u>	<u>282,477</u>
	<u>2,683,806</u>	<u>2,729,614</u>
Wholesale water sales:		
Horse Cave	487,690	498,422
CEA Cave City	170,608	230,266
Munfordville	180,695	173,503
Larue County	188,516	188,742
Bonnieville	28,750	32,151
Green-Taylor	143,168	120,165
CEA	<u>21,384</u>	<u>10,946</u>
	<u>1,220,811</u>	<u>1,254,195</u>
Other operating revenues:		
Cash water sales	479	245
Revenues from maintenance and contract work, net of expenses of \$6,546 and \$7,670 respectively	89,765	81,490
Forfeited discounts	58,719	66,033
Miscellaneous	<u>61,925</u>	<u>82,021</u>
	<u>210,888</u>	<u>229,789</u>
Total operating revenues	<u>4,115,505</u>	<u>4,213,598</u>
Operating expenses:		
Source of supply and pumping expenses:		
Operations	632,323	596,531
Maintenance	9,216	5,906
Water treatment expenses:		
Operations	385,233	375,570
Transmission and distribution:		
Operations	82,404	83,716
Maintenance	934,788	893,764
Customer accounts expenses	312,621	300,187
Administrative and general expenses	554,952	479,163
Depreciation and amortization	933,463	910,433
Taxes other than income	<u>85,473</u>	<u>75,022</u>
Total operating expenses	<u>3,930,473</u>	<u>3,720,292</u>
Operating income	<u>185,032</u>	<u>493,306</u>

The accompanying notes are an integral part of the financial statements.

GREEN RIVER VALLEY WATER DISTRICT
Statements of Revenues, Expenses and Changes in Net Position (Concluded)
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Nonoperating revenue (expenses):		
Interest income	\$ 7,497	\$ 942
Amortization of Premium on Bond Issue	44,849	50,776
Interest on long-term debt	<u>(427,405)</u>	<u>(447,068)</u>
Total nonoperating revenue (expenses)	<u>(375,059)</u>	<u>(395,350)</u>
Income (Loss) before capital contributions	<u>(190,027)</u>	<u>97,956</u>
Capital Contributions	<u>41,500</u>	<u>29,750</u>
Increase (Decrease) in net position	(148,527)	127,706
Net Position:		
Beginning of year	13,349,639	13,221,933
End of year	<u>\$ 13,201,112</u>	<u>\$ 13,349,639</u>

GREEN RIVER VALLEY WATER DISTRICT
Statements of Cash Flows
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Cash receipts from customers	\$ 4,075,386	\$ 4,208,219
Cash payments to suppliers for goods and services	(1,829,218)	(1,791,196)
Cash payments to employees for services	(1,146,828)	(967,765)
Net cash provided (used) by operating activities	<u>1,099,340</u>	<u>1,449,258</u>
Cash flows from capital and related financing activities:		
Proceeds from issuance of long-term debt	541,832	-
Principal paid on long-term debt	(663,496)	(650,226)
Interest paid on long-term debt	(427,405)	(456,988)
Cash paid for capital assets	(1,303,665)	(410,267)
Capital contributions	41,500	20,750
Net cash provided (used) in financing activities	<u>(1,811,234)</u>	<u>(1,496,731)</u>
Cash flows from investing activities:		
Investment Income	<u>7,497</u>	<u>942</u>
Net cash provided (used) in investing activities	<u>7,497</u>	<u>942</u>
Net increase (decrease) in cash and cash equivalents	(704,397)	(46,531)
Cash and cash equivalents, beginning of year	<u>2,570,147</u>	<u>2,616,678</u>
Cash and cash equivalents, end of year	<u>\$ 1,865,750</u>	<u>\$ 2,570,147</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 185,032	\$ 493,306
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	933,463	910,433
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(40,159)	5,379
(Increase) decrease in prepaid and other assets	12,570	13,454
(Increase) decrease in plant materials and supplies	4,376	(2,259)
Increase (decrease) in accounts payable	(4,558)	27,899
Increase (decrease) in customer deposits	<u>8,616</u>	<u>1,046</u>
Net cash provided (used) by operating activities	<u>1,099,340</u>	<u>\$ 1,449,258</u>

The accompanying notes are an integral part of the financial statements.

GREEN RIVER VALLEY WATER DISTRICT
Statements of Net Position
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Current Assets		
Cash	\$ 1,060,700	\$ 1,844,779
Accounts receivable	367,763	327,604
Accrued interest	2,967	2,967
Plant materials and supplies, (at replacement cost)	210,060	214,436
Prepaid and other assets	154,966	167,536
Total Current Assets	<u>1,796,456</u>	<u>2,557,322</u>
Non-current Assets		
Restricted Assets		
Cash - Depreciation fund	168,323	144,166
Cash - Bond and interest redemption fund	636,727	581,202
Investments - Depreciation fund	527,200	527,200
Total Restricted Assets	<u>1,332,250</u>	<u>1,252,568</u>
Capital Assets		
Utility plant in service	40,292,674	39,027,041
Accumulated depreciation	<u>(17,217,073)</u>	<u>(16,298,705)</u>
Net Capital Assets	<u>23,075,601</u>	<u>22,728,336</u>
Total Non-current Assets	<u>24,407,851</u>	<u>23,980,904</u>
Total Assets	<u>26,204,307</u>	<u>26,538,226</u>

The accompanying notes are an integral part of the financial statements.

GREEN RIVER VALLEY WATER DISTRICT
Statements of Net Position (Concluded)
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 327,356	\$ 326,448
Customer deposits	43,488	34,872
Total Current Liabilities	<u>370,844</u>	<u>361,320</u>
Liabilities Payable from Restricted Assets		
Current maturities of long-term debt	638,755	650,016
Accrued interest	133,176	143,354
Total Liabilities Payable from Restricted Assets	<u>771,931</u>	<u>793,370</u>
Long-term Liabilities		
Long-term debt, less current maturities	<u>11,677,524</u>	<u>11,806,152</u>
Total Long-term Liabilities	<u>11,677,524</u>	<u>11,806,152</u>
Total Liabilities	<u>12,820,299</u>	<u>12,960,842</u>
Deferred Inflows of Resources		
Unamortized Premium on Bonds	<u>182,896</u>	<u>227,745</u>
Net Position		
Net investment in capital assets	10,808,162	10,272,168
Restricted for debt retirement	636,727	581,202
Restricted for equipment replacement	695,523	671,366
Unrestricted	<u>1,060,700</u>	<u>1,824,903</u>
Total Net Position	<u>\$ 13,201,112</u>	<u>\$ 13,349,639</u>

Rubin & Hays

ATTORNEYS AT LAW

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Telephone (502) 569-7525 Telefax (502) 569-7555 www.rubinhays.com

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

October 20, 2016

Honorable Sandra K. Dunahoo
Commissioner and State Local Debt Officer
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601

Re: Green River Valley Water District
Notice of Intent to Issue Securities

Dear Ms. Dunahoo:

Pursuant to the regulations of the Kentucky Public Service Commission, specifically 807 KAR 5:001: Section 18(1)(g), please be advised that the Green River Valley Water District (the "District") hereby notifies the State Local Debt Officer that the District intends on issuing securities in the form of a loan from the Kentucky Rural Water Finance Corporation ("KRWFC") for the purpose of refinancing certain outstanding indebtedness of the District in order to achieve substantial interest cost savings for the District.

We will file the appropriate documents with your office in accordance with the requirements of KRS 65.117, once the securities are issued.

Very truly yours,

Rubin & Hays

By 
W. Randall Jones

WRJ:jlm
Enclosures
cc: Distribution List