

GREEN-TAYLOR WATER DISTRICT

P.O. Box 168
250 Industrial Park Road
Greensburg, KY 42743-0168
TTY 1-800-648-6956 or 711

Phone (270) 932-4947 (270) 932-7995 1-800-972-9347
Fax (270) 932-7036

RECEIVED

JAN 19 2018

**PUBLIC SERVICE
COMMISSION**

January 4, 2018

Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, KY 40601

RE: Green-Taylor Water District Alternative Rate Filing Application

Please find enclosed the forms and supporting documents of the Green-Taylor Water District Alternative Rate Filing Application. The ARF is being filed pursuant to 807 KAR 5:076.

Green-Taylor Water District is requesting from the Commission an increase of 15% to water rates to aid the District to continue to provide clean safe drinking water to current customers as well as provide a revenue stream that will allow the District to provide clean safe drinking water to unserved and future customers. The District understands no new rates shall become effective without Commission approval and the District's request of a 15% increase may be altered with a recommendation from the Commission with different rates than those proposed in this application. The District also request that the Commission, when rendering its decision, make any new rates effective the 1st day of the month following the issuance of its decision to coincide with the District's billing cycle.

A copy of this application and related filings has been sent to the Attorney General's Office of Rate Intervention, 1024 Capital Center Drive, Suite 200, Frankfort, KY 40601-8204.

Please contact me if there are any questions or further documentation needed regarding this application.

Sincerely,


Josh Pedigo
General Manager
Green-Taylor Water District

SUBMIT ORIGINAL AND FIVE ADDITIONAL COPIES, UNLESS FILING ELECTRONICALLY

APPLICATION FOR RATE ADJUSTMENT
BEFORE THE PUBLIC SERVICE COMMISSION

For Small Utilities Pursuant to 807 KAR 5:076
(Alternative Rate Filing)

RECEIVED

JAN 19 2018

**PUBLIC SERVICE
COMMISSION**

Green- Taylor Water Distirict
(Name of Utility)

P.O. Box 168

(Business Mailing Address - Number and Street, or P.O. Box)

Greensburg, KY 42743-0168

(Business Mailing Address - City, State, and Zip)

270-932-4947

(Telephone Number)

BASIC INFORMATION

NAME, TITLE, ADDRESS, TELEPHONE NUMBER and E-MAIL ADDRESS of the person to whom correspondence or communications concerning this application should be directed:

Josh Pedigo

(Name)

P.O. Box 168

(Address - Number and Street or P.O. Box)

Greensburg, KY 42743-0168

(Address - City, State, Zip)

270-932-4947

(Telephone Number)

gtwd@windstream.net

(Email Address)

(For each statement below, the Applicant should check either "YES", "NO", or "NOT APPLICABLE" (N/A))

- | | YES | NO | N/A |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| 1. a. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| b. Applicant operates two or more divisions that provide different types of utility service. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue from the division for which a rate adjustment is sought. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| 2. a. Applicant has filed an annual report with the Public Service Commission for the past year. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| b. Applicant has filed an annual report with the Public Service Commission for the two previous years. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| 3. Applicant's records are kept separate from other commonly-owned enterprises. | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

YES NO N/A

4. a. Applicant is a corporation that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- b. Applicant is a limited liability company that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- c. Applicant is a limited partnership that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- d. Applicant is a sole proprietorship or partnership.
- e. Applicant is a water district organized pursuant to KRS Chapter 74.
- f. Applicant is a water association organized pursuant to KRS Chapter 273.
5. a. A paper copy of this application has been mailed to Office of Rate Intervention, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.
- b. An electronic copy of this application has been electronically mailed to Office of Rate Intervention, Office of Attorney General at rateintervention@ag.ky.gov.
6. a. Applicant has 20 or fewer customers and has mailed written notice of the proposed rate adjustment to each of its customers no later than the date this application was filed with the Public Service Commission. A copy of this notice is attached to this application. (**Attach a copy of customer notice.**)
- b. Applicant has more than 20 customers and has included written notice of the proposed rate adjustment with customer bills that were mailed by the date on which the application was filed. A copy of this notice is attached to this application. (**Attach a copy of customer notice.**)
- c. Applicant has more than 20 customers and has made arrangements to publish notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in its service area, the first publication having been made by the date on which this Application was filed. A copy of this notice is attached to this application. (**Attach a copy of customer notice.**)
7. Applicant requires a rate adjustment for the reasons set forth in the attachment entitled "Reasons for Application." (**Attach completed "Reasons for Application" Attachment.**)

YES NO N/A

8. Applicant proposes to charge the rates that are set forth in the attachment entitled "Current and Proposed Rates." **(Attach completed "Current and Proposed Rates" Attachment.)**
9. Applicant proposes to use its annual report for the immediate past year as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31, 2016.
10. Applicant has reason to believe that some of the revenue and expense items set forth in its most recent annual report have or will change and proposes to adjust the test period amount of these items to reflect these changes. A statement of the test period amount, expected changes, and reasons for each expected change is set forth in the attachment "Statement of Adjusted Operations." **(Attach a completed copy of appropriate "Statement of Adjusted Operations" Attachment and any invoices, letters, contracts, receipts or other documents that support the expected change in costs.)**
11. Based upon test period operations, and considering any known and measurable adjustments, Applicant requires additional revenues of \$ 268,202.60 and total revenues from service rates of \$ 2,532,824.10. The manner in which these amounts were calculated is set forth in "Revenue Requirement Calculation" Attachment. **(Attach a completed "Revenue Requirement Calculation" Attachment.)**
12. As of the **date of the filing of this application**, Applicant had 6044 customers.
13. A billing analysis of Applicant's current and proposed rates is attached to this application. **(Attach a completed "Billing Analysis" Attachment.)**
14. Applicant's depreciation schedule of utility plant in service is attached. **(Attach a schedule that shows per account group: the asset's original cost, accumulated depreciation balance as of the end of the test period, the useful lives assigned to each asset and resulting depreciation expense.)**
15. a. Applicant has outstanding evidences of indebtedness, such as mortgage agreements, promissory notes, or bonds.
- b. Applicant has attached to this application a copy of each outstanding evidence of indebtedness (e.g., mortgage agreement, promissory note, bond resolution).
- c. Applicant has attached an amortization schedule for each outstanding evidence of indebtedness.

YES NO N/A

- 16. a. Applicant is not required to file state and federal tax returns.
- b. Applicant is required to file state and federal tax returns.
- c. Applicant's most recent state and federal tax returns are attached to this Application.
(Attach a copy of returns.)
- 17. Approximately _____ (Insert dollar amount or percentage of total utility plant) of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions.
- 18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires to complete such form.

By submitting this application, the Applicant consents to the procedures set forth in 807 KAR 5:076 and waives any right to place its proposed rates into effect earlier than six months from the date on which the application is accepted by the Public Service Commission for filing.

I am authorized by the Applicant to sign and file this application on the Applicant's behalf, have read and completed this application, and to the best of my knowledge all the information contained in this application and its attachments is true and correct.

Signed Ken Ferguson
Officer of the Company/Authorized Representative
 Title Chairman
 Date 1/8/18

COMMONWEALTH OF KENTUCKY
 COUNTY OF Green

Before me appeared Ken Ferguson, who after being duly sworn, stated that he/she had read and completed this application, that he/she is authorized to sign and file this application on behalf of the Applicant, and that to the best of his/her knowledge all the information contained in this application and its attachments is true and correct.

Mary Ann Clark Raines
 Notary Public
 My commission expires: April 18, 2020

LIST OF ATTACHMENTS
(Indicate all documents submitted by checking box)

- Customer Notice of Proposed Rate Adjustment
- "Reasons for Application" Attachment
- Current and Proposed Rates" Attachment
- "Statement of Adjusted Operations" Attachment
- "Revenue Requirements Calculation" Attachment
- Attachment Billing Analysis" Attachment
- Depreciation Schedules
- Outstanding Debt Instruments (i.e., Bond Resolutions, Mortgages, Promissory Notes, Amortization Schedules.)
- State Tax Return
- Federal Tax Return
- Statement of Disclosure of Related Party Transactions - ARF Form 3

CUSTOMER NOTICE

Notice is hereby given that the Green-Taylor Water District expects to file an application on or about February 1, 2018 with the Kentucky Public Service Commission seeking approval of a proposed adjustment to its water rates. The proposed rates shall not become effective until the Public Service Commission has issued an order approving these rates or six (6) months from the filing of the application, whichever occurs first.

5/8" x 3/4" Meter	CURRENT RATES	PROPOSED RATES	% CHANGE	\$ INCREASE
FIRST 2,000 gallons	\$20.40	\$23.46	15%	\$3.06
Next 3,000 gallons	\$8.50	\$9.78	15%	\$1.28
Next 5,000 gallons	\$6.80	\$7.82	15%	\$1.02
Over 10,000 gallons	\$4.33	\$4.98	15%	\$0.65

If the Public Service Commission approves the proposed rates, then the monthly bill for a residential customer using an average of 4,000 gallons per month will increase from \$37.40 to \$43.02. This is an increase of \$5.62 or 15%. The monthly bill for a commercial customer using an average of 3,000 gallons per month will increase from \$28.90 to \$33.24. This is an increase of \$4.34 or 15%.

The rates contained in this notice are the rates proposed by Green-Taylor Water District. However, the Public Service Commission may order rates to be changed that differ from these proposed rates. Such action may result in rates for consumers other than the rates shown in this notice.

The Green-Taylor Water District has available for inspection at its office the application which it submitted to the Public Service Commission. A person may examine this application at the Green-Taylor Water District Office located at 250 Industrial Park Road, Greensburg, KY 42743. You may contact the office at (270) 932-4947.

A person may also examine the application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, KY 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Public Service Commission through the website or by mail to Public Service Commission, PO Box 615, Frankfort, KY 40602. You may contact the Public Service Commission at 502-564-3940.

A person may submit a timely written request for intervention to the Public Service Commission, PO Box 615, Frankfort, KY 40602, establishing the grounds for the request including the status and interest of the party. If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of this notice, the Public Service Commission may take final action on the application.

REASONS FOR APPLICATION

(In the space below list all reasons why the Applicant requires a rate adjustment. Describe any event or occurrence of significance that may affect the Applicant's present or future financial condition, including but not limited to excessive water line losses, regulatory changes, major repairs, planned construction, and increases in wholesale water costs.)

Green-Taylor Water District is in the process of refinancing past debt from Rural Development. The water district needs to have a minimum of a 1.1 debt coverage ratio. Currently the district has a 0.7 debt coverage ratio.

Also, the water district is in the process of borrowing money from the Kentucky Infrastructure Authority to repair problematic lines and create loops in the system to reduce Disinfectant Byproducts (DBPs)

CURRENT AND PROPOSED RATES
(List Applicant's Current and Proposed Rates)

Green-Taylor Water District Current Rates:

Residential
 First 2,000 (Minimum Bill) - \$20.40
 Next 3,000 - \$8.50 per 1,000 Gallons
 Next 5,000 - \$6.80 per 1,000 Gallons
 Over 10,000 - \$4.33 per 1,000 Gallons

Residential 1 Inch
 First 5,000 (Minimum Bill) - \$44.14
 Next 5,000 - \$6.80 per 1,000 Gallons
 Next 10,000 - \$4.33 per 1,000 Gallons
 Over 20,000 - \$4.33 per 1,000 Gallons

Residential 2 inch
 First 20,000 (Minimum Bill) - \$112.64
 Over 20,000 - \$4.33 Per 1,000 Gallons

Commercial
 First 2,000 (Minimum Bill) - \$20.40
 Next 3,000 - \$8.50 per 1,000 Gallons
 Next 5,000 - \$6.80 per 1,000 Gallons
 Over 10,000 - \$4.33 per 1,000 Gallons

Commercial 1 Inch
 First 5,000 (Minimum Bill) - \$44.14
 Next 5,000 - \$6.80 per 1,000 Gallons
 Next 10,000 - \$4.33 per 1,000 Gallons
 Over 20,000 - \$4.33 per 1,000 Gallons

Commercial 2 Inch
 First 20,000 (Minimum Bill) - \$112.64
 Over 20,000 - \$4.33 per 1,000 Gallons

Small Trailer Park
 First 10,000 (Minimum Bill) - \$44.14
 Over 10,000 - \$4.33 per 1,000 Gallons

Trailer Park
 First 116,000 (Minimum Bill) - \$497.64
 Over 116,000 - \$3.99 per 1,000 Gallons

Green-Taylor Water District Proposed Rates:

Residential
 First 2,000 (Minimum Bill) - \$23.46
 Next 3,000 - \$9.78 per 1,000 Gallons
 Next 5,000 - \$7.82 per 1,000 Gallons
 Over 10,000 - \$4.98 per 1,000 Gallons

Residential 1 Inch
 First 5,000 (Minimum Bill) - \$50.77
 Next 5,000 - \$7.82 per 1,000 Gallons
 Over 10,000 - \$4.98 per 1,000 Gallons
 Over 20,000 - \$4.98 per 1,000 Gallons

Residential 2 Inch
 First 20,000 (Minimum Bill) - \$129.54
 Over 20,000 - \$4.98 per 1,000 Gallons

Commercial
 First 2,000 (Minimum Bill) - \$23.46
 Next 3,000 - \$9.78 per 1,000 Gallons
 Next 5,000 - \$7.82 per 1,000 Gallons
 Over 10,000 - \$4.98 per 1,000 Gallons

Commercial 1 Inch
 First 5,000 (Minimum Bill) - \$50.77
 Next 5,000 - \$7.82 per 1,000 Gallons
 Next 10,000 - \$4.98 per 1,000 Gallons
 Over 20,000 - \$4.98 per 1,000 Gallons

Commercial 2 Inch
 First 20,000 (Minimum Bill) - \$129.54
 Over 20,000 - \$4.98 per 1,000 Gallons

Small Trailer Park
 First 10,000 (Minimum Bill) - \$50.77
 Over 10,000 - \$4.98 per 1,000 Gallons

Trailer Park
 First 116,000 (Minimum Bill) - \$572.29
 Over 116,000 - \$4.59 per 1,000 Gallons

SCHEDULE OF ADJUSTED OPERATIONS - WATER UTILITY

TYE 12/31/20 16

	Test Year	Adjustment	Ref.	Pro Forma
<u>Operating Revenues</u>				
Sales of Water				
Unmetered Water Sales				0.00
Metered Water Sales	2,239,901.43			2,239,901.43
Bulk Loading Stations				0.00
Fire Protection Revenue				0.00
Sales for Resale	24,720.07			24,720.07
Total Sales of Water	<u>2,264,621.50</u>	<u>0.00</u>		<u>2,264,621.50</u>
Other Water Revenues				
Forfeited Discounts	39,625.83			39,625.83
Miscellaneous Service Revenues	57,757.78			57,757.78
Rents from Water Property	18,471.68			18,471.68
Other Water Revenues	27,686.22			27,686.22
Total Other Water Revenues	<u>143,541.51</u>	<u>0.00</u>		<u>143,541.51</u>
Total Operating Revenues	<u>2,408,163.01</u>	<u>0.00</u>		<u>2,408,163.01</u>
<u>Operating Expenses</u>				
Operation and Maintenance Expenses				
Salaries and Wages - Employees	431,017.22			431,017.22
Salaries and Wages - Officers	18,200.04			18,200.04
Employee Pensions and Benefits	298,345.66			298,345.66
Purchased Water	731,981.39			731,981.39
Purchased Power	71,124.47			71,124.47
Fuel for Power Production				0.00
Chemicals				0.00
Materials and Supplies	102,829.23			102,829.23
Contractual Services	54,776.48			54,776.48
Water Testing	8,940.00			8,940.00
Rents				0.00
Transportation Expenses	35,277.45			35,277.45
Insurance	31,269.34			31,269.34
Regulatory Commission Expenses	4,536.12			4,536.12
Bad Debt Expense	8,454.81			8,454.81

REVENUE REQUIREMENT CALCULATION - DEBT COVERAGE METHOD

(This method is used commonly by non-profits that have long-term debts outstanding.)

Pro forma Operating Expenses	\$2,230,938.11
Plus: Average Annual Debt Principal and Interest Payments*	445,427.50
Debt Coverage Requirement**	
Total Revenue Requirement	<u>2,676,365.61</u>
Less: Other Operating Revenue	-119,383.61
Non-operating Revenue	-19,041.20
Interest Income	<u>-5,116.70</u>
Revenue Required from Rates	2,532,824.10
Less: Revenue from Sales at Present Rates	<u>-2,264,621.50</u>
Required Revenue Increase	<u><u>\$268,202.60</u></u>

Required Revenue Increase stated as a Percentage of Revenue at Present Rates 11.84%

* This should be a 3 year average calculated using the debt principal and interest payments for the three years following the test year.

** This amount is calculated by multiplying the average annual debt principal and interest payments by the debt service requirement of the utility's lending agency.

Revenue from Present/Proposed Rates
Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Residential _____

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 2,000	(5) Next 3,000	(6) Next 5,000	(7) Over 10,000	(8)	(9) Total
First 2,000 Minimum Bill	21,500	23,136,720	23,136,720					23,136,720
Next 3,000	24,240	81,092,862	48,480,000	32,612,862				81,092,862
Next 5,000	9,094	61,060,260	18,188,000	27,282,000	15,590,260			61,060,260
Over 10,000	3,041	73,189,791	6,082,000	9,123,000	15,205,000	42,779,791		73,189,791
Totals	57,875	238,479,633	95,886,720	69,017,862	30,795,260	42,779,791		238,479,633

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 2,000 Minimum Bill	57,875	95,886,720	\$20.40 Minimum Bill	\$1,180,650.00
Next 3,000		69,017,862	\$8.50 per 1,000 Gal.	\$586,651.83
Next 5,000		30,795,260	\$6.80 per 1,000 Gal.	\$209,407.77
Over 10,000		42,779,791	\$4.33 per 1,000 Gal.	\$185,236.50
Totals	57,875	238,479,633		\$2,161,946.10

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Proposed Residential

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 2,000	(5) Next 3,000	(6) Next 5,000	(7) Over 10,000	(8)	(9) Total
First 2,000 Minimum Bill	21,500	23,136,720	23,136,720					23,136,720
Next 3,000	24,240	81,092,862	48,480,000	32,612,862				81,092,862
Next 5,000	9,094	61,060,260	18,188,000	27,282,000	15,590,260			61,060,260
Over 10,000	3,041	73,189,791	6,082,000	9,123,000	15,205,000	42,779,791		73,189,791
Totals	57,875	238,479,633	95,886,720	69,017,862	30,795,260	42,779,791		238,479,633

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 2,000 Minimum Bill	57,875	95,886,720	\$23.46 Minimum Bill	\$1,357,747.50
Next 3,000		69,017,862	\$9.78 per 1,000 Gal.	\$674,994.69
Next 5,000		30,795,260	\$7.82 per 1,000 Gal.	\$240,818.93
Over 10,000		42,779,791	\$4.98 per 1,000 Gal.	\$213,043.36
Totals	57,875	238,479,633		\$2,486,604.48

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Residential 1 Inch

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 5,000	(5) Next 5,000	(6) Next 10,000	(7) Over 20,000	(8)	(9) Total
First 5,000 Minimum Bill	264	774,353	774,353					774,353
Next 5,000	156	1,038,735	780,000	258,735				1,038,735
Next 10,000	39	551,112	195,000	195,000	161,112			551,112
Over 20,000	52	2,281,581	260,000	260,000	520,000	1,241,581		2,281,581
Totals	511	4,645,781	2,009,353	713,735	681,112	1,241,581		4,645,781

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 5,000 Minimum Bill	511	2,009,353	\$44.14 Minimum Bill	\$22,555.54
Next 5,000		713,735	\$6.80 per 1,000 Gal.	\$4,853.40
Next 10,000		681,112	\$4.33 per 1,000 Gal.	\$2,949.21
Over 20,000		1,241,581	\$4.33 per 1,000 Gal.	\$5,376.05
Totals	511	4,645,781		\$35,734.20

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
 Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Proposed Residential 1 Inch

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 5,000	(5) Next 5,000	(6) Next 10,000	(7) Over 20,000	(8)	(9) Total
First 5,000 Minimum Bill	264	774,353	774,353					774,353
Next 5,000	156	1,038,735	780,000	258,735				1,038,735
Next 10,000	39	551,112	195,000	195,000	161,112			551,112
Over 20,000	52	2,281,581	260,000	260,000	520,000	1,241,581		2,281,581
Totals	511	4,645,781	2,009,353	713,735	681,112	1,241,581		4,645,781

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 5,000 Minimum Bill	511	2,009,353	\$50.77 Minimum Bill	\$25,943.47
Next 5,000		713,735	\$7.82 per 1,000 Gal.	\$5,581.41
Next 10,000		681,112	\$4.98 per 1,000 Gal.	\$3,391.94
Over 20,000		1,241,581	\$4.98 per 1,000 Gal.	\$6,183.07
Totals	511	4,645,781		\$41,099.89

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
 Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Residential 2 Inch

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 20,000	(5) Over 20,000	(6)	(7)	(8)	(9) Total
First 20,000 Minimum Bill	41	541,086	541,086					541,086
Over 20,000 Gallon	33	6,893,564	660,000	6,233,564				6,893,564
Totals	74	7,434,650	1,201,086	6,233,564				7,434,650

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 20,000 Minimum Bill	74	1,201,086	\$112.64 Minimum Bill	\$8,335.36
Over 20,000 Gallons		6,233,564	\$4.33 per 1,000 Gallon	\$26,991.33
Totals		7,434,650		\$35,326.69

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Proposed Residential 2 Inch

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 20,000	(5) Over 20,000	(6)	(7)	(8)	(9) Total
First 20,000 Minimum Bill	41	541,086	541,086					541,086
Over 20,000 Gallon	33	6,893,564	660,000	6,233,564				6,893,564
Totals	74	7,434,650	1,201,086	6,233,564				7,434,650

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 20,000 Minimum Bill	74	1,201,086	\$129.54 Minimum Bill	\$9,585.96
Over 20,000 Gallpons		6,233,564	\$4.98 per 1,000 Gallon	\$31,043.15
Totals		7,434,650		\$40,629.11

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
 Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 2,000	(5) Next 3,000	(6) Next 5,000	(7) Over 10,000	(8)	(9) Total
First 2,000 Minimum Bill	362	235,373	235,373					235,373
Next 3,000	131	431,075	262,000	169,075				431,075
Next 5,000	67	468,495	134,000	201,000	133,495			468,495
Next 10,000	63	1,152,360	126,000	189,000	315,000	522,360		1,152,360
Totals	623	2,287,303	757,373	559,075	448,495	522,360		2,287,303

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 2,000 Minimum Bill	623	757,373	\$20.40 Minimum Bill	\$12,709.20
Next 3,000		559,075	\$8.50 per 1,000 Gal.	\$4,752.14
Next 5,000		448,495	\$6.80 per 1,000 Gal.	\$3,049.77
Over 10,000		522,360	\$4.33 per 1,000 Gal.	\$2,261.82
Totals	623	2,287,303		\$22,722.93

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
 Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
 Usage by Rate Increment

Class: Proposed Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 2,000	(5) Next 3,000	(6) Next 5,000	(7) Over 10,000	(8)	(9) Total
First 2,000 Minimum Bill	362	235,373	235,373					235,373
Next 3,000	131	431,075	262,000	169,075				431,075
Next 5,000	67	468,495	134,000	201,000	133,495			468,495
Next 10,000	63	1,152,360	126,000	189,000	315,000	522,360		1,152,360
Totals	623	2,287,303	757,373	559,075	448,495	522,360		2,287,303

REVENUE TABLE
 Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 2,000 Minimum Bill	623	757,373	\$23.46 Minimum Bill	\$14,615.58
Next 3,000		559,075	\$9.78 per 1,000 Gal.	\$5,467.75
Next 5,000		448,495	\$7.82 per 1,000 Gal.	\$3,507.23
Over 10,000		522,360	\$4.98 per 1,000 Gal.	\$2,601.35
Totals	623	2,287,303		\$26,191.91

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: 1 Inch Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 5,000	(5) Next 5,000	(6) Next 10,000	(7) Over 20,000	(8)	(9) Total
First 5,000 Minimum Bill	27	86,941	86,941					86,941
Next 5,000	5	31,712	25,000	6,712				31,712
Next 10,000	1	10,500	5,000	5,000	500			10,500
Over 20,000	22	3,518,457	110,000	110,000	220,000	3,078,457		3,518,457
Totals	55	3,647,610	226,941	121,712	220,500	3,078,457		3,647,610

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 5,000 Minimum Bill	55	226,941	\$44.14 Minimum Bill	\$2,427.70
Next 5,000		121,712	\$6.80 per 1,000 Gal.	\$827.64
Next 10,000		220,500	\$4.33 per 1,000 Gal.	\$954.76
Over 20,000		3,078,457	\$4.33 per 1,000 Gal.	\$13,329.72
Totals	55	3,647,610		\$17,539.82

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Proposed 1 Inch Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 5,000	(5) Next 5,000	(6) Next 10,000	(7) Over 20,000	(8)	(9) Total
First 5,000 Minimum Bill	27	86,941	86,941					86,941
Next 5,000	5	31,712	25,000	6,712				31,712
Next 10,000	1	10,500	5,000	5,000	500			10,500
Over 20,000	22	3,518,457	110,000	110,000	220,000	3,078,457		3,518,457
Totals	55	3,647,610	226,941	121,712	220,500	3,078,457		3,647,610

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 5,000 Minimum Bill	55	226,941	\$50.77 Minimum Bill	\$2,792.35
Next 5,000		121,712	\$7.82 per 1,000 Gal.	\$951.79
Next 10,000		220,500	\$4.98 per 1,000 Gal.	\$1,098.09
Over 20,000		3,078,457	\$4.98 per 1,000 Gal.	\$15,330.72
Totals	55	3,647,610		\$20,172.95

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: 2 Inch Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 20,000	(5) Over 20,000	(6)	(7)	(8)	(9) Total
First 20,000 Minimum Bill	44	502,767	502,767					502,767
Over 20,000	103	14,322,902	2,060,000	12,262,902				14,322,902
Totals	147	14,825,669	2,562,767	12,262,902				14,825,669

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 20,000 Minimum Bill	147	2,562,767	\$112.64 Minimum Bill	\$16,558.08
Over 20,000		12,262,902	\$4.33 per 1,000 Gal.	\$53,098.37
Totals	147	14,825,669		\$69,656.45

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

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Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Proposed 2 Inch Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 20,000	(5) Over 20,000	(6)	(7)	(8)	(9) Total
First 20,000 Minimum Bill	44	502,767	502,767					502,767
Over 20,000	103	14,322,902	2,060,000	12,262,902				14,322,902
Totals	147	14,825,669	2,562,767	12,262,902				14,825,669

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 20,000 Minimum Bill	147	2,562,767	\$129.54 Minimum Bill	\$19,042.38
Over 20,000		12,262,902	\$4.98 per 1,000 Gal.	\$61,069.25
Totals	147	14,825,669		\$80,111.63

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
 Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Small Trailer Park

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 10,000	(5) Over 10,000	(6)	(7)	(8)	(9) Total
First 10,000 Minimum Bill	11	88,364	88,364					88,364
Over 10,000	1	12,036	10,000	2,036				12,036
Totals	12	100,400	98,364	2,036				100,400

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 10,000 Minimum Bill	12	98,364	\$44.14 Minimum Bill	\$529.68
Over 10,000		2,036	\$4.33 per 1,000 Gal.	\$8.82
Totals	12	100,400		\$538.50

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
 Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Proposed Small Trailer Park

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 10,000	(5) Over 10,000	(6)	(7)	(8)	(9) Total
First 10,000 Minimum Bill	11	88,364	88,364					88,364
Over 10,000	1	12,036	10,000	2,036				12,036
Totals	12	100,400	98,364	2,036				100,400

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 10,000 Minimum Bill	12	98,364	\$50.77 Minimum Bill	\$609.24
Over 10,000		2,036	\$4.98 per 1,000 Gal.	\$10.14
Totals	12	100,400		\$619.38

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
 Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Trailer Park

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 116,000	(5) Over 116,000	(6)	(7)	(8)	(9) Total
First 116,000 Minimum Bill	1	74,800	74,800					74,800
Over 116,000	11	3,452,000	1,276,000	2,176,000				3,452,000
Totals	12	3,526,800	1,350,800	2,176,000				3,526,800

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 116,000 Minum Bill	12	1,350,800	\$497.64 Minimum Bill	\$5,971.68
Over 116,000		2,176,000	\$3.99 per 1,000 Gal.	\$8,682.24
Totals	12	3,526,800		\$14,653.92

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-16 to 12-31-16

USAGE TABLE
Usage by Rate Increment

Class: Proposed Trailer Park

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 116,000	(5) Over 116,000	(6)	(7)	(8)	(9) Total
First 116,000 Minimum Bill	1	74,800	74,800					74,800
Over 116,000	11	3,452,000	1,276,000	2,176,000				3,452,000
Totals	12	3,526,800	1,350,800	2,176,000				3,526,800

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 116,000 Minum Bill	12	1,350,800	\$572.29 Minimum Bill	\$6,867.48
Over 116,000		2,176,000	\$4.59 per 1,000 Gal.	\$9,987.84
Totals	12	3,526,800		\$16,855.32

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

**GREEN-TAYLOR WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015**

NOTE 4: CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2016 and 2015 was as follows:

	Balance 12/31/15	Additions	Deletions	Balance 12/31/16
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 50,235	\$ -	\$ -	\$ 50,235
Construction in Progress	11,234	27,157	25,032	13,359
Total Capital Assets Not Being Depreciated	61,469	27,157	25,032	63,594
Capital Assets Being Depreciated:				
Buildings	151,733	27,762	-	179,495
Utility Plant	15,437,980	-	-	15,437,980
Service Equipment	272,743	66,128	-	338,871
Office Furniture and Equipment	53,101	-	-	53,101
Total Capital Assets Being Depreciated	\$ 15,915,557	\$ 93,890	\$ -	\$ 16,009,447
Accumulated Depreciation				
Buildings	\$ 83,573	\$ 5,022	\$ -	\$ 88,595
Utility Plant	5,242,106	288,720	-	5,530,826
Service Equipment	202,986	18,170	-	221,156
Office Furniture and Equipment	42,803	1,740	-	44,543
Total Accumulated Depreciation	5,571,468	313,652	-	5,885,120
Total Capital Assets Being Depreciated, Net	10,344,089	(219,762)	-	10,124,327
Total Capital Assets, Net	\$ 10,405,558	\$ (192,605)	\$ 25,032	\$ 10,187,921

The District's depreciation expense for the year ended December 31, 2016 was \$313,652.

	Balance 12/31/14	Additions	Deletions	Balance 12/31/15
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 50,235	\$ -	\$ -	\$ 50,235
Construction in Progress	-	11,234	-	11,234
Total Capital Assets Not Being Depreciated	50,235	11,234	-	61,469
Capital Assets Being Depreciated:				
Buildings	151,733	-	-	151,733
Utility Plant	15,432,916	5,064	-	15,437,980
Service Equipment	272,743	-	-	272,743
Office Furniture and Equipment	51,701	1,400	-	53,101
Total Capital Assets Being Depreciated	\$ 15,909,093	\$ 6,464	\$ -	\$ 15,915,557
Accumulated Depreciation				
Buildings	\$ 79,138	\$ 4,435	\$ -	\$ 83,573
Utility Plant	4,948,679	293,427	-	5,242,106
Service Equipment	190,990	11,996	-	202,986
Office Furniture and Equipment	40,555	2,248	-	42,803
Total Accumulated Depreciation	5,259,362	312,106	-	5,571,468
Total Capital Assets Being Depreciated,	10,649,731	(305,642)	-	10,344,089
Total Capital Assets, Net	\$ 10,699,966	\$ (294,408)	\$ -	\$ 10,405,558

GREEN-TAYLOR WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015

NOTE 5: LONG-TERM OBLIGATIONS

Revenue Bonds with principal payments are detailed as follows:

	2016	2015
1979 Waterworks Revenue Bond, original amount \$663,000 maturing January 1, 2019 with a rate of 5%	\$ 111,000	\$ 145,000
1994 Waterworks Revenue Bond, original amount \$466,000 maturing January 1, 2034, with a rate of 4.50%, principal payments commencing January 1, 1997	323,000	334,000
1995 Waterworks Revenue Bond, original amount \$675,000 maturing January 1, 2035, with a rate of 4.875%, principal payments commencing January 1, 1998	489,000	504,000
2001 Waterworks Revenue Bond, original amount \$252,000 maturing January 1, 2041, with a rate of 4.75%, principal payments commencing January 1, 2004	209,500	214,000
2004 Series A Waterworks Revenue Bond, original amount \$673,000 maturing January 1, 2044, with a rate of 4.75%, principal payments commencing January 1, 2007	579,000	590,000
2004 Series B Waterworks Revenue Bond, original amount \$297,000 maturing January 1, 2044, with a rate of 4.375%, principal payments commencing January 1, 2007	253,000	258,000
2004 Refinancing of 1987, 1989, 1990, and 1993 Waterworks Revenue Bonds, original amount \$2,610,000 maturing January 1, 2027, with a variable rate of 2.28%-4.405%, principal payments commencing January 1, 2005	1,600,000	1,709,000
Total Debt	3,564,500	3,754,000
Payments Due in Less Than One Year	196,500	189,500
Total Long-Term Obligations	\$ 3,368,000	\$ 3,564,500

The annual requirements to amortize all bonded debt outstanding as of December 31, 2016 are as follows:

	Principal	Interest	Total
2017	\$ 196,500	\$ 157,752	\$ 354,252
2018	207,000	148,980	355,980
2019	217,500	139,697	357,197
2020	189,000	130,836	319,836
2021	199,500	122,433	321,933
2022-2026	1,162,500	466,784	1,629,284
2027-2031	565,500	257,184	822,684
2032-2036	445,000	146,325	591,325
2037-2041	282,000	70,433	352,433
2042-2046	100,000	13,823	113,823
	\$ 3,564,500	\$ 1,654,247	\$ 5,218,747

GREEN-TAYLOR WATER DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 Years Ended December 31, 2016 and 2015

NOTE 5: LONG-TERM OBLIGATIONS - (CONTINUED)

The District entered into a loan from a local bank in December 2016 for the purpose of making capital purchases of a new truck and trailer for the District's use. The terms of the loan are \$66,220 maturing December 21, 2021, with a rate of 2.60%, with principle and interest payments due monthly, beginning January 21, 2017. Debt service on the loan is as follows:

	Principal	Interest	Total
2017	\$ 12,601	\$ 1,600	\$ 14,201
2018	12,890	1,264	14,154
2019	13,235	919	14,154
2020	13,588	566	14,154
2021	13,906	201	14,107
	<u>\$ 66,220</u>	<u>\$ 4,549</u>	<u>\$ 70,769</u>

Long-Term liability activity for the year ended December 31, 2016, was as follows:

	12/31/2015 Balance	Additions	Reductions	12/31/2016 Balance
Revenue Bonds	\$ 3,754,000	\$ -	\$ 189,500	\$ 3,564,500
Notes Payable	-	66,220	-	66,220
	<u>\$ 3,754,000</u>	<u>\$ 66,220</u>	<u>\$ 189,500</u>	<u>\$ 3,630,720</u>

NOTE 6: RISK MANAGEMENT

The Green-Taylor Water District is exposed to various risks and losses related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters. The District purchases commercial insurance to cover these instances.

The District did not have settled claims that exceeded the District's commercial insurance coverage in any of the past three years.

NOTE 7: PENSION PLAN

General information about the County Employees retirement system Hazardous & Non-Hazardous ("CERS")

Plan description – Employees of the Green-Taylor Water District are covered by the CERS, a cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Retirement System, an agency of the Commonwealth of Kentucky. Under the provisions of the Kentucky Revised Statute ("KRS") Section 61.645, the Board of Trustees of the Kentucky Retirement administers CERS and has the authority to establish and amend benefit provisions. The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained from <http://kyret.ky.gov/>.



R-1

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
COUNTIES OF GREEN AND TAYLOR

GREEN-TAYLOR WATER DISTRICT

WATERWORKS REVENUE BOND OF 1979

KNOW ALL MEN BY THESE PRESENTS: That the GREEN-TAYLOR WATER DISTRICT, acting by and through its Commission, a public body corporate in Green and Taylor Kentucky, for value received, hereby promises to pay to the registered owner hereof, solely from the special fund hereinafter identified, the sum of

SIX HUNDRED SIXTY-THREE THOUSAND DOLLARS (\$663,000),

on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal
1982	\$ 4,000	1995	\$12,000	2008	\$20,000
1983	5,000	1996	12,000	2009	22,000
1984	6,000	1997	14,000	2010	24,000
1985	8,000	1998	14,000	2011	25,000
1986	8,000	1999	14,000	2012	26,000
1987	8,000	2000	15,000	2013	26,000
1988	9,000	2001	15,000	2014	26,000
1989	9,000	2002	15,000	2015	26,000
1990	10,000	2003	15,000	2016	26,000
1991	10,000	2004	18,000	2017	26,000
1992	10,000	2005	18,000	2018	27,000
1993	10,000	2006	18,000	2019	28,000
1994	12,000	2007	18,000	2020	28,000

without deduction for exchange or adjustment charges, and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, at the rate of five percent (5%) per annum, semi-annually on the first days of January and July in each year hereafter, until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto; both principal and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the registered owner shown on the registration book of the District.

This Bond is issued by the District hereof and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 74 and 106 of the Kentucky Revised Statutes, as amended, and pursuant to a duly adopted Bond Resolution of the District authorizing the same (the "Current Bond Resolution"), to which Resolution reference is hereby made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond and the rights, obligations and duties of the District, for the purpose of financing the debt (but not otherwise provided) for the construction of, extensions, additions, and improvements to the existing waterworks system of the District (said existing waterworks system, together with said extensions, additions, and improvements, being hereinafter referred to as the "Waterworks System" or the "System").

This Bond ranks on a parity as to security and solvent assets with \$4,250,000 of outstanding Green-Taylor Water District Water Works System Revenue Bonds, dated April 18, 1966 (the "Prior Bonds"), authorized by a Resolution adopted by the Commission of the Water District on December 21, 1965 (the "Prior Bond Resolution").

This Bond has been issued in full compliance with the Prior Bond Resolution (pursuant to the consent of the holder of all of the Prior Bonds); and this Bond, together with said Prior Bonds, and any bonds ranking on a parity therewith that may be issued and outstanding under the conditions and restrictions of the Current and Prior Bond Resolutions, are and will continue to be payable on a parity first lien basis from and secured by an exclusive pledge of a fixed portion of the gross revenues to be derived from the operation of the System, which fixed portion of said revenues shall be sufficient to pay the principal and interest on the Prior Bonds, this Bond, and any additional bonds ranking on a parity therewith, as may be issued and outstanding under the conditions and restrictions set out in said Bond Resolutions, as and when the same become due and payable, and a sufficient portion of which revenues shall be set aside as a special fund for that purpose and identified as the Green-Taylor Water District "Waterworks Bond and Interest Sinking Fund," created in the Prior Bond Resolution.

This Bond does not constitute an indebtedness of the District within the meaning of any constitutional or statutory provisions or limitations, and is payable solely out of the

revenues of the System. As provided in the Current Bond Resolution, the District that so long as any of the Prior Bonds and/or this Bond, are outstanding, the System continuously owned and operated by the District as a revenue-producing under the meaning of the aforesaid Statutes for the security and source of payment of Bonds and of this Bond, and that the District will fix, and if necessary adjust, in time, such rates for the services and facilities of the System and will collect and receive revenues therefrom sufficient to pay promptly the interest on and principal of this Bond, and all other bonds ranking on a parity therewith as may be outstanding hereunder, and to pay the cost of operation and maintenance of the System.

A first lien security interest, which is hereby recognized as valid and binding waterworks system, has been created and granted by the District by the Current Bond Resolution to said Statutes, and more particularly Section 106.080 of the Revised Statutes, to and in favor of the registered owner of this Bond, ranking with the Prior Bonds, and the System and all appurtenant, interest and extensions shall remain subject to such statutory mortgage lien and payment in full of the principal and interest on the Prior Bonds and on this Bond.

This Bond shall be registered as to principal and interest in the name of hereof, after which it shall be transferable only upon presentation to the Secretary of the Bond Registrar, with a written receipt duly acknowledged by the owner of his duly authorized attorney, which receipt shall be recorded on this upon the book of the District kept for that purpose.

As provided in the Current Bond Resolution, this Bond is exchangeable at the option of the registered owner hereof at any time, upon ninety days' written notice, at such registered owner and upon surrender of this Bond to the District, for coupon bonds, payable to bearer, registrable as to principal only, in an amount not exceeding \$10,000 per coupon bond, or a lesser denomination in a multiple consistent with the maturities hereof, in an aggregate principal amount equal to the unpaid principal amount of the Bond, and the interest on the coupon bonds as provided in the Current Bond Resolution, with the annual interest representing the actual interest accrued on the principal amount of the Bond, at its option, shall have the right to prepay, on any interest payment date after January 1, 1980, in inverse chronological order of the installments of this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser amount, in a multiple of One Thousand Dollars (\$1,000), as the District may determine, in an amount equivalent to the principal amount to be prepaid plus accrued interest on such prepayment, without any prepayment charges. Notice of such prepayment shall be given in writing to the registered owner of this Bond or his assignee, as to which the District shall be deemed to have the written consent of the registered owner of this Bond.

So long as the registered owner of this Bond is the United States Government or any agency thereof, the entire principal amount of this Bond, or installments in any amount of \$1,000, may be prepaid at any time in inverse chronological order of the installments. Upon default in the payment of any principal or interest payment on this Bond by the District to comply with any other provision of this Bond or with any provision of the Current Bond Resolution, the registered owner may, at his option, institute all remedies provided by law or by said Resolution.

This Bond is exempt from taxation in the Commonwealth of Kentucky. It is hereby certified, recited and declared that all acts, conditions and things which are required to exist, happen, and be performed precedent to and in the issuance of this Bond have happened, and have been performed in due time, form, and manner as required and that the face amount of this Bond, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF said GREEN-TAYLOR WATER DISTRICT, by its Chairman, has caused this Bond to be executed by its Chairman, its corporate seal to be hereunto affixed, and attested by its Secretary, on the date of this Bond, which is

GREEN-TAYLOR WATER DISTRICT
Green and Taylor Counties, Kentucky

Attest:

By

Secretary

Chairman

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
COUNTIES OF GREEN, TAYLOR AND METCALFE

REGISTERED

GREEN-TAYLOR WATER DISTRICT
WATERWORKS REVENUE BONDS, SERIES 1994
INTEREST RATE: 4.50%

REGISTERED

NUMBER
R-1

PRINCIPAL AMOUNT
\$466,000

KNOW ALL MEN BY THESE PRESENTS: That the Green-Taylor Water District (the "District"), acting by and through its Board of Commissioners (the "Commission"), a public body corporate in Green, Taylor and Metcalfe Counties, Kentucky, for value received, hereby promises to pay to UNITED STATES OF AMERICA, acting by and through the U.S. DEPARTMENT OF AGRICULTURE, the registered owner hereof, or to its registered assigns, solely from the fund hereinafter identified, the sum of

FOUR HUNDRED SIXTY-SIX THOUSAND DOLLARS (\$466,000)

on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal
1997	\$4,000	2010	8,000	2023	\$15,000
1998	5,000	2011	9,000	2024	16,000
1999	5,000	2012	9,000	2025	17,000
2000	5,000	2013	9,000	2026	18,000
2001	5,000	2014	10,000	2027	19,000
2002	6,000	2015	10,000	2028	19,000
2003	6,000	2016	11,000	2029	21,000
2004	6,000	2017	11,000	2030	22,000
2005	6,000	2018	12,000	2031	23,000
2006	7,000	2019	13,000	2032	24,000
2007	7,000	2020	13,000	2033	25,000
2008	7,000	2021	14,000	2034	26,000
2009	8,000	2022	15,000		

District (said existing waterworks system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

This Bond ranks on a parity as to security and source of payment with certain outstanding Green-Taylor Water District Water Works System Revenue Bonds, dated April 18, 1966 (the "Bonds of 1966"), authorized by a Resolution adopted by the Commission of the District on December 27, 1965 (the "1966 Bond Resolution"); the outstanding Green-Taylor Water District Waterworks Revenue Bonds of 1979, dated November 8, 1979 (the "Bonds of 1979"), authorized by a Resolution adopted by the Commission of the District on July 12, 1979 (the "1979 Bond Resolution"); the outstanding Green-Taylor Water District Waterworks Revenue Bonds of 1987, dated October 22, 1987 (the "Bonds of 1987"), authorized by a Resolution adopted by the Commission of the District on June 8, 1987 (the "1987 Bond Resolution"); the outstanding Green-Taylor Water District Waterworks Revenue Bonds of 1989, dated July 5, 1989 (the "Bonds of 1989"), authorized by a Resolution adopted by the Commission of the District on June 22, 1989 (the "1989 Bond Resolution"); the outstanding Green-Taylor Water District Waterworks Revenue Bonds of 1990, dated February 13, 1991 (the "Bonds of 1990"), authorized by a Resolution adopted by the Commission of the District on July 10, 1990 (the "1990 Bond Resolution") and the outstanding Green-Taylor Water District Waterworks Revenue Bonds of 1992, dated December 9, 1993 (the "Bonds of 1992"), authorized by a Resolution adopted by the District on January 5, 1993 (the "1993 Bond Resolution") [hereinafter the Bonds of 1966, Bonds of 1979, Bonds of 1987, Bonds of 1989, Bonds of 1990 and the Bonds of 1992 shall be collectively referred to as the "Prior Bonds", and the 1994 Bond Resolution, the 1966 Bond Resolution, the 1979 Bond Resolution, the 1987 Bond Resolution, the 1989 Bond Resolution, the 1990 Bond Resolution and the 1993 Bond Resolution shall be collectively referred to as the "Prior Bond Resolutions"].

and in like manner, solely from said fund, to pay interest on the Bonds from time to time, hereinafter provided, at the interest rate specified above, semi-annually on the first days of January and July of each year, beginning with the first day of January or July after the date of this Bond, and said interest is to be paid in cash, or by check, or by draft on a bank, or by any other means of payment may be and become applicable, without any deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the registered owner, shown on the registration book of the District.

FURTHER PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE HEREOF

It is hereby certified, under oath, that all conditions and things required to exist, happen and be performed in order to do in the issuance of this Bond, its date, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

This Bond is issued by the District under and in compliance with the Commission and Statutes of the Commonwealth of Kentucky, including Chapters 56 and 74 of the Kentucky Revised Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing (in name the "Current Bond Resolution"), to which Current Bond Resolution reference is hereby made for a description of the nature and extent of the security hereby created, the rights and limitations of rights of the registered owner of this bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing waterworks system of the

IN WITNESS WHEREOF said Green-Taylor Water District, by its Board of Commissioners, has caused this Bond to be executed by its Chairman, its corporate seal to be hereunto affixed, and attested by its Secretary, on the date of this Bond, which is:

Attest: _____
Secretary

GREEN-TAYLOR WATER DISTRICT
Green, Taylor and Metcalfe Counties, Kentucky

By: _____
Chairman

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
COUNTIES OF GREEN, TAYLOR AND METCALFE

REGISTERED

GREEN-TAYLOR WATER DISTRICT
WATERWORKS REVENUE BONDS, SERIES 1995
INTEREST RATE: 4.875%

REGISTERED

NUMBER
R-1

PRINCIPAL AMOUNT
\$675,000

KNOW ALL MEN BY THESE PRESENTS That the Green-Taylor Water District (the "District"), acting by and through its Board of Commissioners (the "Commission"), a public body corporate in Green, Taylor and Metcalfe Counties Kentucky, for value received, hereby promises to pay to UNITED STATES OF AMERICA, acting by and through the U.S. DEPARTMENT OF AGRICULTURE, 771 Corporate Drive, Suite 200, Lexington, Kentucky 40503-5477, the registered owner hereof, or to its registered assigns, solely from the fund hereinafter identified, the sum of

SIX HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$675,000)

on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal
1999	\$ 6,000	2011	\$12,000	2024	\$23,000
1999	6,000	2012	12,000	2025	23,000
2000	7,000	2013	13,000	2026	24,000
2001	7,000	2014	13,000	2027	25,000
2002	7,000	2015	14,000	2028	26,000
2003	8,000	2016	15,000	2029	27,000
2004	8,000	2017	16,000	2030	28,000
2005	9,000	2018	16,000	2031	29,000
2006	9,000	2019	17,000	2032	30,000
2007	9,000	2020	18,000	2033	31,000
2008	10,000	2021	19,000	2034	32,000
2009	10,000	2022	20,000	2035	33,000
2010	11,000	2023	21,000		

and in like manner, solely from said fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, at the interest rate specified above, semi-annually on the first days of January and July of each year, beginning with the first January or July after the date of this Bond, until said sum is paid, except as the provisions hereinafter set forth with respect to previously issued bonds and second applicable hereby, both principal and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the registered owner shown on the registration book of the District.

This Bond is issued by the District under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 28 and 74 of the Kentucky Revised Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing same (the "Current Bond Resolution"), to which Current Bond Resolution reference is hereby made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing waterworks system of the District (said existing waterworks system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

This Bond ranks on a parity as to security and source of payment with certain outstanding (i) Green-Taylor Water District Waterworks System Revenue Bonds, dated April 18, 1966 (the "Bonds of 1966"), authorized by a Resolution adopted by the District on December 21, 1965 (the "1966 Bond Resolution"); (ii) Green-Taylor Water District Waterworks Revenue Bonds of 1979, dated November 8, 1979 (the "Bonds of 1979"), authorized by a Resolution adopted by the District on July 12, 1979 (the "1979 Bond Resolution"); (iii) Green-Taylor Water District Waterworks Revenue Bond of 1987, dated October 22, 1987 (the "Bonds of 1987"), authorized by a Resolution adopted by the District on June 8, 1987 (the "1987 Bond Resolution"); (iv) Green-Taylor Water District Waterworks Revenue Bonds of 1989, dated July 8, 1989 (the "Bonds of 1989"), authorized by a Resolution adopted by the District on June 20, 1989 (the "1989 Bond Resolution"); (v) Green-Taylor Water District Waterworks Revenue Bonds of 1990, dated February 13, 1991 (the "Bonds of 1990"), authorized by a Resolution adopted by the District on July 10, 1990 (the "1990 Bond Resolution"); (vi) Green-Taylor Water District Waterworks Revenue Bonds of 1993, dated December 9, 1993 (the "Bonds of 1993"), authorized by a Resolution adopted by the District on January 5, 1993 (the "1993 Bond Resolution"); and (vii) Green-Taylor Water District Waterworks Revenue Bonds, Series 1994, dated March 9, 1995 (the "Bonds of 1994"), authorized by a Resolution adopted by the District on August 2, 1994 (the "1994 Bond Resolution") (hereinafter the Bonds of 1966, Bonds of 1979, Bonds of 1987, Bonds of 1989, Bonds of 1990, Bonds of 1993 and Bonds of 1994 shall be collectively referred to as the "Prior Bonds", and the 1966 Bond Resolution, the 1979 Bond Resolution, the 1987 Bond Resolution, the 1989 Bond Resolution, the 1990 Bond Resolution, the 1993 Bond Resolution and the 1994 Bond Resolution shall be collectively referred to as the "Prior Bond Resolutions"). Accordingly, this Bond, the Prior Bonds, together with any bonds ranked on a parity herewith, is payable from and secured on a parity herewith by a pledge of the gross revenues to be derived from the operation of the System.

FURTHER PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE HEREOF.
It is hereby certified, stated and declared that all acts, conditions and things required to exist, happen and be performed precedent or ancillary to the issue of this Bond, as aforesaid, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF said Green-Taylor Water District, by its Board of Commissioners, has caused this Bond to be executed by its Chairman, its corporate seal to be hereunto affixed, and attested by its Secretary, on the date of this Bond, which is

GREEN-TAYLOR WATER DISTRICT
Green, Taylor and Metcalfe Counties, Kentucky

Attest: _____
Secretary

By: _____
Chairman

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
COUNTIES OF GREEN, TAYLOR AND METCALFE

REGISTERED

GREEN-TAYLOR WATER DISTRICT
WATERWORKS REVENUE BOND, SERIES 2001
Interest Rate: 4.75%

REGISTERED

NUMBER
R-1

PRINCIPAL AMOUNT
\$252,000

KNOW ALL PERSONS BY THESE PRESENTS, That the Green-Taylor Water District (the "District"), acting by and through its Board of Commissioners (the "Commissioner"), a public body corporate in Green, Taylor and Metcalfe Counties, Kentucky, for value received, hereby promises to pay to the UNITED STATES OF AMERICA, acting by and through the U.S. DEPARTMENT OF AGRICULTURE, 771 Corporate Drive, Suite 200, Lexington, Kentucky 40503-5477, the Registered Owner hereof, or to its registered assigns, as hereinafter provided, solely from the fund hereinafter identified, the sum of

TWO HUNDRED FIFTY-TWO THOUSAND DOLLARS (\$252,000)

on the first day of January, in years and installments as follows:

Payment Due January 1,	Principal Payment	Payment Due January 1,	Principal Payment	Payment Due January 1,	Principal Payment
2004	\$2,500	2017	\$4,500	2031	8,500
2005	2,500	2018	4,500	2032	9,500
2006	2,500	2019	5,000	2033	9,500
2007	3,000	2020	5,000	2034	10,500
2008	3,000	2021	5,500	2035	10,500
2009	3,000	2022	5,500	2036	11,500
2010	3,500	2023	6,000	2037	11,500
2011	3,500	2024	6,500	2038	12,500
2012	3,500	2025	6,500	2039	13,000
2013	3,500	2026	7,000		
2014	4,000				
2015	4,000				
2016	4,500				

and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the Registered Owner shown on the registration book of the District.

This Bond is issued by the District under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 53 and 74 of the Kentucky Revised Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing same (the "Current Bond Resolution"), to which Current Bond Resolution reference is hereby made for a description of the nature and extent of the security hereby created, the rights and limitations of rights of the Registered Owner of this Bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing waterworks system of the District (said existing waterworks system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

[FURTHER PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE HEREOF]

and in like manner, solely from said fund, the sum of _____ per annum, beginning on the first day of January of each year, beginning with the first January or July after the date of this Bond, until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the Registered Owner shown on the registration book of the District.

SUPERINTENDENT

Attest: _____
Secretary

By: _____
Chairman



UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
COUNTIES OF GREEN, TAYLOR AND METCALF

REGISTERED



GREEN-TAYLOR WATER DISTRICT
WATERWORKS REVENUE BONDS, SERIES 2004
INTEREST RATE: 4.375%

REGISTERED



KNOW ALL PERSONS BY THESE PRESENTS: That the Green-Taylor Water District (the "District"), acting by and through its Board of Commissioners (the "Commission"), a public body corporate in Green, Taylor and Metcalf Counties, Kentucky for value received, hereby promises to pay to UNITED STATES OF AMERICA, acting by and through the U.S. DEPARTMENT OF AGRICULTURE, 771 Corporate Drive, Suite 200, Lexington, Kentucky 40503-5477, the Registered Owner hereof, or its registered assigns, solely from the fund hereinafter specified, the sum of

TWO HUNDRED NINETY-SEVEN THOUSAND DOLLARS (\$297,000)

on the first day of January, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal
2006	\$ 3,000	2019	\$ 5,500	2032	\$ 9,500
2007	3,500	2020	6,000	2033	10,000
2008	3,500	2021	6,000	2034	10,500
2009	3,500	2022	6,500	2035	11,000
2010	4,000	2023	6,500	2036	11,500
2011	4,000	2024	7,000	2037	12,000
2012	4,000	2025	7,000	2038	12,500
2013	4,500	2026	7,500	2039	13,000
2014	4,500	2027	8,000	2040	13,500
2015	4,500	2028	8,000	2041	14,000
2016	5,000	2029	8,500	2042	14,500
2017	5,000	2030	9,000	2043	15,000
2018	5,500	2031	9,500	2044	15,500

S P E C I E S

and in like manner, solely from said fund, to pay interest on the balance of said bonded sum from time to time remaining unpaid at the interest rate specified above, semi-annually on the first day of January and July in each year, beginning with the first January or July after the date of the Bond, and until the same is paid, except as its provisions herein may set forth with respect to payment may be and become applicable hereto. Said principal and interest shall payable either by check or cash or collection charges, in lawful money of the United States, at the address of the registered owner, shown on the registration book of the District.

This Series B Bond is issued as part of an issue in the aggregate principal amount of \$870,000, consisting of \$673,000 of Series A Bonds and \$197,000 of Series B Bonds by the District under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 56 and 74 of the Kentucky Revised Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing same (the "Current Bond Resolution"), to which Current

Bond Resolution reference is hereby made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing waterworks system of the District (said existing waterworks system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

This Bond is issued subject to the vested rights and priorities of the outstanding: (i) Green-Taylor Water District Waterworks System Revenue Bonds, dated April 18, 1966 (the "1966 Bonds"), authorized by a Resolution adopted by the Commission of the District on December 21, 1965 (the "1966 Bond Resolution"); (ii) Green-Taylor Water District Waterworks Revenue Bonds of 1979, dated November 8, 1979 (the "1979 Bonds"), authorized by a Resolution adopted by the Commission of the District on July 12, 1979 (the "1979 Bond Resolution"); (iii) Green-Taylor Water District Waterworks Revenue Bonds, Series 1994, dated March 1, 1995 (the "1994 Bonds"), authorized by a Resolution adopted by the Commission of the District on August 2, 1994; (iv) Green-Taylor Water District Waterworks Revenue Bonds, Series 1995, dated June 30, 1995 (the "1995 Bonds") authorized by a Resolution adopted by the Commission of the District on December 5, 1995; (v) Green-Taylor Water District Waterworks Revenue Bonds, Series 2001, dated December 11, 2001 (the "2001 Bonds") authorized by a Resolution adopted by the Commission of the District on July 5, 2001; and the Kentucky Rural Water Service Corporation Loan, dated April 27, 2004 (the "KWTS Loan") made pursuant to the Kentucky Rural Water Service Corporation Act, 1995, Chapter 150, Kentucky Revised Statutes. The 2001 Bonds and the KWTS Loan are collectively referred to as the "Prior Bonds." The Series 2004 Bonds are ranked on a parity herewith, and are payable hereunder secured by a pledge of the gross revenues to be derived from the operation of the System.

THE REVENUES OF THIS BOND ARE SECURED BY THE REVENUE HEREOF. It is hereby certified, recited and declared that all acts, conditions and things required to validly issue and be performed hereunder in accordance with the provisions of this Bond, do not, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF said Green-Taylor Water District, by its Board of Commissioners, has caused this Bond to be executed by its Chairman, its corporate seal to be hereunto affixed, and attested by its Secretary, on the date of this Bond, which is:

Attest: _____
Secretary



GREEN-TAYLOR WATER DISTRICT
Green, Taylor and Metcalf Counties, Kentucky
By: _____
Chairman

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$66,456.33	12-21-2016	12-21-2021	9995935-10	VEHICLE		RS	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: GREEN-TAYLOR WATER DISTRICT
PO BOX 168
GREENSBURG, KY 42743-0168

Lender: Taylor County Bank
Main Office
P.O. Box 200
201 Lebanon Ave.
Campbellsville, KY 42719-0200
(270) 465-4196

Principal Amount: \$66,456.33

Date of Note: December 21, 2016

PROMISE TO PAY. GREEN-TAYLOR WATER DISTRICT ("Borrower") promises to pay to Taylor County Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of Sixty-six Thousand Four Hundred Fifty-six & 33/100 Dollars (\$66,456.33), together with interest on the unpaid principal balance from December 21, 2016, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 2.600%, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

PAYMENT. Borrower will pay this loan in 59 payments of \$1,183.43 each payment and an irregular last payment estimated at \$1,183.36. Borrower's first payment is due January 21, 2017, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on December 21, 2021, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any late charges; and then to any unpaid collection costs.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

RECEIPT OF PAYMENTS. All payments must be made in U.S. dollars and must be received by Lender at:

Taylor County Bank
Main Office
P.O. Box 200
201 Lebanon Ave.
Campbellsville, KY 42719-0200

All payments must be received by Lender consistent with any written payment instructions provided by Lender.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Taylor County Bank, Main Office, P.O. Box 200, 201 Lebanon Ave., Campbellsville, KY 42719-0200.

LATE CHARGE. If a payment is 10 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the total sum due under this Note will continue to accrue interest at the interest rate under this Note.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

- Payment Default.** Borrower fails to make any payment when due under this Note.
- Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.
- False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.
- Death or Insolvency.** The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.
- Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve of bond for the dispute.
- Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.
- Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. This Note has been accepted by Lender in the Commonwealth of Kentucky.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Taylor County, Commonwealth of Kentucky.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

ATERAL. Borrower acknowledges this Note is secured by SA OF EVEN DATE ON 2017 DODGE RAM 550 (VIN WRN11HG541343); 2017 GATOR MADE 25 GOOSENECK 24.9K FLATBED TRAILER (VIN #4Z1GF2525HS030451) AND 9'4 X 94 X 60 3D W/ ALUM TRD PLATE PACKAGE; HARNESS ADAPTOR FOR 2007 & LATER RAM CAB & CHASSIS 6-CIRCUIT .

ASSISTANCE AGREEMENT

BETWEEN

KENTUCKY RURAL WATER FINANCE CORPORATION

AND

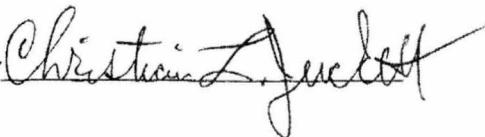
GREEN-TAYLOR WATER DISTRICT

DATED APRIL 27, 2004

IN THE AMOUNT OF \$2,610,000

This document was prepared by:

RUBIN & HAYS
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
(502) 569-7525

By 

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ASSISTANCE AGREEMENT

This Assistance Agreement made and entered into as of the 27th day of April, 2004 (the "Assistance Agreement") by and between the Kentucky Rural Water Finance Corporation, a non-profit corporation and instrumentality of the various entities of the Commonwealth of Kentucky (the "Issuer") and the Green-Taylor Water District, Kentucky (the "Governmental Agency"):

WITNESSETH

WHEREAS, the Issuer has established its Public Projects Flexible Term Program (the "Program") designed to provide financing for the expansion, addition and improvements of public projects for governmental entities under which the Issuer issued its Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001, dated April 4, 2001, in the aggregate principal amount of \$46,000,000 (the "Series 2001 Bonds") pursuant to a Trust Indenture dated as of April 4, 2001 (the "Indenture") between the Issuer and Fifth Third Bank, trustee (the "Trustee"), the net proceeds of which will be applied for the benefit of such governmental entities by making loans, pursuant to Assistance Agreements; and

WHEREAS, pursuant to the Indenture, the Issuer has authorized the issuance of the Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2004B (the "Series 2004B Bonds") in the aggregate principal amount of \$20,975,000, pursuant to a Supplemental Trust Indenture No. 15, dated as of April 1, 2004 by and between the Issuer and the Trustee, which Series 2004B Bonds will rank on a parity with the Series 2001 Bonds and the proceeds of which will be used by certain Governmental Agencies to refund and refinance certain outstanding obligations which were issued for the purpose of acquiring, constructing and equipping the Project; and

WHEREAS, the Issuer has previously remarketed, reissued and delivered \$5,315,000 of the Series 2001 Bonds in a Fixed Rate Mode to be known as Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001A (the "Series 2001A Bonds") pursuant to Supplemental Trust Indenture No. 1, dated as of June 27, 2001 by and between the Issuer and the Trustee (the "Series 2001A Indenture"); and

WHEREAS, the Issuer has previously remarketed, reissued and delivered \$1,005,000 of the Series 2001 Bonds in a Fixed Rate Mode to be known as Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001B (the "Series 2001B Bonds") pursuant to Supplemental Trust Indenture No. 2, dated as of December 19, 2001 by and between the Issuer and the Trustee (the "Series 2001B Indenture"); and

WHEREAS, the Issuer has previously remarketed, reissued and delivered \$715,000 of the Series 2001 Bonds in a Fixed Rate Mode to be known as Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001C (the "Series 2001C Bonds") pursuant to Supplemental Trust Indenture No. 3, dated as of May 15, 2002 by and between the Issuer and the Trustee (the "Series 2001C Indenture"); and

WHEREAS, the Issuer has previously issued and delivered \$1,640,000 of Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2002 (the "Series 2002 Bonds"), which rank on a parity with the Series 2001 Bonds, pursuant to Supplemental Trust Indenture No. 4, dated as of July 15, 2002 by and between the Issuer and the Trustee (the "Series 2002 Indenture"); and

WHEREAS, the Issuer has previously remarketed, reissued and delivered \$2,830,000 of the Series 2001 Bonds in a Fixed Rate Mode to be known as Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001D (the "Series 2001D Bonds") pursuant to Supplemental Trust Indenture No. 5, dated as of September 25, 2002 by and between the Issuer and the Trustee (the "Series 2001D Indenture"); and

WHEREAS, the Issuer has previously issued and delivered \$1,375,000 of Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2002B (the "Series 2002B Bonds"), which rank on a parity with the Series 2001 Bonds, pursuant to Supplemental Trust Indenture No.6, dated as of October 30, 2002 by and between the Issuer and the Trustee (the "Series 2002B Indenture"); and

WHEREAS, the Issuer has previously remarketed, reissued and delivered \$1,810,000 of the Series 2001 Bonds in a Fixed Rate Mode to be known as Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001E (the "Series 2001E Bonds") pursuant to Supplemental Trust Indenture No. 7, dated as of December 18, 2002 by and between the Issuer and the Trustee (the "Series 2001E Indenture"); and

WHEREAS, the Issuer has previously issued and delivered \$8,805,000 of Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2003A (the "Series 2003A Bonds"), which rank on a parity with the Series 2001 Bonds, pursuant to Supplemental Trust Indenture No.8, dated as of March 15, 2003 by and between the Issuer and the Trustee (the "Series 2003A Indenture"); and

WHEREAS, the Issuer has previously remarketed, reissued and delivered \$1,250,000 of the Series 2001 Bonds in a Fixed Rate Mode to be known as Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001F (the "Series 2001F Bonds") pursuant to Supplemental Trust Indenture No. 9, dated as of May 28, 2003 by and between the Issuer and the Trustee (the "Series 2001F Indenture"); and

WHEREAS, the Issuer has previously remarketed, reissued and delivered \$795,000 of the Series 2001 Bonds in a Fixed Rate Mode to be known as Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001G (the "Series 2001G Bonds") pursuant to Supplemental Trust Indenture No. 10, dated as of July 30, 2003 by and between the Issuer and the Trustee (the "Series 2001G Indenture"); and

WHEREAS, the Issuer has previously issued and delivered \$955,000 of Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2003B (the "Series 2003B Bonds"), which rank on a parity with the Series 2001 Bonds, pursuant to Supplemental Trust Indenture No.11, dated as of August 28, 2003 by and between the Issuer and the Trustee (the "Series 2003B Indenture"); and

WHEREAS, the Issuer has previously issued and delivered \$7,920,000 of Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2003C (the "Series 2003C Bonds"), which rank on a parity with the Series 2001 Bonds, pursuant to Supplemental Trust Indenture No.12, dated as of October 1, 2003 by and between the Issuer and the Trustee (the "Series 2003C Indenture"); and

WHEREAS, the Issuer has previously issued and delivered \$1,115,000 of Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2001H (the "Series 2001H Bonds"), which rank on a parity with the Series 2001 Bonds, pursuant to Supplemental Trust Indenture No.14, dated as of March 3, 2004 by and between the Issuer and the Trustee (the "Series 2001H Indenture"); and

WHEREAS, the Issuer has previously issued and delivered \$3,610,000 of Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2001I (the "Series 2001I Bonds"), which rank on a parity with the Series 2001 Bonds, pursuant to Supplemental Trust Indenture No.14, dated as of March 3, 2004 by and between the Issuer and the Trustee (the "Series 2001I Indenture"); and

WHEREAS, the Issuer has previously issued and delivered \$15,645,000 of Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2004A (the "Series 2004A Bonds"), which rank on a parity with the Series 2001 Bonds, pursuant to Supplemental Trust Indenture No.13, dated as of February 1, 2004 by and between the Issuer and the Trustee (the "Series 2004A Indenture"); and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable to refinance and currently refund certain outstanding indebtedness of said Governmental Agency (the "Project"), and the Issuer has determined that the Project is a project within the meaning of the Act and the Indenture, thereby qualifying for financial assistance from the Issuer; and

WHEREAS, the Issuer has found and determined that the Project will be in furtherance of the purposes of the Issuer and the Governmental Agency under the Act; and

WHEREAS, the Governmental Agency has designated the Issuer as its instrumentality and agency; and

WHEREAS, pursuant to this Assistance Agreement the Governmental Agency will proceed with the Project; and

WHEREAS, the Governmental Agency, presently owns and operates the waterworks system (the "System") of said Governmental Agency; and

WHEREAS, the Governmental Agency has heretofore issued its Prior Bonds (as hereinafter defined); and

WHEREAS, in and by the Prior Bond Legislation (as hereinafter defined), the right and privilege was reserved by the Governmental Agency under conditions and restrictions set out in said Prior Bond Legislation, of issuing additional bonds from time to time, payable from the income and revenues of the System and ranking on a parity with the outstanding Prior Bonds, for the purpose, among other things, of financing the costs of extensions, additions and improvements to the System, and refinancing certain outstanding indebtedness, which conditions and restrictions are found to currently exist and prevail so as to permit the issuance of certain proposed additional bonds so as to rank, when issued, on a parity with the outstanding Prior Bonds; and

WHEREAS, the Governmental Agency has heretofore issued its (i) Green-Taylor Water District Waterworks Revenue Bonds of 1987, dated October 22, 1987, in the original authorized principal amount of \$1,598,000 (the "Series 1987 Bonds"); (ii) Green-Taylor Water District Waterworks Revenue Bonds of 1989, dated July 6, 1989, in the original authorized principal amount of \$171,000 (the "Series 1989 Bonds"); (iii) Green-Taylor Water District Waterworks Revenue Bonds of 1990, dated February 13, 1991, in the original authorized principal amount of \$726,000 (the "Series 1990 Bonds"); and (iv) Green-Taylor Water District Waterworks Revenue Bonds of 1993, dated December 9, 1993, in the original authorized principal amount of \$416,000 (the "Series 1993 Bonds"); and

WHEREAS, the Governmental Agency has found and determined that it is in the public interest to refinance and currently refund the Series 1987 Bonds, Series 1989 Bonds, Series 1990 Bonds, and Series 1993 Bonds, in order to achieve interest savings; and

WHEREAS, it is deemed necessary and advisable for the best interests of the Governmental Agency that it enter into this Assistance Agreement with the Issuer in order to borrow funds (the "Loan") in the amount of \$2,610,000 [the "Obligations"], for the purpose of providing funds for the Project, and to reaffirm the conditions and restrictions whereunder similar bonds or obligations may be subsequently issued ranking on a parity therewith; and

WHEREAS, under the provisions of Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, and under the provisions of the Prior Bond Legislation, the Governmental Agency is authorized to enter into this Assistance Agreement and to borrow the Obligations to provide such funds for the purpose aforesaid; and

WHEREAS, the Issuer is willing to cooperate with the Governmental Agency in making available the Loan pursuant to the Act and the Indenture to be applied to the Project upon the

conditions hereinafter enumerated and the covenants by the Governmental Agency herein contained;
and

WHEREAS, the Issuer and the Governmental Agency have determined to enter into this Assistance Agreement pursuant to the terms of the Act and the Indenture and to set forth their respective duties, rights, covenants, and obligations with respect to the construction and financing of the Project subject to the repayment of the Loan and the Obligations and the interest thereon;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN SET FORTH, THE LOAN HEREBY EFFECTED AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY EACH PARTY, THE PARTIES HERETO MUTUALLY COVENANT AND AGREE, EACH WITH THE OTHER AS FOLLOWS:

Section 1. Definitions. As used in this Assistance Agreement, unless the context requires otherwise:

“*Act*” refers to Chapters 58 and 74 of the Kentucky Revised Statutes.

“*Assistance Agreement*” refers to this Assistance Agreement authorizing the Loan and the Obligations.

“*Bond Counsel*” refers to a nationally recognized firm of Bond Counsel which firm has prepared the legal proceedings for the Obligations, has furnished all of the customary services of Bond Counsel in this financing and will continue to furnish such services until the Obligations are delivered and paid for, including the rendering of the final approving legal opinion with regard to the legality of the Obligations and the tax exemption of the interest thereon.

“*Bond Legislation of 1966*” or “*1966 Bond Legislation*” refer to the Resolution authorizing the Bonds of 1966, duly adopted by the Board of Commissioners of the District on December 21, 1965.

“*Bond Legislation of 1979*” or “*1979 Bond Legislation*” refer to the Resolution authorizing the Bonds of 1979, duly adopted by the Board of Commissioners of the District on July 12, 1979.

“*Bond Legislation of 1987*” or “*1987 Bond Legislation*” refer to the Resolution authorizing the Bonds of 1987, duly adopted by the Board of Commissioners of the District on June 8, 1987.

“*Bond Legislation of 1989*” or “*1989 Bond Legislation*” refer to the Resolution authorizing the Bonds of 1989, duly adopted by the Board of Commissioners of the District on June 20, 1989.

“*Bond Legislation of 1990*” or “*1990 Bond Legislation*” refer to the Resolution authorizing the Bonds of 1990, duly adopted by the Board of Commissioners of the District on July 10, 1990.

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Green-Taylor Water District has caused this Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By Robert M^c Glothlin
President

Attest:

Secretary/Treasurer

GREEN-TAYLOR WATER DISTRICT

By _____
Chairman

Attest:

Secretary

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Green-Taylor Water District has caused this Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By _____
President

Attest:



Secretary/Treasurer

GREEN-TAYLOR WATER DISTRICT

By _____
Chairman

Attest:

Secretary

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Green-Taylor Water District has caused this Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By _____
President

Attest:

Secretary/Treasurer

GREEN-TAYLOR WATER DISTRICT

By Lee M. [Signature]
Chairman

Attest:

Joyce Ward
Secretary

ISSUER ACKNOWLEDGMENT

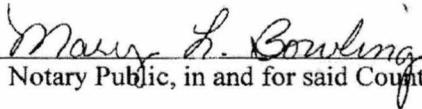
COMMONWEALTH OF KENTUCKY

COUNTY OF BOYD

The foregoing instrument was acknowledged before me this 26 day of April, 2004 by Bob McGlothlin who is the President of the Kentucky Rural Water Finance Corporation, on behalf of said Corporation.

WITNESS my hand this 26 day of April, 2004.

My Commission expires: April 16, 2005



Notary Public, in and for said County and State

COMMONWEALTH OF KENTUCKY

COUNTY OF WARREN

The foregoing instrument was acknowledged before me this ____ day of April, 2004 by Gary Larimore who is the Secretary/Treasurer of the Kentucky Rural Water Finance Corporation, on behalf of said Corporation.

WITNESS my hand this ____ day of April, 2004.

My Commission expires: _____.

Notary Public, in and for said County and State

ISSUER ACKNOWLEDGMENT

COMMONWEALTH OF KENTUCKY

COUNTY OF BOYD

The foregoing instrument was acknowledged before me this ____ day of April, 2004 by Bob McGlothlin who is the President of the Kentucky Rural Water Finance Corporation, on behalf of said Corporation.

WITNESS my hand this ____ day of April, 2004.

My Commission expires: _____.

Notary Public, in and for said County and State

COMMONWEALTH OF KENTUCKY

COUNTY OF WARREN

The foregoing instrument was acknowledged before me this 26 day of April, 2004 by Gary Larimore who is the Secretary/Treasurer of the Kentucky Rural Water Finance Corporation, on behalf of said Corporation.

WITNESS my hand this 26 day of April, 2004.

My Commission expires: 7-11-06.

Bobbie S. Shanahan, Warren Co., KY
Notary Public, in and for said County and State

GOVERNMENTAL AGENCY ACKNOWLEDGMENT

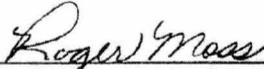
COMMONWEALTH OF KENTUCKY

COUNTY OF Green

The foregoing instrument was acknowledged before me this 22 day of April, 2004 by William M. Netherland who is the Chairman of the Green-Taylor Water District, on behalf of said District.

WITNESS my hand this 22 day of April, 2004.

My Commission expires: 5-8-2007.



Notary Public, in and for said County and State

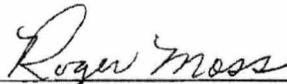
COMMONWEALTH OF KENTUCKY

COUNTY OF Green

The foregoing instrument was acknowledged before me this 23 day of April, 2004 by Joyce Ward who is the Secretary of the Green-Taylor Water District, on behalf of said District.

WITNESS my hand this 23 day of April, 2004.

My Commission expires: 5-8-2007.



Notary Public, in and for said County and State

KENTUCKY RURAL WATER FINANCE CORPORATION FLEXIBLE TERM FINANCE PROGRAM SERIES 2004 B

Borrower:	Green Taylor Water District
Dated Date:	04/27/04

Borrower Payment Schedule

Payment Date	Principal	Interest Rate	Interest	Trustee Fees	Total	Fiscal Total	Monthly		Total Monthly Sinking Fund Payments
							Principal	Interest	
04/27/04									
07/01/04									
01/01/05	70,000.00	2.280%	51,018.30	450.00	121,018.30	171,688.60	8,750.00	8,563.05	17,253.05
07/01/05	0.00		50,228.50	450.00	50,678.50	171,688.60	8,370.05	8,370.05	14,036.72
01/01/06	68,000.00	2.400%	50,221.15		118,221.15	168,074.60	5,666.67	8,370.19	14,036.86
07/01/06	0.00		49,403.45	450.00	49,853.45	168,074.60	5,833.33	8,233.91	14,067.24
01/01/07	70,000.00	2.405%	49,404.30		119,404.30	168,416.85	5,833.33	8,234.05	14,067.38
07/01/07	0.00		48,563.55	450.00	49,013.55	168,416.85	6,000.00	8,093.76	14,093.76
01/01/08	72,000.00	2.520%	48,562.55		120,562.55	168,564.30	6,000.00	8,093.76	14,093.76
07/01/08	0.00		47,651.75	450.00	48,101.75	168,564.30	6,583.33	7,941.96	14,525.29
01/01/09	79,000.00	2.780%	47,651.75		126,651.75	173,555.40	6,583.33	7,941.96	14,525.29
07/01/09	0.00		46,553.65	450.00	47,003.65	173,555.40	6,583.33	7,758.94	14,342.28
01/01/10	79,000.00	3.155%	46,553.65		125,553.65	173,555.40	6,583.33	7,758.94	14,342.28
07/01/10	0.00		45,307.43	450.00	45,757.43	171,311.08	7,000.00	7,551.24	14,551.24
01/01/11	84,000.00	3.330%	45,307.43		129,307.43	173,566.26	7,000.00	7,551.24	14,551.24
07/01/11	0.00		43,908.83	450.00	44,358.83	173,566.26	7,553.33	7,318.14	14,651.47
01/01/12	88,000.00	3.550%	43,908.83		131,908.83	174,714.46	7,553.33	7,318.14	14,651.47
07/01/12	0.00		42,355.63	450.00	42,805.63	174,714.46	7,666.67	7,059.27	14,725.94
01/01/13	92,000.00	4.030%	42,355.63		134,355.63	175,307.46	7,666.67	7,059.27	14,725.94
07/01/13	0.00		40,501.83	450.00	40,951.83	175,307.46	8,166.67	6,750.31	14,916.67
01/01/14	98,000.00	4.030%	40,501.83		138,501.83	177,478.96	8,166.67	6,750.31	14,916.67
07/01/14	0.00		38,527.13	450.00	38,977.13	177,478.96	8,416.67	6,421.19	14,837.86
01/01/15	101,000.00	4.030%	38,527.13		139,527.13	176,469.11	8,416.67	6,421.19	14,837.86
07/01/15	0.00		36,491.98	450.00	36,941.98	176,469.11	9,083.33	6,082.00	15,165.33
01/01/16	109,000.00	4.030%	36,491.98		145,491.98	180,237.01	9,083.33	6,082.00	15,165.33
07/01/16	0.00		34,295.63	450.00	34,745.63	180,237.01	9,416.67	5,715.94	15,132.61
01/01/17	113,000.00	4.030%	34,295.63		147,295.63	179,764.31	9,416.67	5,715.94	15,132.61
07/01/17	0.00		32,018.68	450.00	32,468.68	182,049.36	10,000.00	5,336.45	15,336.45
01/01/18	120,000.00	4.030%	32,018.68		152,018.68	182,049.36	10,000.00	5,336.45	15,336.45
07/01/18	0.00		29,600.68	450.00	30,050.68	185,035.71	10,500.00	4,933.45	15,433.45
01/01/19	126,000.00	4.155%	29,600.68		155,600.68	185,035.71	10,500.00	4,933.45	15,433.45
07/01/19	0.00		26,983.03	450.00	27,433.03	185,035.71	11,166.67	4,497.17	15,665.84
01/01/20	134,000.00	4.155%	26,983.03		160,983.03	185,035.71	11,166.67	4,497.17	15,665.84
07/01/20	0.00		24,199.18	450.00	24,649.18	187,809.56	11,833.33	4,033.20	15,866.53
01/01/21	142,000.00	4.280%	24,199.18		166,199.18	187,809.56	11,833.33	4,033.20	15,866.53
07/01/21	0.00		21,160.38	450.00	21,610.38	189,560.76	12,500.00	3,526.73	16,026.73
01/01/22	150,000.00	4.280%	21,160.38		171,160.38	189,560.76	12,500.00	3,526.73	16,026.73
07/01/22	0.00		17,950.38	450.00	18,400.38	190,888.88	12,916.67	2,991.73	16,200.40
01/01/23	155,000.00	4.405%	17,950.38		172,950.38	190,888.88	12,916.67	2,991.73	16,200.40
07/01/23	0.00		14,536.50	450.00	14,986.50	191,444.43	13,750.00	2,422.75	16,515.34
01/01/24	165,000.00	4.405%	14,536.50		179,536.50	191,444.43	14,116.67	2,422.75	16,515.34
07/01/24	0.00		10,902.38	450.00	11,352.38	194,444.43	14,416.67	1,817.06	16,233.73
01/01/25	175,000.00	4.405%	10,902.38		183,902.38	194,444.43	14,416.67	1,817.06	16,233.73
07/01/25	0.00		7,092.05	450.00	7,542.05	194,444.43	15,333.33	1,182.01	16,515.34
01/01/26	184,000.00	4.405%	7,092.05		191,092.05	194,444.43	15,333.33	1,182.01	16,515.34
07/01/26	0.00		5,039.45	450.00	5,489.45	199,581.50	11,500.00	506.58	12,006.58
01/01/27	138,000.00	4.405%	5,039.45		141,039.45	199,581.50	11,500.00	506.58	12,006.58
07/01/28						141,039.45	0.00		
Totals	2,610,000.00		1,907,557.94	10,800.00	4,128,357.94		2,610,000.00	1,907,557.94	4,117,557.94

RESOLUTION
OF
GREEN-TAYLOR WATER DISTRICT

WHEREAS, a regular meeting of the Green-Taylor Water District was held at the offices of the District at 391 Industrial Park Road, Greensburg, Kentucky, at 6:00 p.m., Central Time, on December 5, 2017; and

WHEREAS, Chairman Ken Ferguson presided over said meeting and the following duly qualified and acting commissioners of the District, and being all such commissioners, were present:

Ken Ferguson
Terry Mardis
Bill Netherland
Todd Durrett
Harry Kessler

along with the attorney for the District, John D. Henderson; Connie Smith, Office Manager; Josh Pedigo, General Manager; and Mary Ann Clark Larimore who recorded the minutes of said meeting, and

WHEREAS, the Green-Taylor Water District ("District") is a water district created and organized under the provisions of KRS Chapter 74. The District is subject to the jurisdiction of the Kentucky Public Service Commission ("PSC");

WHEREAS, prudent financial management dictates that the District take appropriate action to adjust its water rates and charges;

WHEREAS, KRS 278.180 and 807 KAR 5:076 provide the legal mechanism for the District to propose adjustments to its water rates and charges;

WHEREAS, upon motion by Terry Mardis and seconded by Bill Netherland it was unanimously passed and resolved that:

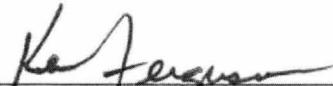
(a) The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution;

(b) The District proposes to adjust its monthly water rates and charges as set forth in Appendix A, which is incorporated herein by reference as a part of this Resolution. The proposed rates and charges set forth in Appendix A are subject to any minor adjustments that might be made by the PSC. The proposed rate adjustment shall not become effective until PSC approval has been obtained.

(c) The Chairman and the Office Managers are hereby and directed to prepare, execute, and file with the PSC, by utilizing the Alternative Rate Adjustment Procedure for Small Utilities set forth in 807 KAR 5:076, an Alternative Rate Filing ("ARF") Application, Tariff Sheets, and all other documents that may be required by the PSC.

(d) The Chairman, Office Manager, and all other appropriate District Staff are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement this Resolution.

This Resolution dated this 5 day of December, 2017.



Ken Ferguson, Chairman

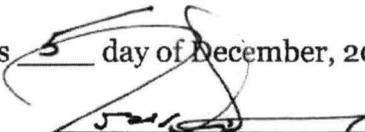
Attest:


Todd Durrett, Secretary

CERTIFICATION

I, Todd Durrett, Secretary of the Green-Taylor Water District, do hereby certify that the above Resolution is a true and correct copy of the Resolution adopted and action was taken by the Green-Taylor Water District on December 5, 2017.

Dated this 5 day of December, 2017.



Todd Durrett, Secretary

**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between November 2015 - November 2017 ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation

- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
- Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

Ken Ferguson
(Print Name)


(Signed)

Chairman
(Position/Office)

* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF Green

Subscribed and sworn to before me by Ken Ferguson
(Name)

this 8 day of January, 20 13.

May Ann Clark Laine
NOTARY PUBLIC
State-at-Large