

North Hopkins Water District
316 Liberty Church Loop
Madisonville, KY 42431
270-825-1623
Fax: 270-825-8493
northhopkinswd@yahoo.com

RECEIVED

APR 02 2018

PUBLIC SERVICE
COMMISSION

April 2, 2018

Ms. Gwen R. Pinson
Executive Director
Public Service Commission
211 Sower Blvd
Frankfort, KY 40601

RE: ARF Application - Water Rates
North Hopkins Water District

Dear Ms. Pinson:

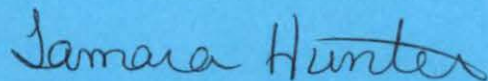
Enclosed for filing are the original and five (5) copies of the North Hopkins Water District's ARF Application for an adjustment to its water rates. The ARF Application is being filed pursuant to 807 KAR 5:076.

The ARF Application uses calendar year 2016 as the Test Year, with appropriate adjustments to normalize revenues and expenses.

A copy of the ARF Application has been provided to the Office of Rate Intervention in the Attorney General's Office.

My electronic mail address is northhopkinswd@yahoo.com.

Yours truly,



Tamara Hunter, Office Manager

Enclosures
cc: Office of the Attorney General, Rate Intervention

SUBMIT ORIGINAL AND FIVE ADDITIONAL COPIES, UNLESS FILING ELECTRONICALLY

RECEIVEDAPPLICATION FOR RATE ADJUSTMENT
BEFORE THE PUBLIC SERVICE COMMISSION

APR 02 2018

PUBLIC SERVICE
COMMISSIONFor Small Utilities Pursuant to 807 KAR 5:076
(Alternative Rate Filing)

North Hopkins Water District

(Name of Utility)

316 Liberty Church Loop

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

Madisonville, KY 42431

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

270-825-1623

(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:

Tamara Hunter, Office Manager

(Name)

316 Liberty Church Loop

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

Madisonville, KY 42431

(Address - City, State, Zip)

270-825-1623

(Telephone Number)

northhopkinswd@yahoo.com

(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. | ☒ | ☐ | N/A |
| 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. | ☐ | ☒ | N/A |
| 2. a. | Applicant has filed an annual report with the Public Service Commission for the past year. | ☒ | ☐ | N/A |
| b. | Applicant has filed an annual report with the Public Service Commission for the two previous years. | ☒ | ☐ | N/A |
| 3. | Applicant's records are kept separate from other commonly-owned enterprises. | ☒ | ☐ | N/A |

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 \$ 208,384 and total revenues from service rates of \$ 1,018,367. 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 1,305 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 - 0 - (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

Norman Adams
Officer of the Company/Authorized Representative

Title

Chairman

Date

March 26, 2018

COMMONWEALTH OF KENTUCKY

COUNTY OF Hopkins

Before me appeared Norman Adams, 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.

Jamara Hunter 557019

Notary Public

My commission expires: May 26, 2020

LIST OF ATTACHMENTS
North Hopkins Water District

1. Customer Notice of Proposed Rate Adjustments
2. Reasons for Rate Increase
3. Current and Proposed Rates
4. Statement of Adjusted Operations and Revenue Requirements Calculation with the following attachments:
 - a. References
 - b. Table A - Depreciation Expense Adjustments
 - c. Table B - Debt Service Schedule - Sewer Division
5. Current Billing Analyses
6. Proposed Billing Analyses
7. Depreciation Schedule
8. Outstanding Debt Instrument - KRWFC Loan
9. Amortization Schedule - KRWFC Loan
10. Statements of Disclosure of Related Party Transactions
11. Board Resolution

Attachment 1

CUSTOMER NOTICE

Notice is hereby given that the North Hopkins Water District expects to file an application on or about April 2, 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.

MONTHLY WATER RATES

Minimum Bills Based on Meter Size

<u>Meter Size</u>	<u>Gals. Incl'd.</u>	<u>Minimum Bills</u>		<u>Dollar</u>	<u>Percent</u>
	<u>in Minimum</u>	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>	<u>Increase</u>
5/8 x 3/4 inch	2,000	\$25.12	\$31.58	\$6.46	25.7%
3/4 inch	3,000	37.38	46.99	9.61	25.7%
1 inch	5,000	59.55	74.86	15.31	25.7%
1-1/2 inch	10,000	105.65	132.81	27.16	25.7%
2 inch	15,000	140.45	176.56	36.11	25.7%
3 inch	30,000	244.85	307.81	62.96	25.7%

Rates for Water Usage in Addition to Minimum

<u>No. of Gallons per Month:</u>	<u>Charge per 1,000 Gals.</u>		<u>Dollar</u>	<u>Percent</u>
	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>	<u>Increase</u>
First 2,000 Gals. (lump sum)	\$25.12	\$31.58	\$6.46	25.7%
Next 2,000 Gallons	12.26	15.41	3.15	25.7%
Next 3,000 Gallons	9.91	12.46	2.55	25.7%
Next 3,000 Gallons	8.76	11.01	2.25	25.7%
Over 10,000 Gallons	6.96	8.75	1.79	25.7%

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 \$49.64 to \$62.40. This is an increase of \$12.76 or 25.7%.

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

North Hopkins 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 North Hopkins Water District's office located at 316 Liberty Church Loop, Madisonville, KY 42431. You may contact the office at 270-825-1623.

A person may also examine the application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, 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 its website or by mail to Public Service Commission, PO Box 615, Frankfort, Kentucky, 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.

Attachment 2

Reasons for Rate Increase

North Hopkins Water District (the “District”) is requesting a 25.7% rate increase for its retail water customers. The water rate increase will generate an approximate total of \$208,400 in additional annual revenue.

The District needs this rate increase for the following reasons:

1. To enable the District to pay its annual principal payments on its existing long term debt from water revenue rather than from depreciation reserves;
2. To enable the District to meet the requirements set forth in its existing debt instruments;
3. To restore the District to a sound financial condition by charging rates that recover its cost of providing service; and
4. To enable the District to enhance its financial capacity so it can continue to operate its system in compliance with the federal Safe Drinking Water Act, as amended in 1996, and KRS Chapter 151.

Attachment 3

CURRENT AND PROPOSED RATES
North Hopkins Water District

Current Rates

Minimum Bills Based on Meter Size

<u>Meter Size</u>	<u>Gals. incl'd. in Minimum</u>	<u>Minimum Monthly Bill</u>
5/8 x 3/4 inch	2,000	\$ 25.12
3/4 inch	3,000	37.38
1 inch	5,000	59.55
1-1/2 inch	10,000	105.65
2 inch	15,000	140.45
3 inch	30,000	244.85

Rates for Water Usage in Addition to Minimum

<u>No. of Gallons per Month</u>	<u>Charge per 1,000 gals.</u>
First 2,000 Gallons (lump sum)	\$ 25.12
Next 2,000 Gallons	12.26
Next 3,000 Gallons	9.91
Next 3,000 Gallons	8.76
Over 10,000 Gallons	6.96

Proposed Rates

Minimum Bills Based on Meter Size

<u>Meter Size</u>	<u>Gals. incl'd. in Minimum</u>	<u>Minimum Monthly Bill</u>
5/8 x 3/4 inch	2,000	\$ 31.58
3/4 inch	3,000	46.99
1 inch	5,000	74.86
1-1/2 inch	10,000	132.81
2 inch	15,000	176.56
3 inch	30,000	307.81

Rates for Water Usage in Addition to Minimum

<u>No. of Gallons per Month</u>	<u>Charge per 1,000 gals.</u>
First 2,000 Gallons (lump sum)	\$ 31.58
Next 2,000 Gallons	15.41
Next 3,000 Gallons	12.46
Next 3,000 Gallons	11.01
Over 10,000 Gallons	8.75

Attachment 4

SCHEDULE OF ADJUSTED OPERATIONS
North Hopkins Water District

	<u>Test Year</u>	<u>Adjustments</u>	<u>Ref.</u>	<u>Proforma</u>
<u>Operating Revenues</u>				
Total Metered Water Sales	\$ 777,526	\$ 32,457	a.	\$ 809,983
Other Water Revenues:				
Forfeited Discounts	976			976
Misc. Service Revenues	0			0
Other Water Revenues	0			0
Total Operating Revenues	\$ 778,502	\$ 32,457		\$ 810,959
<u>Operating Expenses</u>				
Operation and Maintenance				
Salaries and Wages - Employees	182,308			182,308
Salaries and Wages - Officers	10,800			10,800
Employee Pensions and Benefits	7,190	4,357	b.	11,547
Purchased Water	386,027	15,308	c.	401,335
Purchased Power	19,223			19,223
Materials and Supplies	51,156			51,156
Contractual Services	30,712	3,567	d.	34,279
Transportation Expenses	16,569			16,569
Insurance - General Liability & Other	10,226			10,226
Insurance - Workers Comp	2,132			2,132
Advertising	405			405
Bad Debt Expense	4,974			4,974
Miscellaneous Expenses	1,875			1,875
Total Operation and Mnt. Expenses	723,597	23,232		746,829
Depreciation Expense	101,344	2,155	e.	103,499
Amortization Expense	1,535			1,535
Taxes Other Than Income	17,119			17,119
Total Operating Expenses	\$ 843,595	\$ 25,387		\$ 868,982
Net Utility Operating Income	\$ (65,093)	\$ 7,070		\$ (58,023)
Gains (Losses) on Disposition of Utility Property	(25,204)	25,204	f.	0
Total Utility Operating Income	\$ (90,297)	32,274		\$ (58,023)

REVENUE REQUIREMENTS

Pro Forma Operating Expenses	\$ 868,982
Plus: Avg. Annual Principal and Interest Payments	g. 125,942
Additional Working Capital	h. 25,188
Total Revenue Requirement	1,020,112
Less: Other Operating Revenue	976
Nonutility Income	673
Interest & Rental Income	96
Revenue Required From Retail Rates	1,018,367
Less: Revenue from Sales at Present Rates	(809,983)
Required Revenue Increase	\$ 208,384
Percent Increase	25.7%

Attachment 4a

REFERENCES

- a. During 2016 and 2017 the District raised retail rates due to increases in purchased water expense. This adjustment compensates for both of these changes per the Billing Analysis performed with current rates.
- b. An increase in the District's employee medical insurance premiums is included.
- c. This adjustment accounts for the increased cost of purchased water mentioned in Note a.
- d. Between 2016 and 2017 the District's cost for uniform service increased by \$567. The District also incurred an increase in Attorney's fees of \$3,000.
- e. It is the PSC's practice to require an adjustment to a water utility's depreciation expense when asset lives fall outside the ranges recommended by NARUC in its publication titled "Depreciation Practices for Small Utilities". Therefore, an adjustment is included to bring asset lives within and near the midpoint of the recommended ranges. In a few cases adjustments may deviate from this to recognize the specific work performed instead of a broad category. Additional assets that were installed in 2017 are also included. See Table A.
- f. The 2016 Loss on Disposition of Property is not expected to occur routinely.
- g. The annual debt service payments for the District's KRWFC Loan are shown in Table B. The 5 year average of these payments is included in the revenue requirement calculation.
- h. The amount shown in Table B for coverage on long term debt is required by the KRWFC loan agreement. This is included in the Revenue Requirement as Additional Working Capital.

Attachment 4b

Table A
DEPRECIATION EXPENSE ADJUSTMENTS

<u>Asset</u>	<u>Date in Service</u>	<u>Original Cost</u>	<u>Reported Life</u>	<u>Reported Depr. Exp.</u>	<u>Proforma Life</u>	<u>Proforma Depr. Exp.</u>	<u>Depreciation Expense Adjustment</u>
<u>Transmission & Distribution Mains</u>							
Entire Group	various	\$ 2,931,959	65	\$ 45,107	65.0	\$ 45,107	\$ -
<u>Services</u>							
Entire Group	various	288,238	40	6,165	40.0	6,165	-
<u>Meters</u>							
Entire Group	various	200,792	40	1,451	40.0	1,451	-
<u>Office Furniture & Equipment</u>							
Software, Install	03/08/11	9,083	5	303	10.0	303	-
Laptop	03/30/11	858	5	43	10.0	43	-
HP Prodesk Workstation	04/25/11	2,526	5	168	10.0	168	-
Lexmark Printer	01/23/12	1,618	5	324	10.0	162	(162)
Office Sign	04/13/12	366	10	37	37.5	10	(27)
Copy Machine	03/13/06	999	5	200	10.0	100	(100)
Cash Register	02/14/06	200	5	40	10.0	20	(20)
Two Office Chairs	07/30/14	598	5	120	22.5	27	(93)
Two File Cabinets	07/30/14	250	10	25	37.5	7	(18)
HP Prodesk Workstation	08/27/14	3,063	5	613	10.0	306	(306)
Epson Receipt Printer	09/16/14	1,520	5	304	10.0	152	(152)
Time Clock	09/14/10	299	10	30	10.0	30	-
Conference Table	08/16/02	275	5	50	22.5	12	(38)
Generator	02/29/16	537	10	45	10.0	45	-
Safe	01/25/16	964	20	44	22.5	44	-
Chair	03/10/16	233	5	39	22.5	39	-
<u>Distribution Reservoirs & Standpipes</u>							
Tank #1	02/15/89	154,557	40	3,864	45	3,435	(429)
Tank #2	02/15/89	155,136	40	3,878	45	3,447	(431)
Tank Vandal Guard	07/01/97	5,704	40	143	45	127	(16)
Water Tank Phase IV	07/01/02	208,421	40	5,211	45	4,632	(579)
Water Tank Paint Phase I	07/01/05	3,120	20	156	20	156	-
Water Tank	05/12/07	316,616	40	7,915	45	7,036	(879)
Additional Water Tank	06/12/08	944	40	24	45	21	(3)
Interior Tank Paint	07/13/09	34,580	40	865	20	1,729	865
Interior Tank Paint	05/24/10	11,630	40	291	20	582	291
Tank Pressure Transducer	10/02/13	3,373	10	337	10	337	-
Fence	08/26/16	4,116	20	69	20	69	-
<u>Pumping Equipment</u>							
Entire Group	various	305,250	various	8,242	various	8,242	-
<u>Hydrants</u>							
Hydrants	07/01/90	793	40	20	50	16	(4)
Hydrants	07/01/16	1,326	40	17	50	13	(3)
<u>Structures & Improvements</u>							
Entire Group	various	312,465	40	7,778	40	7,778	-
<u>Communication Equipment</u>							
Entire Group	various	42,273	various	257	various	257	-
<u>Land & Land Rights</u>							
Entire Group	various	14,237					-
<u>Transportation Equipment</u>							
Entire Group	various	8,945	various	1,238	various	1,238	-
<u>Tools, Shop, Garage Equipment</u>							
Entire Group	various	37,701	20	1,885	various	1,885	-
<u>Other Plant & Misc. Equipment</u>							
Chlorometer	07/08/15	473	5	95	5	95	-
Handhelds	07/31/15	10,374	5	2,075	10	1,037	(1,037)
Colorimeter	08/09/16	433	5	36	5	36	-
<u>Assets In Service after 2016</u>							
Telemetry	2017	52,981	-	-	10	5,298	5,298
TOTALS				\$ 99,500		\$ 101,655	\$ 2,155

Attachment 4c

Table B
DEBT SERVICE SCHEDULE
 North Hopkins Water District
 CY 2018 - 2022

	<u>2010 KRWFC Loan</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2018	\$ 105,000	\$ 20,614	\$ 125,614
2019	107,083	17,315	124,398
2020	112,083	13,888	125,972
2021	117,083	10,254	127,337
2022	120,000	6,390	126,390
5 Yr. Average			\$ 125,942
Average Principal & Interest			\$ 125,942
Coverage			\$ 25,188

Attachment 5

BILLING ANALYSIS WITH 2016 USAGE & EXISTING RATES

North Hopkins Water District

SUMMARY

Meter Size	Gallons Sold	Revenue
5/8 inch	58,049,843	\$ 712,168
1 inch	6,227,040	52,739
1-1/2 inch	1,535,190	15,580
2 inch	2,403,600	17,674
4 inch	1,589,720	11,823
Totals	69,805,393	\$ 809,983

5/8 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 2,000	NEXT 2,000	NEXT 3,000	NEXT 3,000	ALL OVER 10,000	TOTAL
FIRST	2,000	4,169	4,609,850	4,609,850	-	-	-	-	4,609,850
NEXT	2,000	5,841	17,293,440	11,682,000	5,611,440	-	-	-	17,293,440
NEXT	3,000	3,706	18,918,083	7,412,000	7,412,000	4,094,083	-	-	18,918,083
NEXT	3,000	838	6,854,600	1,676,000	1,676,000	2,514,000	988,600	-	6,854,600
ALL OVER	10,000	555	10,373,870	1,110,000	1,110,000	1,665,000	1,665,000	4,823,870	10,373,870
		15,109	58,049,843	26,489,850	15,809,440	8,273,083	2,653,600	4,823,870	58,049,843

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	2,000	15,109	26,489,850	\$ 25.12	\$ 379,538.08
NEXT	2,000		15,809,440	12.26	193,823.73
NEXT	3,000		8,273,083	9.91	81,986.25
NEXT	3,000		2,653,600	8.76	23,245.54
ALL OVER	10,000		4,823,870	6.96	33,574.14
TOTAL		15,109	58,049,843		\$ 712,167.74

1 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 5,000	NEXT 2,000	NEXT 3,000	OVER 10,000	TOTAL
FIRST	5,000	121	215,570	215,570				215,570
NEXT	2,000	20	116,610	100,000	16,610			116,610
NEXT	3,000	29	237,290	145,000	58,000	34,290		237,290
ALL OVER	10,000	61	5,657,570	305,000	122,000	183,000	5,047,570	5,657,570
		231	6,227,040	765,570	196,610	217,290	5,047,570	6,227,040

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	5,000	231	765,570	\$ 59.55	\$ 13,756.05
NEXT	2,000		196,610	9.91	1,948.41
NEXT	3,000		217,290	8.76	1,903.46
ALL OVER	10,000		5,047,570	6.96	35,131.09
TOTAL		231	6,227,040		\$ 52,739.00

1-1/2 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 10,000	OVER 10,000	TOTAL
FIRST	10,000	43	125,540	125,540		125,540
ALL OVER	10,000	34	1,409,650	340,000	1,069,650	1,409,650
		77	1,535,190	465,540	1,069,650	1,535,190

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	10,000	77	465,540	\$ 105.65	\$ 8,135.05
ALL OVER	10,000		1,069,650	6.96	7,444.76
TOTAL		77	1,535,190		\$ 15,579.81

2 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 15,000	OVER 15,000	TOTAL
FIRST	15,000	2	8,200	8,200		8,200
ALL OVER	15,000	20	2,395,400	300,000	2,095,400	2,395,400
		22	2,403,600	308,200	2,095,400	2,403,600

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	15,000	22	308,200	\$ 140.45	\$ 3,089.90
ALL OVER	15,000		2,095,400	6.96	14,583.98
TOTAL		22	2,403,600		\$ 17,673.88

3 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 30,000	OVER 30,000	TOTAL
FIRST	30,000	2	13,220	13,220		13,220
ALL OVER	30,000	10	1,576,500	300,000	1,276,500	1,576,500
		12	1,589,720	313,220	1,276,500	1,589,720

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	30,000	12	313,220	\$ 244.85	\$ 2,938.20
ALL OVER	30,000		1,276,500	6.96	8,884.44
TOTAL		12	1,589,720		\$ 11,822.64

Attachment 6

BILLING ANALYSIS WITH 2016 USAGE & PROPOSED RATES

North Hopkins Water District

SUMMARY

Meter Size	Gallons Sold	Revenue
5/8 inch	58,049,843	\$ 895,273
1 inch	6,227,040	66,301
1-1/2 inch	1,535,190	19,586
2 inch	2,403,600	22,219
4 inch	1,589,720	14,863
Totals	69,805,393	\$ 1,018,242

5/8 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 2,000	NEXT 2,000	NEXT 3,000	NEXT 3,000	ALL OVER 10,000	TOTAL
FIRST	2,000	4,169	4,609,850	4,609,850	-	-	-	-	4,609,850
NEXT	2,000	5,841	17,293,440	11,682,000	5,611,440	-	-	-	17,293,440
NEXT	3,000	3,706	18,918,083	7,412,000	7,412,000	4,094,083	-	-	18,918,083
NEXT	3,000	838	6,854,600	1,676,000	1,676,000	2,514,000	988,600	-	6,854,600
ALL OVER	10,000	555	10,373,870	1,110,000	1,110,000	1,665,000	1,665,000	4,823,870	10,373,870
		15,109	58,049,843	26,489,850	15,809,440	8,273,083	2,653,600	4,823,870	58,049,843

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	2,000	15,109	26,489,850	\$ 31.58	\$ 477,142.22
NEXT	2,000		15,809,440	15.41	243,623.47
NEXT	3,000		8,273,083	12.46	103,082.61
NEXT	3,000		2,653,600	11.01	29,216.14
ALL OVER	10,000		4,823,870	8.75	42,208.86
TOTAL		15,109	58,049,843		\$ 895,273.30

1 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 5,000	NEXT 2,000	NEXT 3,000	OVER 10,000	TOTAL
FIRST	5,000	121	215,570	215,570				215,570
NEXT	2,000	20	116,610	100,000	16,610			116,610
NEXT	3,000	29	237,290	145,000	58,000	34,290		237,290
ALL OVER	10,000	61	5,657,570	305,000	122,000	183,000	5,047,570	5,657,570
		231	6,227,040	765,570	196,610	217,290	5,047,570	6,227,040

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	5,000	231	765,570	\$ 74.86	\$ 17,292.66
NEXT	2,000		196,610	12.46	2,449.76
NEXT	3,000		217,290	11.01	2,392.36
ALL OVER	10,000		5,047,570	8.75	44,166.24
TOTAL		231	6,227,040		\$ 66,301.02

1-1/2 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 10,000	OVER 10,000	TOTAL
FIRST	10,000	43	125,540	125,540		125,540
ALL OVER	10,000	34	1,409,650	340,000	1,069,650	1,409,650
		77	1,535,190	465,540	1,069,650	1,535,190

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	10,000	77	465,540	\$ 132.81	\$ 10,226.37
ALL OVER	10,000		1,069,650	8.75	9,359.44
TOTAL		77	1,535,190		\$ 19,585.81

2 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 15,000	OVER 15,000	TOTAL
FIRST	15,000	2	8,200	8,200		8,200
ALL OVER	15,000	20	2,395,400	300,000	2,095,400	2,395,400
		22	2,403,600	308,200	2,095,400	2,403,600

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	15,000	22	308,200	\$ 176.56	\$ 3,884.32
ALL OVER	15,000		2,095,400	8.75	18,334.75
TOTAL		22	2,403,600		\$ 22,219.07

3 INCH METERS

	USAGE	BILLS	GALLONS	FIRST 30,000	OVER 30,000	TOTAL
FIRST	30,000	2	13,220	13,220		13,220
ALL OVER	30,000	10	1,576,500	300,000	1,276,500	1,576,500
		12	1,589,720	313,220	1,276,500	1,589,720

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	30,000	12	313,220	\$ 307.81	\$ 3,693.72
ALL OVER	30,000		1,276,500	8.75	11,169.38
TOTAL		12	1,589,720		\$ 14,863.10

Attachment 7

12/20/2017
09:55

North Hopkins Water District

Company: N15

Page: 1

Asset Summary - Book Basis
Period Ended 12/31/16

<u>Num</u>	<u>Loc</u>	<u>Property Description</u>	<u>Acquired</u>	<u>T</u>	<u>Method</u>	<u>Life</u>	<u>Cost/Basis</u>	<u>179 Exp/AFD</u>	<u>Add SDA</u>	<u>Prior Depr.</u>	<u>Current Depr.</u>	<u>Ending Depr.</u>
Group # 1 TRANSMISSION & DIST MAINS												
1	I	TRANS & DIST MAINS	04/01/84	N	SL	65	280,832.87	0.00	0.00	197,171.33	4,320.51	201,491.84
2	I	TRANS & DIST MAINS	07/01/85	N	SL	65	19,678.80	0.00	0.00	13,211.02	302.75	13,513.77
3	I	TRANS & DIST MAINS	07/01/86	N	SL	65	15,237.33	0.00	0.00	9,853.31	234.42	10,087.73
4	I	TRANS & DIST MAINS	07/01/87	N	SL	65	6,231.29	0.00	0.00	3,875.68	95.87	3,971.55
5	I	TRANS & DIST MAINS PHASE 2	02/01/89	N	SL	65	1,169,374.38	0.00	0.00	681,441.32	17,990.38	699,431.70
6	I	TRANS & DIST MAINS	07/01/90	N	SL	65	1,583.00	0.00	0.00	867.17	24.35	891.52
7	I	TRANS & DIST MAINS	07/01/91	N	SL	65	36,109.62	0.00	0.00	18,888.09	555.53	19,443.62
8	I	TRANS & DIST MAINS	07/01/95	N	SL	65	1,399.58	0.00	0.00	593.44	21.53	614.97
9	I	TRANS & DIST MAINS PHASE 3	07/01/95	N	SL	65	125,657.92	0.00	0.00	53,281.78	1,933.20	55,214.98
10	I	TRANS & DIST MAINS	07/01/96	N	SL	65	1,700.00	0.00	0.00	676.93	26.15	703.08
11	I	TRANS & DIST MAINS PHASE 3	07/01/96	N	SL	65	651,730.81	0.00	0.00	259,527.02	10,026.63	269,553.65
12	I	LINES	07/01/97	N	SL	65	2,125.35	0.00	0.00	795.84	32.70	828.54
13	I	TRANS & DIST MAINS PHASE 3	07/01/97	N	SL	65	37,778.48	0.00	0.00	14,145.82	581.21	14,727.03
14	I	TRANS & DIST MAINS PHASE 3	07/01/98	N	SL	65	19,249.00	0.00	0.00	6,730.23	296.14	7,026.37
15	I	MAINS (EXTENSION)	07/01/98	N	SL	65	9,850.00	0.00	0.00	3,443.97	151.54	3,595.51
16	I	LINES	07/01/99	N	SL	65	470.00	0.00	0.00	152.67	7.23	159.90
17	I	LINES	07/01/00	N	SL	65	8,153.76	0.00	0.00	2,446.24	125.44	2,571.68
18	I	LINE EXTENSION PHASE IV	07/01/02	N	SL	65	165,001.62	0.00	0.00	41,311.25	2,538.49	43,849.74
19	I	CARRIAGE LANE LINE EXTENSION	07/01/02	N	SL	65	13,564.16	0.00	0.00	3,396.04	208.68	3,604.72
20	I	BROWN ROAD LINE EXTENSION	07/01/02	N	SL	65	5,815.69	0.00	0.00	1,456.04	89.47	1,545.51
21	I	MCELVAN ROAD LINE EXTENSION	07/01/03	N	SL	65	15,532.02	0.00	0.00	3,502.99	238.95	3,741.94
22	I	CARRIAGE LANE LIN EXTENSION	07/01/03	N	SL	65	2,250.00	0.00	0.00	507.50	34.62	542.12
23	I	BRADFORD PEAR LA LINE EXTENSION	07/01/03	N	SL	65	1,200.00	0.00	0.00	270.63	18.46	289.09
24	I	ANTIOCH CHURCH R LINE EXTENSION	07/01/03	N	SL	65	18,759.13	0.00	0.00	4,230.85	288.60	4,519.45
25	I	WILBUR JAMES ROAD LINE EXTENSION	07/01/03	N	SL	65	3,994.09	0.00	0.00	900.83	61.45	962.28
26	I	CLIFTON LANE LINE EXTENSION	04/15/05	N	SL	65	22,489.44	0.00	0.00	4,093.20	345.99	4,439.19
27	I	CARROLL GENTRY RD TIE IN	04/09/06	N	SL	65	9,980.29	0.00	0.00	1,568.47	153.54	1,722.01
28	I	ED LACY RD LINE EXTENSION	04/17/06	N	SL	65	1,219.65	0.00	0.00	189.15	18.76	207.91
29	I	BECKYE LANE EXTENSION	07/17/06	N	SL	65	6,286.90	0.00	0.00	936.46	96.72	1,033.18
30	I	BROWN ROAD EXTENSION	09/18/06	N	SL	65	4,930.11	0.00	0.00	714.16	75.85	790.01
31	I	BROWN RD LINE RELOCATION	03/15/06	N	SL	65	3,949.50	0.00	0.00	628.79	60.76	689.55
32	I	LINES	04/24/07	N	SL	65	3,410.00	0.00	0.00	454.65	52.46	507.11
33	I	HWY 260/JIM BREEDE ROAD EXTENSION	10/31/07	N	SL	65	14,148.21	0.00	0.00	1,777.56	217.66	1,995.22
34	I	ALMON LANE EXTEN	11/23/07	N	SL	65	6,804.56	0.00	0.00	846.24	104.69	950.93

12/20/2017
09:55

North Hopkins Water District

Company: N15
Page: 2

Asset Summary - Book Basis Period Ended 12/31/16

Num	Loc	Property Description	Acquired	T	Method	Life	Cost/Basis	179 Exp/AFD	Add SDA	Prior Depr.	Current Depr.	Ending Depr.
Group # 1 TRANSMISSION & DIST MAINS (Continued)												
35	I	SMITH-TODD ROAD EXTENSION	10/15/07	N	SL	65	36,301.09	0.00	0.00	4,607.46	558.48	5,165.94
36	I	KY 70 / HWY 70	03/01/07	N	SL	65	40,009.54	0.00	0.00	5,437.18	615.53	6,052.71
37	I	ANTIOCH CHURCH R	06/01/07	N	SL	65	14,112.53	0.00	0.00	1,863.61	217.12	2,080.73
38	I	OTTER CREEK/ HWY 1033	06/16/08	N	SL	65	37,292.53	0.00	0.00	4,302.98	573.73	4,876.71
39	I	PETERSON LANE	06/16/08	N	SL	65	15,142.11	0.00	0.00	1,747.20	232.96	1,980.16
40	I	SADDLEBROOK EXT	08/14/08	N	SL	65	16,039.12	0.00	0.00	1,830.13	246.76	2,076.89
41	I	SADDLEBROOK EXT	03/12/09	N	SL	65	798.55	0.00	0.00	83.98	12.29	96.27
42	I	OFFUTT RD EXTENSI	07/13/09	N	SL	65	10,587.19	0.00	0.00	1,058.72	162.88	1,221.60
43	I	LINES	10/15/09	N	SL	65	8,780.00	0.00	0.00	844.25	135.08	979.33
44	I	NORTH BRANSON EX	05/14/10	N	SL	65	45,972.65	0.00	0.00	4,007.86	707.27	4,715.13
45	I	LOWERING LINES	07/13/10	N	SL	65	5,800.00	0.00	0.00	490.77	89.23	580.00
46	I	LINES	09/06/13	N	SL	65	8,400.00	0.00	0.00	301.54	129.23	430.77
47	I	LINES	10/29/14	N	SL	65	2,726.00	0.00	0.00	48.93	41.94	90.87
48	I	HYDRO STOP	07/02/14	N	SL	65	3,500.00	0.00	0.00	80.77	53.85	134.62
Group # 1 Total							2,931,958.87	0.00	0.00	1,360,592.05	45,107.08	1,405,699.13
Group # 2 SERVICES												
1	I	SERVICES	01/15/84	N	SL	40	674.30	0.00	0.00	514.71	16.86	531.57
2	I	SERVICES	07/01/91	N	SL	40	3,338.06	0.00	0.00	2,044.55	83.45	2,128.00
3	I	SERVICES	07/01/92	N	SL	40	6,979.03	0.00	0.00	4,100.23	174.48	4,274.71
4	I	SERVICES	07/01/93	N	SL	40	3,865.43	0.00	0.00	2,174.35	96.64	2,270.99
5	I	SERVICES	07/01/94	N	SL	40	4,111.85	0.00	0.00	2,210.15	102.80	2,312.95
6	I	SERVICES	07/01/95	N	SL	40	6,515.80	0.00	0.00	6,515.80	0.00	6,515.80
7	I	SERVICES	07/01/96	N	SL	40	8,449.75	0.00	0.00	4,110.41	211.24	4,321.65
8	I	SERVICES	07/01/97	N	SL	40	7,926.05	0.00	0.00	7,926.05	0.00	7,926.05
9	I	SERVICES	07/01/98	N	SL	40	25,388.24	0.00	0.00	25,388.24	0.00	25,388.24
10	I	SERVICES	07/01/99	N	SL	40	16,425.68	0.00	0.00	15,732.71	410.64	16,143.35
11	I	SERVICES	07/01/00	N	SL	40	15,601.00	0.00	0.00	13,426.36	390.03	13,816.39
12	I	SERVICES	07/01/01	N	SL	40	14,699.73	0.00	0.00	11,219.33	367.49	11,586.82
13	I	SERVICES	07/01/02	N	SL	40	13,787.93	0.00	0.00	9,178.84	344.70	9,523.54
14	I	SERVICES	07/01/03	N	SL	40	9,275.00	0.00	0.00	5,268.76	231.88	5,500.64
15	I	SERVICES	07/01/04	N	SL	40	7,090.00	0.00	0.00	3,334.22	177.25	3,511.47
16	I	SERVICES	07/01/05	N	SL	40	15,497.88	0.00	0.00	5,770.94	387.45	6,158.39
17	I	SERVICES	01/11/06	N	SL	40	900.00	0.00	0.00	290.77	22.50	313.27
18	I	SERVICES	01/16/06	N	SL	40	863.00	0.00	0.00	271.85	21.58	293.43
19	I	SERVICES	02/03/06	N	SL	40	957.00	0.00	0.00	301.46	23.93	325.39
20	I	SERVICES	02/22/06	N	SL	40	400.00	0.00	0.00	122.73	10.00	132.73
21	I	SERVICES	03/06/06	N	SL	40	776.50	0.00	0.00	238.24	19.41	257.65
22	I	SERVICES	03/21/06	N	SL	40	1,222.50	0.00	0.00	365.17	30.56	395.73
23	I	SERVICES	04/17/06	N	SL	40	1,278.50	0.00	0.00	371.51	31.96	403.47
24	I	SERVICES	05/22/06	N	SL	40	1,585.50	0.00	0.00	447.89	39.64	487.53
25	I	SERVICES	06/26/06	N	SL	40	300.00	0.00	0.00	82.31	7.50	89.81
26	I	SERVICES	08/22/06	N	SL	40	3,946.50	0.00	0.00	1,018.65	98.66	1,117.31
27	I	SERVICES	09/18/06	N	SL	40	2,583.50	0.00	0.00	645.90	64.59	710.49
28	I	SERVICES	10/06/06	N	SL	40	1,063.00	0.00	0.00	265.79	26.58	292.37
29	I	SERVICES	11/13/06	N	SL	40	4,417.50	0.00	0.00	1,068.53	110.44	1,178.97
30	I	SERVICES	07/01/07	N	SL	40	18,332.32	0.00	0.00	3,895.63	458.31	4,353.94
31	I	2" METER INSTALLA	12/15/07	N	SL	40	1,443.51	0.00	0.00	291.73	36.09	327.82
32	I	SERVICES	07/01/08	N	SL	40	5,025.00	0.00	0.00	942.22	125.63	1,067.85
33	I	SERVICES	07/01/09	N	SL	40	13,277.50	0.00	0.00	2,157.61	331.94	2,489.55
34	I	SERVICES	07/01/10	N	SL	40	22,893.00	0.00	0.00	3,147.81	572.33	3,720.14
35	I	SERVICES	07/01/11	N	SL	40	11,894.25	0.00	0.00	1,338.12	297.36	1,635.48
36	I	SERVICES	07/01/12	N	SL	40	9,733.00	0.00	0.00	851.65	243.33	1,094.98

12/20/2017
09:55

North Hopkins Water District

Company: N15
Page: 3

Asset Summary - Book Basis Period Ended 12/31/16

Num	Loc	Property Description	Acquired	T	Method	Life	Cost/Basis	179 Exp/AFD	Add SDA	Prior Depr.	Current Depr.	Ending Depr.
Group # 2 SERVICES (Continued)												
37	I	SERVICES	07/01/13	N	SL	40	8,443.00	0.00	0.00	527.70	211.08	738.78
38	I	SERVICES	06/30/14	N	SL	40	7,200.00	0.00	0.00	270.00	180.00	450.00
40	I	SERVICES	06/30/15	N	SL	40	6,487.50	0.00	0.00	81.09	162.19	243.28
41	I	SERVICES	01/15/84	N	*SOLD*	40	2,612.90	0.00	0.00	1,994.49	32.66	2,027.15
42	I	SERVICES	07/01/16	N	SL	40	3,590.00	0.00	0.00	0.00	44.88	44.88
Sub-Total							290,851.21	0.00	0.00	139,904.50	6,198.06	146,102.56
Less: Assets Sold							2,612.90	0.00	0.00	1,994.49	32.66	2,027.15
Group # 2 Total							288,238.31	0.00	0.00	137,910.01	6,165.40	144,075.41
Group # 3 METERS												
1	I	METERS	04/15/84	N	*SOLD*	40	1,496.16	0.00	0.00	1,496.16	0.00	1,496.16
2	I	METERS	07/01/85	N	*SOLD*	40	228.00	0.00	0.00	228.00	0.00	228.00
3	I	METERS	07/01/86	N	*SOLD*	40	114.00	0.00	0.00	114.00	0.00	114.00
4	I	METERS	07/01/87	N	*SOLD*	40	94.50	0.00	0.00	94.26	0.00	94.26
5	I	METERS	07/01/88	N	SL	40	112.72	0.00	0.00	112.72	0.00	112.72
6	I	METERS (PHASE 2)	02/15/89	N	SL	40	14,038.63	0.00	0.00	14,038.63	0.00	14,038.63
7	I	METERS	07/01/89	N	SL	40	459.50	0.00	0.00	459.50	0.00	459.50
8	I	METERS & INSTALLA	07/01/94	N	SL	40	5,846.54	0.00	0.00	4,904.57	146.16	5,050.73
9	I	METERS	07/01/95	N	SL	40	2,214.50	0.00	0.00	2,214.50	0.00	2,214.50
10	I	METERS & INSTALLA	04/15/84	N	SL	40	29,233.94	0.00	0.00	29,233.94	0.00	29,233.94
11	I	METERS & INSTALLA	07/01/85	N	SL	40	2,338.50	0.00	0.00	2,338.50	0.00	2,338.50
12	I	METERS & INSTALLA	07/01/86	N	SL	40	925.00	0.00	0.00	925.00	0.00	925.00
13	I	METERS & INSTALLA	07/01/87	N	SL	40	675.50	0.00	0.00	675.46	0.00	675.46
14	I	METERS & INSTALLA	07/01/88	N	SL	40	1,914.50	0.00	0.00	1,914.48	0.00	1,914.48
15	I	METERS INSTALLATI PHASE 2	02/15/89	N	SL	40	71,271.58	0.00	0.00	71,271.29	0.00	71,271.29
16	I	METERS INSTALLATI	07/01/89	N	SL	40	3,274.78	0.00	0.00	3,274.52	0.00	3,274.52
17	I	METERS INSTALLATI	07/01/90	N	SL	40	8,773.55	0.00	0.00	8,773.55	0.00	8,773.55
18	I	METERS INSTALLATI	07/01/91	N	SL	40	3,437.49	0.00	0.00	3,383.80	54.00	3,437.80
19	I	METERS INSTALLATI	07/01/92	N	SL	40	5,018.20	0.00	0.00	4,697.08	125.46	4,822.54
20	I	METERS INSTALLATI	07/01/93	N	SL	40	2,064.77	0.00	0.00	1,832.50	51.62	1,884.12
21	I	METERS INSTALLATI	07/01/96	N	SL	40	1,229.24	0.00	0.00	1,229.24	0.00	1,229.24
22	I	METERS	07/01/98	N	SL	40	3,311.00	0.00	0.00	3,311.00	0.00	3,311.00
23	I	METERS	07/01/99	N	SL	40	1,755.00	0.00	0.00	1,681.00	43.88	1,724.88
24	I	METERS	07/01/00	N	SL	40	1,287.54	0.00	0.00	1,108.08	32.19	1,140.27
25	I	METERS	07/01/01	N	SL	40	2,585.10	0.00	0.00	1,973.06	64.63	2,037.69
26	I	METERS	07/01/02	N	SL	40	2,620.66	0.00	0.00	1,744.64	65.52	1,810.16
27	I	METERS	07/01/03	N	SL	40	1,415.14	0.00	0.00	803.89	35.38	839.27
28	I	METERS	07/01/04	N	SL	40	619.03	0.00	0.00	291.14	15.48	306.62
29	I	METERS	07/01/05	N	SL	40	3,759.70	0.00	0.00	1,399.98	93.99	1,493.97
30	I	METERS	03/15/06	N	SL	40	558.25	0.00	0.00	171.32	13.96	185.28
31	I	METERS	04/17/06	N	SL	40	486.00	0.00	0.00	141.23	12.15	153.38
32	I	MASTER METER	01/30/07	N	SL	40	387.95	0.00	0.00	86.49	9.70	96.19
33	I	METERS	03/06/07	N	SL	40	714.58	0.00	0.00	157.77	17.86	175.63
34	I	METERS	05/29/07	N	SL	40	540.00	0.00	0.00	115.88	13.50	129.38
35	I	METERS	08/27/07	N	SL	40	573.75	0.00	0.00	119.50	14.34	133.84
36	I	METERS	05/07/08	N	SL	40	605.14	0.00	0.00	116.00	15.13	131.13
37	I	3" METER	09/03/08	N	SL	40	390.64	0.00	0.00	71.65	9.77	81.42
38	I	METERS	10/31/08	N	SL	40	643.06	0.00	0.00	115.24	16.08	131.32
39	I	METERS	12/18/08	N	SL	40	1,764.00	0.00	0.00	308.70	44.10	352.80
40	I	METERS	10/27/09	N	SL	40	632.86	0.00	0.00	97.56	15.82	113.38
41	I	METERS	04/19/10	N	SL	40	610.07	0.00	0.00	86.42	15.25	101.67
42	I	METERS	08/16/10	N	SL	40	915.88	0.00	0.00	122.13	22.90	145.03
43	I	METERS	07/29/11	N	SL	40	630.21	0.00	0.00	69.60	15.76	85.36
44	I	METERS	08/08/11	N	SL	40	4,152.00	0.00	0.00	458.45	103.80	562.25

12/20/2017
09:55

North Hopkins Water District

Company: N15
Page: 4

Asset Summary - Book Basis Period Ended 12/31/16

Num	Loc	Property Description	Acquired	T	Method	Life	Cost/Basis	179 Exp/AFD	Add SDA	Prior Depr.	Current Depr.	Ending Depr.
Group # 3 METERS (Continued)												
45	I	METERS	09/14/11	N	SL	40	1,390.00	0.00	0.00	150.58	34.75	185.33
46	I	METERS	03/14/12	N	SL	40	703.32	0.00	0.00	67.39	17.58	84.97
47	I	METERS	09/05/12	N	SL	40	799.08	0.00	0.00	66.60	19.98	86.58
48	I	METERS	03/19/13	N	SL	40	158.89	0.00	0.00	10.92	3.97	14.89
49	I	METERS	06/30/14	N	SL	40	4,412.94	0.00	0.00	165.48	110.32	275.80
50	I	TURBO METER	12/22/14	N	SL	40	725.00	0.00	0.00	18.13	18.13	36.26
52	I	METERS	06/30/15	N	SL	40	5,408.56	0.00	0.00	67.61	135.21	202.82
53	I	METERS	07/01/88	N	*SOLD*	40	107.78	0.00	0.00	107.78	0.00	107.78
54	I	METERS	07/01/16	N	SL	40	3,407.44	0.00	0.00	0.00	42.59	42.59
Sub-Total							202,832.17	0.00	0.00	168,416.92	1,450.96	169,867.88
Less: Assets Sold							2,040.44	0.00	0.00	2,040.20	0.00	2,040.20
Group # 3 Total							200,791.73	0.00	0.00	166,376.72	1,450.96	167,827.68
Group # 4 OFFICE FURN & EQUIP												
3	I	(2) DESKS	07/01/94	N	SL	7	560.00	0.00	0.00	560.00	0.00	560.00
7	I	SOFTWARE	07/01/98	N	SL	5	450.00	0.00	0.00	450.00	0.00	450.00
8	I	PAPER SHREDDER	07/01/99	N	SL	5	52.96	0.00	0.00	52.96	0.00	52.96
14	I	COMPUTER DESK	07/01/03	N	*SOLD*	5	367.44	0.00	0.00	367.44	0.00	367.44
16	I	WOOD DESK	01/15/05	N	SL	10	699.00	0.00	0.00	699.00	0.00	699.00
17	I	CHAIR	01/15/05	N	SL	5	99.95	0.00	0.00	99.95	0.00	99.95
22	I	FAX MACHINE	02/11/09	N	SL	5	58.27	0.00	0.00	58.27	0.00	58.27
24	I	FIRE SAFE	12/31/09	N	*SOLD*	20	250.89	0.00	0.00	75.24	6.27	81.51
25	I	HANDHELD & SOFTW	06/25/10	N	SL	5	6,575.00	0.00	0.00	6,575.00	0.00	6,575.00
26	I	SOFTWARE, INSTALL	03/08/11	N	SL	5	9,083.00	0.00	0.00	8,780.23	302.77	9,083.00
27	I	COMPUTER DESK	03/18/11	N	*SOLD*	10	47.70	0.00	0.00	22.66	2.39	25.05
28	I	LAPTOP	03/30/11	N	SL	5	858.00	0.00	0.00	815.10	42.90	858.00
29	I	HP DESKTOP 6000 CO	04/25/11	N	SL	5	2,526.25	0.00	0.00	2,357.83	168.42	2,526.25
30	I	LEXMARK PRINTER T654N	01/23/12	N	SL	5	1,617.98	0.00	0.00	1,267.43	323.60	1,591.03
31	I	OFFICE SIGN	04/13/12	N	SL	10	366.00	0.00	0.00	137.25	36.60	173.85
32	I	COPY MACHINE	06/03/13	N	SL	5	999.00	0.00	0.00	516.15	199.80	715.95
33	I	CASH REGISTER	06/02/14	N	SL	5	199.99	0.00	0.00	63.33	40.00	103.33
34	I	TWO OFFICE CHAIRS	07/30/14	N	SL	5	598.00	0.00	0.00	169.43	119.60	289.03
35	I	TWO FILE CABINETS	07/30/14	N	SL	10	250.00	0.00	0.00	35.42	25.00	60.42
36	I	HP PRODESK WORKSTATION	08/27/14	N	SL	5	3,062.50	0.00	0.00	816.67	612.50	1,429.17
37	I	EPSON COUNTER RECEIPTS PRINTER	09/16/14	N	SL	5	1,520.00	0.00	0.00	380.00	304.00	684.00
38	I	TIME CLOCK	10/09/14	N	SL	10	298.98	0.00	0.00	37.37	29.90	67.27
39	I	CONFERENCE TABLE	02/08/16	N	SL	5	275.00	0.00	0.00	0.00	50.42	50.42
40	I	GENERATOR	02/29/16	N	SL	10	537.40	0.00	0.00	0.00	44.78	44.78
41	I	SAFE	01/25/16	N	SL	20	963.62	0.00	0.00	0.00	44.17	44.17
42	I	CHAIR	03/10/16	N	SL	5	233.16	0.00	0.00	0.00	38.86	38.86
Sub-Total							32,550.09	0.00	0.00	24,336.73	2,391.98	26,728.71
Less: Assets Sold							666.03	0.00	0.00	465.34	8.66	474.00
Group # 4 Total							31,884.06	0.00	0.00	23,871.39	2,383.32	26,254.71
Group # 5 DIST RESER & STDPIPES												
1	I	TANK #1	02/15/89	N	SL	40	154,556.56	0.00	0.00	104,003.65	3,863.91	107,867.56
2	I	TANK #2	02/15/89	N	SL	40	155,136.39	0.00	0.00	104,393.87	3,878.41	108,272.28
3	I	TANK VANDAL GUAR	07/01/97	N	SL	40	5,704.00	0.00	0.00	2,638.10	142.60	2,780.70
4	I	WATER TANK PHASE IV	07/01/02	N	SL	40	208,421.41	0.00	0.00	70,342.27	5,210.54	75,552.81
5	I	GATE AT SHAKERAG	07/01/02	N	SL	10	1,220.00	0.00	0.00	1,220.00	0.00	1,220.00

12/20/2017
09:55

North Hopkins Water District
Asset Summary - Book Basis
Period Ended 12/31/16

Company: N15
Page: 5

Num	Loc	Property Description	Acquired	T	Method	Life	Cost/Basis	179 Exp/AFD	Add SDA	Prior Depr.	Current Depr.	Ending Depr.
Group # 5 DIST RESER & STDPIES (Continued)												
6	I	WATER TANK PAINT PHASE I	07/01/05	N	SL	20	3,120.00	0.00	0.00	1,638.00	156.00	1,794.00
7	I	WATER TANK	05/12/07	N	SL	40	316,616.47	0.00	0.00	68,600.22	7,915.41	76,515.63
8	I	ADD'L WATER TANK	06/12/08	N	SL	40	943.90	0.00	0.00	178.97	23.60	202.57
9	I	INTERIOR TANK PAIN	07/13/09	N	SL	40	34,580.00	0.00	0.00	5,619.25	864.50	6,483.75
10	I	INTERIOR TANK PAIN	05/24/10	N	SL	40	11,630.00	0.00	0.00	1,623.35	290.75	1,914.10
11	I	TANK PRESSURE TRANSDUCER	10/02/13	N	SL	10	3,372.91	0.00	0.00	758.90	337.29	1,096.19
12	I	FENCE	08/26/16	N	SL	20	4,115.69	0.00	0.00	0.00	68.59	68.59
Group # 5 Total							899,417.33	0.00	0.00	361,016.58	22,751.60	383,768.18
Group # 6 PUMPING EQUIPMENT												
1	I	PUMPHOUSE #1	02/15/89	N	SL	40	82,828.20	0.00	0.00	55,736.53	2,070.71	57,807.24
2	I	PUMPHOUSE #2	02/15/89	N	SL	40	80,052.54	0.00	0.00	53,868.66	2,001.31	55,869.97
3	I	BOOSTER / CHLOR	07/01/89	N	SL	20	677.87	0.00	0.00	677.87	0.00	677.87
4	I	PUMP VALVES	07/01/91	N	SL	10	777.00	0.00	0.00	777.00	0.00	777.00
5	I	METERING PUMP W/ VALVE	07/01/01	N	SL	20	1,131.37	0.00	0.00	820.26	56.57	876.83
6	I	PUMP STATION PHASE IV	07/01/02	N	SL	40	108,170.33	0.00	0.00	36,507.50	2,704.26	39,211.76
7	I	USFCS 9700 TELEMET SYSTEM	01/15/04	N	SL	20	22,450.00	0.00	0.00	13,470.00	1,122.50	14,592.50
8	I	COMPUTER-TELEME SYSTEM	02/15/04	N	SL	5	2,010.82	0.00	0.00	2,010.82	0.00	2,010.82
9	I	TELEMETRY DATA RADIO	11/09/06	N	SL	5	1,424.12	0.00	0.00	1,424.12	0.00	1,424.12
10	I	PUMPSTATION CONT	04/19/10	N	SL	20	2,538.36	0.00	0.00	719.21	126.92	846.13
11	I	METAL ROOF 2 PUMP STATIONS	09/05/12	N	SL	20	1,900.00	0.00	0.00	316.67	95.00	411.67
12	I	ELECTRIC MOTOR	03/04/15	N	SL	20	1,289.84	0.00	0.00	53.74	64.49	118.23
Group # 6 Total							305,250.45	0.00	0.00	166,382.38	8,241.76	174,624.14
Group # 7 HYDRANTS												
1	I	HYDRANTS	07/01/90	N	SL	40	792.76	0.00	0.00	505.39	19.82	525.21
2	I	HYDRANT	07/01/16	N	SL	40	1,325.53	0.00	0.00	0.00	16.57	16.57
Group # 7 Total							2,118.29	0.00	0.00	505.39	36.39	541.78
Group # 8 STRUCTURES & IMPROVEMENTS												
2	I	PUMP STATION PHASE IV	07/01/02	N	SL	40	112,135.84	0.00	0.00	37,845.89	2,803.40	40,649.29
3	I	OFFICE BUILDING	01/01/15	N	SL	40	172,630.53	0.00	0.00	4,315.76	4,315.76	8,631.52
4	I	BUILDING (SHOP)	01/01/15	N	SL	40	11,500.00	0.00	0.00	287.50	287.50	575.00
5	I	OFFICE REMODEL	02/15/16	N	SL	40	16,198.59	0.00	0.00	0.00	371.22	371.22
Group # 8 Total							312,464.96	0.00	0.00	42,449.15	7,777.88	50,227.03
Group # 9 COMMUNICATION EQUIPMENT												
1	I	ANTENNA	07/01/02	N	*SOLD*	5	400.00	0.00	0.00	400.00	0.00	400.00
2	I	TELEMETRY	05/11/09	N	*SOLD*	20	39,343.60	0.00	0.00	13,114.53	1,803.25	14,917.78
3	I	(1 of 2) ANTENNA	07/01/16	N	SL	5	600.00	0.00	0.00	0.00	60.00	60.00
4	I	(2 of 2) ANTENNA	07/01/16	N	SL	5	600.00	0.00	0.00	0.00	60.00	60.00
5	I	TELEMETRY SYSTEM	12/15/16	N	SL	25	41,073.00	0.00	0.00	0.00	136.91	136.91
Sub-Total							82,016.60	0.00	0.00	13,514.53	2,060.16	15,574.69

12/20/2017
09:55

North Hopkins Water District

Company: N15
Page: 6

Asset Summary - Book Basis Period Ended 12/31/16

<u>Num</u>	<u>Loc</u>	<u>Property Description</u>	<u>Acquired</u>	<u>T</u>	<u>Method</u>	<u>Life</u>	<u>Cost/Basis</u>	<u>179 Exp/AFD</u>	<u>Add SDA</u>	<u>Prior Depr.</u>	<u>Current Depr.</u>	<u>Ending Depr.</u>	
							Less: Assets Sold	39,743.60	0.00	0.00	13,514.53	1,803.25	15,317.78
Group # 9 Total							42,273.00	0.00	0.00	0.00	256.91	256.91	
Group # 10 LAND & LAND RIGHTS													
1	I	LAND & LAND RIGHT	04/01/84	N			9,786.50	0.00	0.00	0.00	0.00	0.00	
2	I	SMITH-TODD LAND R	10/15/07	N			4,375.00	0.00	0.00	0.00	0.00	0.00	
3	I	LAND RIGHTS	02/11/08	N			75.00	0.00	0.00	0.00	0.00	0.00	
Group # 10 Total							14,236.50	0.00	0.00	0.00	0.00	0.00	
Group # 11 TRANSPORTATION EQUIPMENT													
1	I	TRAILER	06/16/08	N	SL	20	429.99	0.00	0.00	161.25	21.50	182.75	
2	I	DECALS	04/15/15	N	SL	7	165.00	0.00	0.00	17.68	23.57	41.25	
3	I	FORD RANGER	11/18/15	N	SL	7	5,150.00	0.00	0.00	61.31	735.71	797.02	
4	I	FORD RANGER	12/16/15	N	SL	7	3,200.00	0.00	0.00	0.00	457.14	457.14	
Group # 11 Total							8,944.99	0.00	0.00	240.24	1,237.92	1,478.16	
Group # 12 TOOLS, SHOP, GARAGE EQUIP													
1	I	GENERATOR/WELDER	06/16/08	N	SL	20	3,372.50	0.00	0.00	1,264.72	168.63	1,433.35	
2	I	80 KW GENERATOR	02/23/09	N	SL	20	19,795.00	0.00	0.00	6,763.29	989.75	7,753.04	
5	I	GENERATORS HOOKU	09/23/10	N	SL	20	14,533.71	0.00	0.00	3,815.12	726.69	4,541.81	
Group # 12 Total							37,701.21	0.00	0.00	11,843.13	1,885.07	13,728.20	
Group # 13 OTHER PLANT & MISC EQUIP													
1	I	CHLOROMETER	07/08/15	N	SL	5	473.29	0.00	0.00	47.33	94.66	141.99	
2	I	HANDHELDS	07/31/15	N	SL	5	10,374.00	0.00	0.00	864.50	2,074.80	2,939.30	
3	I	COLORIMETER	08/09/16	N	SL	5	433.20	0.00	0.00	0.00	36.10	36.10	
Group # 13 Total							11,280.49	0.00	0.00	911.83	2,205.56	3,117.39	
Grand Total							5,131,623.16	0.00	0.00	2,290,113.43	101,344.42	2,391,457.85	
Less: Assets Sold							45,062.97	0.00	0.00	18,014.56	1,844.57	19,859.13	
Net Grand Total							5,086,560.19	0.00	0.00	2,272,098.87	99,499.85	2,371,598.72	

Attachment 8

ASSISTANCE AGREEMENT
BETWEEN
KENTUCKY RURAL WATER FINANCE CORPORATION
AND
NORTH HOPKINS WATER DISTRICT
DATED
NOVEMBER 4, 2010
IN THE AMOUNT OF \$1,245,000

This document was prepared by:

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

By

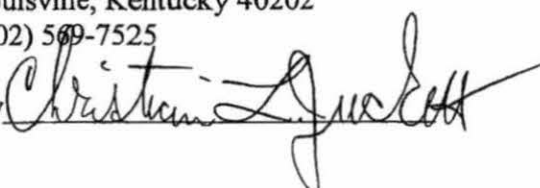


TABLE OF CONTENTS TO ASSISTANCE AGREEMENT

Section 1.	Definitions.....	3
Section 2.	Reaffirmation of Declaration of Waterworks System	7
Section 3.	Authorization of Obligations; Place of Payment; Manner of Execution	7
Section 4.	Redemption.....	8
Section 5.	Obligations Payable Out of Revenues on a Parity with Prior Bonds.....	9
Section 6.	Compliance with Parity Coverage Requirements of the Prior Bond Legislation.....	9
Section 7.	Flow of Funds	9
Section 8.	Disposition of Proceeds of the Obligations; Governmental Agency Account.....	11
Section 9.	Arbitrage Limitations.....	12
Section 10.	Parity Bonds.....	14
Section 11.	Rates and Charges for Services of the System.....	16
Section 12.	All Obligations of this Issue Are Equal	17
Section 13.	Defeasance and/or Refunding of Obligations	17
Section 14.	Contractual Nature of Assistance Agreement.....	17
Section 15.	Appointment and Duties of Trustee.....	17
Section 16.	Provisions in Conflict Repealed.....	18
Section 17.	Covenant of Governmental Agency to Take All Action Necessary to Assure Compliance with the Internal Revenue Code of 1986.....	18
Section 18.	Bank Eligibility	19
Section 19.	Insurance	20
Section 20.	Event of Default; Remedies	20
Section 21.	Annual Reports	21
Section 22.	Supplemental Assistance Agreement.....	21
Section 23.	No Remedy Exclusive.....	22
Section 24.	Waivers	22
Section 25.	Agreement to Pay Attorneys' Fees and Expenses.....	22
Section 26.	Signatures of Officers	22
Section 27.	Severability Clause	22

EXHIBIT A.....	Debt Service Schedule
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ASSISTANCE AGREEMENT

This Assistance Agreement made and entered into as of November 4, 2010 (the "Assistance Agreement") by and between the Kentucky Rural Water Finance Corporation, a non-profit agency and instrumentality of various political subdivisions of the Commonwealth of Kentucky duly organized and existing under the laws of the Commonwealth of Kentucky (the "Issuer") and the North Hopkins Water District, 1580 Neelie Webb Road, Madisonville, Kentucky 42431 (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 Regions Bank, Nashville, Tennessee (as successor in interest to Fifth Third Bank and The Bank of New York Trust Company, N.A.), as 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 and Improvement Revenue Bonds (Flexible Term Program), Series 2010D (the "Series 2010D Bonds") in the aggregate principal amount of \$7,615,000, pursuant to a Supplemental Trust Indenture No. 39, dated as of November 4, 2010 by and between the Issuer and the Trustee, which Series 2010D Bonds will rank on a parity with the Series 2001 Bonds and the proceeds of which will be used by certain Governmental Agencies to acquire, construct and equip public projects described in various Assistance Agreements by and between the Governmental Agencies and the Issuer; and

WHEREAS, the Governmental Agency has outstanding its North Hopkins Water District Waterworks Refunding Revenue Bonds, Series 1998, dated March 1, 1998, in the original authorized principal amount of \$2,095,000 (the "Series 1998 Bonds"), which bonds were issued by the Governmental Agency to make improvements and extensions to the Governmental Agency's waterworks system (the "System"); and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable and in the public interest to currently refund the Series 1998 Bonds, in order to effect substantial debt service savings (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 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, 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 Governmental Agency's outstanding Prior Bonds (as hereinafter defined), 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, 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 \$1,245,000 [the "Obligations"], for the purpose of providing funds for the Project, and to reaffirm the conditions and restrictions under which 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 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 Rubin & Hays, Kentucky Home Trust Building, 450 South Third Street, Louisville, Kentucky 40202, or any other nationally recognized individual or firm in the field of municipal bond law.

"Bond Legislation of 1998" or *"1998 Bond Legislation"* refer to the legislation authorizing the Series 1998 Bonds, duly enacted by the Governing Body on February 17, 1998.

"Bondowner", "Owner", "Bondholder" means and contemplates, unless the context otherwise indicates, the registered owner of one or more of the Bonds at the time issued and outstanding hereunder.

"Bonds" refers to the Obligations, the Prior Bonds and any additional Parity Bonds.

"Certified Public Accountants" refers to an independent Certified Public Accountant or firm of Certified Public Accountants, duly licensed in Kentucky and knowledgeable about the affairs of the System and/or of other Governmental Agency financial matters.

"Code" refers to the United States Internal Revenue Code of 1986, as amended, and any regulations issued thereunder.

"Compliance Group" refers to the Compliance Group identified and defined in the Indenture.

"Depreciation Fund" refers to the North Hopkins Water District Waterworks Revenue Bond Depreciation Reserve Fund created in the Prior Bond Legislation and which Depreciation Fund will continue to be maintained for the benefit of the System.

"Engineer" or *"Independent Consulting Engineer"* refers to an Independent Consulting Engineer or firm of Engineers of excellent national reputation or of recognized excellent reputation in Kentucky in the fields of waterworks and sewer engineering.

"Funds" refers collectively to the Sinking Fund, the Revenue Fund, the Operation and Maintenance Fund, the Depreciation Fund, and the Governmental Agency Account.

"*Governing Body*" means the Board of Commissioners of the Governmental Agency or such other body as shall be the governing body of said Governmental Agency under the laws of Kentucky at any given time.

"*Governmental Agency*" refers to the North Hopkins Water District, 1580 Neelie Webb Road, Madisonville, Kentucky 42431.

"*Governmental Agency Chief Executive*" refers to the Chairman of the Governmental Agency.

"*Governmental Agency Clerk*" refers to the Secretary of the Governmental Agency.

"*Indenture*" means the Trust Indenture, dated as of April 4, 2001, as originally executed or as it may from time to time be supplemented, modified or amended by any supplemental indenture, including the Supplemental Trust Indenture No. 39, dated November 4, 2010, by and between the Issuer and the Trustee.

"*Interest Payment Date*" shall mean the 1st day of each month, commencing December 1, 2010 and continuing through and including July 1, 2023 or until the Loan has been paid in full.

"*Issuer*" refers to the Kentucky Rural Water Finance Corporation, Bowling Green, Kentucky.

"*Obligations*" refers to the Loan authorized by this Assistance Agreement in the principal amount of \$1,245,000, maturing July 1, 2023.

"*Operation and Maintenance Fund*" refers to the North Hopkins Water District Waterworks Operation and Maintenance Fund created and confirmed in the Prior Bond Legislation and which Operation and Maintenance Fund will continue to be maintained for the benefit of the System.

"*Outstanding Bonds*" refers collectively to all outstanding Prior Bonds, the outstanding Obligations and any outstanding Parity Bonds, and does not refer to any bonds that have been defeased.

"*Parity Bonds*" means bonds issued in the future, which will, pursuant to the provisions of this Assistance Agreement, rank on a basis of parity with the Obligations and shall not be deemed to include, nor to prohibit the issuance of, bonds ranking inferior in security to the Obligations.

"*Permitted Investments*" refers to the following:

(a) Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, if delivery of these obligations subject to

repurchase agreements is taken either directly or through an authorized custodian. These investments may be accomplished through repurchase agreements reached with sources including but not limited to national or state banks chartered in the Commonwealth of Kentucky;

(b) Obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States or a United States government agency, including but not limited to:

- i. United States Treasury;
- ii. Export-Import Bank of the United States;
- iii. Farmers Home Administration;
- iv. Government National Mortgage Corporation; and
- v. Merchant Marine bonds;

(c) Obligations of any corporation of the United States government, including but not limited to:

- i. Federal Home Loan Mortgage Corporation;
- ii. Federal Farm Credit Banks;
- iii. Bank for Cooperatives;
- iv. Federal Intermediate Credit Banks;
- v. Federal Land Banks;
- vi. Federal Home Loan Banks;
- vii. Federal National Mortgage Association; and
- viii. Tennessee Valley Authority;

(d) Certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institutions which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, by any obligations, including surety bonds, permitted by KRS Section 41.240(4);

(e) Uncollateralized certificates of deposit issued by any bank or savings and loan institution rated on one (1) of the three (3) highest categories by a nationally recognized rating agency;

(f) Banker's acceptances for banks rated in one (1) of the three (3) highest categories by a nationally recognized rating agency;

(g) Commercial paper rated in the highest category by a nationally recognized rating agency;

(h) Bonds or certificates of indebtedness of the Commonwealth of Kentucky and of its agencies and instrumentalities;

(i) Securities issued by a state or local government, or any instrumentality of agency thereof, in the United States, and rated in one (1) of the three (3) highest categories by a nationally recognized rating agency; and

(j) Shares of mutual funds, each of which shall have the following characteristics:

- i. The mutual fund shall be an open-end diversified investment company registered under the Federal Investment Company Act of 1940, as amended;
- ii. The management company of the investment company shall have been in operation for at least five (5) years; and
- iii. All of the securities in the mutual fund shall be eligible investments under this section.

Investments in the above instruments are subject to the following conditions and limitations:

(a) The amount of money invested at any time by a local government or political subdivision in one (1) or more of the categories of investments authorized by subsection (e), (f), (g), and (i) of this definition shall not exceed twenty percent (20%) of the total amount of money invested by the local government; and

(b) No local government or political subdivision shall purchase any investment authorized herein on a margin basis or through the use of any similar leveraging technique.

"Prior Bond Legislation" refers to the Series 2001B Assistance Agreement.

"Prior Bonds" refers collectively to the Series 2001B Loan.

"Program" refers to the Issuer's Public Projects Flexible Term Program designed to provide financing for the expansion, addition and improvements of public projects for governmental entities.

"Program Administrator" refers to the Kentucky Rural Water Association, Inc., Bowling Green, Kentucky.

"Program Reserve Fund" refers to the Reserve Fund created and established pursuant to Section 4.2 of the Indenture.

"Project" refers to financing the cost to currently refund the outstanding Series 1998 Bonds, with the proceeds of the Obligations.

"Revenue Fund" refers to the North Hopkins Water District Waterworks Revenue Fund created in the Prior Bond Legislation and which Revenue Fund will continue to be maintained

for the benefit of the System.

"*Series 1998 Bonds*" refers to North Hopkins Water District Waterworks Refunding Revenue Bonds, Series 1998, dated March 1, 1998, in the original authorized principal amount of \$2,095,000.

"*Series 2001B Assistance Agreement*" refers to the Assistance Agreement between the Kentucky Rural Water Finance Corporation and the Governmental Agency, dated December 19, 2001, authorizing the Series 2001G Loan.

"*Series 2001B Loan*" refers to the loan in the amount of \$183,000, dated December 19, 2001, to the North Hopkins Water District from the Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Series 2001B.

"*Sinking Fund*" refers to the North Hopkins Water District Waterworks Revenue Bond Sinking Fund created and confirmed in the Prior Bond Legislation and which Sinking Fund will continue to be maintained for the benefit of the System.

"*System*" refers to the Governmental Agency's waterworks system, together with all future extensions, additions and improvements to said System.

"*Treasurer*" refers to the Treasurer of the Governmental Agency.

"*Trustee*" refers to Regions Bank, Nashville, Tennessee.

"*U.S. Obligations*" refers to bonds, notes, or Treasury Bills, which are direct obligations of the United States of America or obligations fully guaranteed by the United States of America, including book-entry obligations of the United States Treasury-State and Local Government Series, and Trust Receipts representing an ownership interest in direct obligations of the United States.

Section 2. Reaffirmation of Declaration of Waterworks System. That all proceedings heretofore taken for the establishment of and the supplying of water service in and to said Governmental Agency as a municipal waterworks system are hereby in all respects ratified and confirmed; and so long as any of the Obligations hereinafter authorized or permitted to be issued remain outstanding, said System shall be owned, controlled, operated and maintained for the security and source of payment of the Obligations. Said System is hereby declared to constitute a public project within the meaning and application of Sections 58.010 to 58.140, inclusive, of the Kentucky Revised Statutes.

Section 3. Authorization of Obligations; Place of Payment; Manner of Execution. That pursuant to the Constitution and laws of Kentucky, and particularly said Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, the Governmental

Agency hereby authorizes the borrowing of \$1,245,000 from the Program, for the purpose of providing funds for the Project.

Said Obligations shall mature in such principal amounts, and shall bear interest as set forth in Exhibit A attached hereto.

The principal of, redemption price, if any, and interest on the Obligations shall be payable in lawful money of the United States of America on the Interest Payment Date to the Trustee for the Program. Such payment shall be made by the Governmental Agency from funds on deposit in the Sinking Fund pursuant to the ACH Debit Direct Payment Method (the "ACH Debit Direct Payment Method") as described and detailed in the ACH Debit Direct Payment Authorization Form (the "ACH Authorization Form") in a form as provided by the Trustee to the Governmental Agency. The ACH Authorization Form shall be completed, signed and forwarded to the Trustee prior to the Governmental Agency receiving any of the proceeds of the Loan.

Pursuant to the ACH Debit Direct Payment Method, there shall be transferred to the Trustee on or before each Interest Payment Date, from the Sinking Fund, the amounts set forth as sinking fund payments on Exhibit A attached hereto.

In addition, in the event the Issuer is required to withdraw moneys from the Program Reserve Fund established pursuant to the Indenture to pay the principal of and interest on the Obligations and any other payments due under this Assistance Agreement on behalf of the Governmental Agency (the "Reserve Withdrawal"), the Governmental Agency shall pay to the Trustee, each amount set forth as sinking fund payments on Exhibit A attached hereto, pursuant to the ACH Debit Direct Payment Method an amount equal to at least 1/12 of the Reserve Withdrawal, plus accrued interest thereon at the rate equal to the highest rate of interest paid by the investments making up the Program Reserve Fund until such Reserve Withdrawal has been replenished.

Section 4. Redemption.

(a) *Optional Redemption.* Subject to the prior written approval of the Compliance Group, the Obligations maturing on or after July 1, 2021 are subject to redemption, in whole or in part, by the Governmental Agency prior to their stated maturity, at any time falling on or after July 1, 2020 at a redemption price equal to 100% of the principal amount of the Obligations called for redemption, plus unpaid interest accrued to the date of redemption.

In the event that the Governmental Agency desires to optionally redeem a portion of its Obligations, such redemption shall be in a denomination equal to \$5,000 or any integral multiple thereof.

(b) *Notice of Redemption.* The Governmental Agency shall give the Issuer and the Trustee notice of any redemption by sending at least one such notice by first class United States mail not less than 45 and not more than 90 days prior to the date fixed for redemption.

All of said Obligations as to which the Governmental Agency reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given, and for the retirement of which, upon the terms aforesaid, funds are duly provided, will cease to bear interest on the redemption date.

Section 5. Obligations Payable Out of Revenues on a Parity with Prior Bonds.

All of the Obligations and Prior Bonds, together with the interest thereon and such additional bonds ranking on a parity therewith heretofore issued and outstanding and that may be hereafter issued and outstanding from time to time under the conditions and restrictions hereinafter set forth, shall be payable out of the Sinking Fund, as heretofore created in the Prior Bond Legislation and as hereinafter more specifically provided and shall be a valid claim of the holder thereof only against said fund and the fixed portion or amount of the income and revenues of the System of said Governmental Agency pledged to said fund.

Section 6. Compliance with Parity Coverage Requirements of the Prior Bond Legislation. It is hereby declared that in accordance with the provisions of the Prior Bond Legislation, and prior to the issuance of any of the Obligations hereby authorized, there will be procured and filed with the Governmental Agency Clerk of said Governmental Agency any and all statements or certifications for the purpose of having both principal and interest on the Prior Bonds and the Obligations hereby authorized payable on a parity from the income and revenues of said System with said outstanding Prior Bonds.

Section 7. Flow of Funds. All proceedings preliminary to and in connection with the issuance of the Prior Bonds, whereby provision was made for the receipt, custody, and application of the proceeds of the Prior Bonds; for the operation of said System on a revenue-producing basis; for the segregation, allocation, and custody of the revenues derived from the operation of the System; and for the enforcement and payment of the Prior Bonds; and all other covenants for the benefit of the bondholders set out in the Prior Bond Legislation, are hereby ratified and confirmed and shall continue in force and inure to the security and benefit of the Bonds, the same as if such provisions and proceedings were repeated in full herein; provided, further, that, hereafter, the income and revenues of the System shall be collected, segregated, accounted for, and distributed as follows:

A. Revenue Fund. The Governmental Agency covenants and agrees that it will continue to deposit in the Revenue Fund, promptly as received from time to time, all revenues of the System, as same may be extended and improved from time to time. The moneys in the Revenue Fund shall continue to be used, disbursed and applied by the Governmental Agency only for the purpose and in the manner and order of priorities specified in the Prior Bond Legislation, as hereinafter modified by this Assistance Agreement, all as permitted by the Act, and in accordance with previous contractual commitments.

B. Sinking Fund. It is hereby recognized that the Governmental Agency is obligated upon the issuance of the Obligations to provide for additional debt service requirements of the Obligations.

There shall be transferred from the Revenue Fund and deposited into the Sinking Fund on or before the 20th day of each month, for payment of interest on and principal of the Outstanding Bonds, including the Obligations, a sum equal to the total of the following:

- (1) An amount equal to one-sixth ($1/6$) of the next succeeding six-month interest payment to become due on the Outstanding Bonds, plus
- (2) A sum equal to one-twelfth ($1/12$) of the principal of any Outstanding Bonds maturing on the next succeeding principal payment date.

If the Governmental Agency for any reason shall fail to make any monthly deposit as required, then an amount equal to the deficiency shall be set apart and deposited into the Sinking Fund out of the first available revenues in the ensuing months, which amount shall be in addition to the monthly deposit otherwise required during such succeeding months. Whenever there shall accumulate in the Sinking Fund amounts in excess of the requirements during the next twelve months for paying the principal of and interest due on the Outstanding Bonds, as same fall due, such excess may be used for redemption or prepayment of any Outstanding Bonds, subject to the terms and conditions set forth therein, prior to maturity.

C. Depreciation Fund. Pursuant to the provisions of the Prior Bond Legislation, there shall next be transferred from the Revenue Fund a sum sufficient, each month, to maintain a balance in said Depreciation Fund of at least the sum required by the Prior Bond Legislation, which shall be deposited into the Depreciation Fund.

Moneys in the Depreciation Fund may be withdrawn and used by the Governmental Agency, upon appropriate certification of the Governing Body, in accordance with the provisions of the Prior Bond Legislation, for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, renewals and replacements not included in the annual budget of current expenses and/or of paying the costs of constructing future extensions, additions and improvements to the System which will either enhance its revenue-producing capacity or will provide a higher degree of service, and when necessary, for the purpose of making payments of principal and interest on the Bonds if the amount on deposit in the Sinking Fund is not sufficient to make such payments.

D. Operation and Maintenance Fund. There shall next be transferred monthly from the Revenue Fund and deposited into said Operation and Maintenance Fund, sums sufficient to meet the current expenses of operating and maintaining the System. The balance maintained in said Operation and Maintenance Fund shall not be in excess of the amount required to cover anticipated System expenditures for a two-month period pursuant to the Governmental Agency's annual budget.

E. Surplus Funds. Subject to the provisions for the disposition of the income and revenues of the System as set forth hereinabove, which provisions are cumulative, and after paying or providing for the payment of debt service on any subordinate obligations, there shall be transferred, within sixty days after the end of each fiscal year, the balance of excess funds in the Revenue Fund on such date, to the Depreciation Fund for application in accordance with the terms of this Assistance Agreement or to the Sinking Fund to be applied to the maximum extent feasible, to the prompt purchase or redemption of Outstanding Bonds.

Provided, however, notwithstanding anything to the contrary in any Prior Bond Legislation, the Governmental Agency shall be allowed a credit to the extent of moneys on deposit in the Program Reserve Fund for the purpose of meeting any parity requirements in any Prior Bond Legislation; subject however, to the limitation that moneys in the Program Reserve Fund may only be used to make payments of the Government Agency due under this Assistance Agreement, if necessary, and; provided further, that the Trustee may not seek payment for any reserve funds held by the Governmental Agency under any Prior Bond Legislation for payment of any amounts due from the Governmental Agency under this Assistance Agreement.

Section 8. Disposition of Proceeds of the Obligations; Governmental Agency Account. Upon (i) the execution of this Assistance Agreement, (ii) the delivery of this Assistance Agreement to the Trustee, (iii) certification of the Compliance Group that the Loan is to be accepted in the Program, and (iv) upon receipt by the Governmental Agency of the proceeds of the Obligations, the proceeds shall be applied as follows:

(a) *Disposition of the Proceeds.* There shall first be deducted and paid from the proceeds of the Obligations the fees and costs incurred by the Governmental Agency and any other pertinent expenses incident to the issuance, sale and delivery of the Obligations and such other appropriate expenses as may be approved by the Governmental Agency Chief Executive, including but not limited to the Governmental Agency's pro rata share of the Program's fees and expenses.

The balance shall be deposited to the Governmental Agency Account to be used for the Project.

(b) *Governmental Agency Account.* It is hereby acknowledged that a fund entitled "North Hopkins Water District Governmental Agency Account" (the "Governmental Agency Account") has been created and maintained by the Trustee pursuant to the Indenture; and such amount on deposit in said Governmental Agency Account shall be transferred to The Bank of New York Mellon Trust Company, N.A. Louisville, Kentucky, as the Paying Agent for the Series 1998 Bonds, as may be required:

(1) To pay the interest on the Series 1998 Bonds accruing from July 1, 2010 to and including November 22, 2010; and

(2) To redeem on November 22, 2010 at a price equal to 100% of principal amount the Series 1998 Bonds that as of that date have not been redeemed, retired or otherwise paid, thereby defeasing the pledge of revenues and the property securing the Series 1998 Bonds.

Investment income derived from investment of the Governmental Agency Account, which shall be invested in Permitted Investments in accordance with this Assistance Agreement, shall, as received, be deposited in the Governmental Agency Account.

The Trustee shall be obligated to send written notice to the Governmental Agency of the need for investment directions if and whenever funds in excess of \$50,000 shall remain uninvested for a period of more than five days. In the absence of written direction from the Governmental Agency with respect to investment of moneys held in the Governmental Agency Account, the Trustee is hereby directed to invest funds in money market mutual funds of the Trustee or its affiliates that qualify as Permitted Investments under this Assistance Agreement.

No expenditure shall be made from the Governmental Agency Account except for proper and authorized expenses relating to the Project as approved by the Governmental Agency.

After completion of the Project, any balance then remaining on deposit in the Governmental Agency Account shall, subject to any and all applicable legal provisions and applicable arbitrage regulations necessary to assure the exemption of interest on the Obligations from Federal income taxation, upon orders of the Governing Body, be transferred to the Sinking Fund, to be used for the purposes thereof.

Section 9. Arbitrage Limitations.

(a) The Governmental Agency covenants that neither the proceeds of the Obligations, nor "Non-Exempt Revenues" of the System, as defined below, will be invested in investments which will produce a net adjusted yield in excess of the net interest cost (effective yield) of the Obligations, if such investment would cause such Obligations to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, as amended, and the applicable regulations thereunder; provided, however, that such proceeds and/or revenues may be invested to whatever extent and whenever the Code and/or applicable regulations permit same to be invested without causing the Obligations to be treated as "arbitrage bonds."

(b) "Non-Exempt Revenues" within the meaning of the foregoing shall be deemed to refer to revenues of the System deposited in any of the funds earmarked for or reasonably expected to be used for the payment of debt service on the Obligations, in excess of "Exempt Revenues," which Exempt Revenues are:

(1) amounts deposited in the Sinking Fund for the purpose of paying debt service on any Obligations against the System within thirteen (13) months from the date of deposit; and

(2) amounts deposited in the Depreciation Fund or any similar reserve for replacements, reasonably expected to be used for extensions, additions, improvements or replacements to the System, and not reasonably expected to be used to pay debt service (even if pledged to be used to pay debt service in the event of the unexpected inadequacy of other funds pledged for that purpose).

(c) If, and to the extent that any Non-Exempt Revenues are on deposit and are available for investment by reason of the foregoing, such funds shall be subject to the investment limitations set out in Subsection (a) above.

(d) On the basis of information furnished to the Governmental Agency, on known facts, circumstances and reasonable expectations on the date of enactment of this Assistance Agreement, the Governmental Agency certifies as follows:

(1) That it is not expected or contemplated that the proceeds of the Obligations will be used or invested in any manner which will cause any of the Obligations to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations thereunder.

(2) That it is not expected or contemplated that the Governmental Agency will make any use of the proceeds of the Obligations, which, if such use had been reasonably anticipated on the date of issuance of the Obligations, would have caused the Obligations to be arbitrage bonds.

(3) That it is expected and contemplated that the Governmental Agency will comply with (i) all of the requirements of Section 148 of the Code; and (ii) all of the requirements of the applicable regulations thereunder, to whatever extent is necessary to assure that the Obligations will not be treated as arbitrage bonds.

(4) That it is anticipated that amounts on deposit in the Sinking Fund will be used within 13 months from the date of deposit for the payment of debt service on the outstanding Obligations and all Prior Bonds payable from said Sinking Fund.

(5) That amounts accumulated in the Sinking Fund shall not exceed the limitations set forth in this Assistance Agreement.

(6) That it is not reasonably anticipated that amounts accumulated in the Depreciation Fund will be used for payment of debt service on any bonds payable from the revenues of the System, even though such Depreciation Fund will be so available if necessary to prevent a default in the payment of principal and interest on such bonds.

Prior to or at the time of delivery of the Obligations, the Governmental Agency Chief Executive and/or the Governmental Agency Treasurer are authorized to execute the appropriate

certification with reference to the matters referred to above, setting out all known and contemplated facts concerning such anticipated investment of the proceeds of the Obligations, including the execution of necessary and/or desirable certifications of the type contemplated by the Code and applicable regulations, as amended, in order to assure that interest on the Obligations will be exempt from all federal income taxes and that the Obligations will not constitute or be treated as arbitrage bonds.

Section 10. Parity Bonds. The lien and security of and for any bonds or obligations hereafter issued that are payable from the income and revenues of the System, shall, except as set out herein, be subject to the priority of the Prior Bonds and the Obligations as may from time to time be outstanding; provided the Governmental Agency has in said Prior Bond Legislation reserved the right and privilege, and does hereby reserve the right and privilege, of issuing additional bonds from time to time payable from the income and revenues of the System ranking on a parity with the Prior Bonds and with the Obligations, but only under the conditions specified in the Prior Bond Legislation, which conditions are hereinafter repeated, taking into account the issuance of the Obligations.

The Governmental Agency reserves the right to finance future extensions, additions, and/or improvements to the System by the issuance of one or more additional series of bonds to be secured by a parity lien on and ratably payable from, the revenues of the System pledged to the Prior Bonds and the Obligations, provided;

(a) The facility or facilities to be constructed from the proceeds of the additional parity bonds is or are made a part of the System and its or their revenues are pledged as additional security for the additional parity bonds and the outstanding Prior Bonds and Obligations.

(b) The Governmental Agency is in compliance with all covenants and undertakings in connection with all of the bonds then outstanding and payable from the revenues of the System or any part thereof.

(c) The annual net revenues (defined as gross revenues less operating expenses), of the then existing System for the fiscal year preceding the year in which such Parity Bonds are to be issued, adjusted as hereinafter provided, shall be certified by an independent Certified Public Accountant to be equal at least one hundred twenty percent (120%) of the average annual debt service requirements for principal and interest on all Outstanding Bonds payable from the revenues of the System, plus the anticipated debt service requirements of any Parity Bonds then proposed to be issued. The calculation of average annual debt service requirements of principal and interest on the additional Parity Bonds to be issued shall, regardless of whether such additional Parity Bonds are to be serial or term bonds, be determined on the basis of the principal of and interest on such Parity Bonds being payable in approximately equal annual installments.

(d) The "annual net revenues" referred to above may be adjusted for the purpose of the foregoing computations to reflect:

(i) any revision in the schedule of rates or charges being imposed at the time of the issuance of any such additional Parity Bonds, and

(ii) any increase in the "annual net revenues" to be realized, within 12 months of the completion of the Project, from the proposed extensions, additions, and/or improvements being financed (in whole or in part) by such additional Parity Bonds; provided all such adjustments shall be based upon and included in a certification of a Certified Public Accountant.

(e) Reference is made to the necessity of obtaining the written consent of the United States Department of Agriculture Rural Development or its successor [the "RD"] for the issuance of future bonds encumbering the System while the RD holds any bonds payable from the revenues of the System.

(f) The Governmental Agency hereby covenants and agrees that in the event any additional Parity Bonds are issued, the Governmental Agency shall:

(i) Adjust the monthly amount to be deposited into the Sinking Fund on the same basis as that prescribed in the provisions establishing such Sinking Fund, to reflect the annual debt service requirements of the additional Parity Bonds; and

(ii) Adjust the minimum annual amount to be deposited monthly into the Sinking Fund on the same basis as that prescribed in the provisions establishing such Sinking Fund, taking into account the future debt service requirements of all first lien bonds which will then be outstanding against the System.

(g) The Governmental Agency reserves the right to issue parity bonds to refund or refinance any part or all of the Prior Bonds and the Obligations, provided that prior to the issuance of such additional parity bonds for that purpose, there shall have been procured and filed with the Governmental Agency Clerk of the Governmental Agency a statement by a Certified Public Accountant, as defined herein, reciting the opinion based upon necessary investigation that:

(i) after the issuance of such parity bonds, the annual net revenues, as adjusted and defined above, of the then existing system for the fiscal year preceding the date of issuance of such Parity Bonds, after taking into account the revised debt service requirements resulting from the issuance of such Parity Bonds and from the elimination of the Bonds being refunded or refinanced thereby, are equal to not less than 120% of the average annual debt service requirements then scheduled to fall due in any fiscal year thereafter for principal of and interest on all of the then outstanding Bonds payable from the revenues of the System, calculated in the manner specified above; or

(ii) in the alternative, that the average annual debt service requirements for the Prior Bonds, the Obligations, any previously issued Parity Bonds and the proposed refunding Parity Bonds, in any year of maturities thereof after the redemption of the Bonds scheduled to be refunded through the issuance of such proposed refunding Parity Bonds, shall not exceed the average annual debt service requirements applicable to the then outstanding Prior Bonds, the Obligations and any previously issued Parity Bonds for any year prior to the issuance of such proposed Parity Bonds and the redemption of the Bonds to be refunded.

Section 11. Rates and Charges for Services of the System. While the Obligations remain outstanding and unpaid, the rates for all services of the System rendered by the Governmental Agency to its citizens, corporations, or others requiring the same, shall be reasonable and just, taking into account and consideration the cost and value of said System, the cost of maintaining and operating the same, the proper and necessary allowances for depreciation thereof, and the amounts necessary for the retirement of the outstanding Bonds and the accruing interest on all such Bonds as may be outstanding under the provisions of this Assistance Agreement and the Prior Bond Legislation, and there shall be charged such rates and amounts as shall be adequate to meet all requirements of the provisions of this Assistance Agreement. Prior to the issuance of the Obligations a schedule of rates and charges for the services rendered by the System to all users adequate to meet all requirements of this Assistance Agreement has been established and adopted.

The Governmental Agency covenants that it will not reduce the rates and charges for the services rendered by the System without first filing with the Governmental Agency Clerk a certification of an Independent Consulting Engineer or a Certified Public Accountant that the "annual net revenues" (defined as gross revenues less operating expenses) of the then existing System for the fiscal year preceding the year in which such reduction is proposed, as such annual net revenues are adjusted, after taking into account the projected reduction in annual net revenues anticipated to result from any such proposed rate decrease, are equal to not less than 120% of the average annual debt service requirements for principal and interest on all of the then outstanding bonds payable from the revenues of the System, calculated in the manner specified in Section 10 hereof.

The Governmental Agency also covenants to cause a report to be filed with the Governing Body within four months after the end of each fiscal year by a Certified Public Accountant, setting forth the precise debt service coverage percentage of the average annual debt service requirements falling due in any fiscal year thereafter for principal of and interest on all of the then Outstanding Bonds payable from the revenues of the System, produced or provided by the net revenues of the System in that fiscal year, calculated in the manner specified in Section 10 hereof; and the Governmental Agency covenants that if and whenever such report so filed shall establish that such coverage of net revenues for such year was less than 120% of the average annual debt service requirements, the Governmental Agency shall increase the rates by an amount sufficient, in the opinion of such Certified Public Accountant, to establish the existence of or immediate projection of, such minimum 120% coverage.

Section 12. All Obligations of this Issue Are Equal. The Obligations authorized and permitted to be issued hereunder, and from time to time outstanding, shall not be entitled to priority one over the other in the application of the income and revenues of the System regardless of the time or times of their issuance, it being the intention that there shall be no priority among the Obligations, the Prior Bonds and any Parity Bonds authorized or permitted to be issued under the provisions of this Assistance Agreement, regardless of the fact that they may be actually issued and delivered at different times.

Section 13. Defeasance and/or Refunding of Obligations. The Governmental Agency reserves the right, at any time, to cause the pledge of the revenues securing the outstanding Obligations to be defeased and released by paying an amount into an escrow fund sufficient, when invested (or sufficient without such investment, as the case may be) in cash and/or U.S. Obligations, to assure the availability in such escrow fund of an adequate amount (a) to call for redemption and to redeem and retire all of such outstanding Obligations, both as to principal and as to interest, on the next or any optional redemption date, including all costs and expenses in connection therewith, and to pay all principal and interest falling due on the outstanding Obligations to and on said date, or (b) to pay all principal and interest requirements on the outstanding Obligations as same mature, without redemption in advance of maturity, the determination of whether to defease under (a) or (b) or both to be made by the Governing Body. Such U.S. Obligations shall have such maturities as to assure that there will be sufficient funds for such purpose. If such defeasance is to be accomplished pursuant to (a), the Governmental Agency shall take all steps necessary to publish the required notice of the redemption of the outstanding Obligations and the applicable redemption date. Upon the proper amount of such investments being placed in escrow and so secured, such revenue pledge shall be automatically fully defeased and released without any further action being necessary.

Section 14. Contractual Nature of Assistance Agreement. The provisions of this Assistance Agreement shall constitute a contract between the Governmental Agency and the Issuer; and after the issuance of any of such Obligations, no change, variation or alteration of any kind in the provisions of this Assistance Agreement, nor of the Prior Bond Legislation, shall be made in any manner except as herein or therein provided until such time as all of the Bonds authorized thereby and the interest thereon have been paid or provided for in full, or as otherwise provided herein; provided (a) that the Governing Body may enact legislation for any other purpose not inconsistent with the terms of this Assistance Agreement, and which shall not impair the security of the Issuer and/or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provisions contained herein or in any ordinance or other proceedings pertaining hereto.

Section 15. Appointment and Duties of Trustee. The Trustee is hereby designated as the bond registrar and paying agent with respect to the Obligations.

Its duties as Trustee shall be as follows:

- (a) To register all of the Obligations in the names of the Issuer;
- (b) To cancel and destroy (or remit to the Governmental Agency for destruction, if so requested by the Governmental Agency) all exchanged, matured, retired and redeemed Obligations, and to maintain adequate records relevant thereto;
- (c) To remit, but only to the extent that all required funds are made available to the Trustee by the Governmental Agency, semiannual interest payments directly to the Issuer's accounts for the Program;
- (d) To notify the Issuer of any Obligations to be redeemed and to redeem Obligations prior to their stated maturity upon receiving sufficient funds; and
- (e) To supply the Governmental Agency with a written accounting evidencing the payment of interest on and principal of the Obligations within thirty (30) days following each respective due date.

The Trustee shall be entitled to the advice of counsel and shall be protected for any acts taken by it in good faith in reliance upon such advice. The Trustee shall not be liable for any actions taken in good faith and believed by it to be within its discretion or the power conferred upon it by this Assistance Agreement, or the responsibility for the consequences of any oversight or error in judgment.

The Trustee may at any time resign from its duties set forth in this Assistance Agreement by filing its resignation with the Governmental Agency Clerk and notifying the Issuer. Thereupon, the Issuer shall notify the Governmental Agency of a successor Trustee which shall be an incorporated bank or trust company authorized to transact business in the United States of America. Notwithstanding the foregoing, in the event of the resignation of the Trustee, provision shall be made for the orderly transition of the books, records and accounts relating to the Obligations to the successor Trustee in order that there will be no delinquencies in the payment of interest or principal due on the Obligations.

Section 16. Provisions in Conflict Repealed. All ordinances, resolutions and orders, or parts thereof, in conflict herewith are, to the extent of such conflict, hereby repealed; and it is hereby specifically ordered and provided that any proceedings heretofore taken for the issuance of other bonds payable or secured in any manner by all or any part of the income and revenues of the System, or any part thereof, and which have not heretofore been issued and delivered, are hereby revoked and rescinded, and none of such other bonds shall be issued and delivered.

Section 17. Covenant of Governmental Agency to Take All Action Necessary to Assure Compliance with the Internal Revenue Code of 1986. In order to assure purchasers of the Obligations that interest thereon will continue to be exempt from federal and Kentucky income taxation (subject to certain exceptions set out below), the Governmental Agency covenants to and with the Issuer that (1) the Governmental Agency will take all actions

necessary to comply with the provisions of the Code, (2) the Governmental Agency will take no actions which will violate any of the provisions of the Code, or would cause the Obligations to become "private activity bonds" within the meaning of the Code, (3) none of the proceeds of the Obligations will be used for any purpose which would cause the interest on the Obligations to become subject to federal income taxation, and the Governmental Agency will comply with any and all requirements as to rebate (and reports with reference thereto) to the United States of America of certain investment earnings on the proceeds of the Obligations.

The Governmental Agency reserves the right to amend this Assistance Agreement but only with the consent of the Issuer (i) to whatever extent shall, in the opinion of Bond Counsel, be deemed necessary to assure that interest on the Obligations shall be exempt from federal income taxation, and (ii) to whatever extent shall be permissible (without jeopardizing such tax exemption or the security of such owners) to eliminate or reduce any restrictions concerning the investment of the proceeds of these Obligations, or the application of such proceeds or of the revenues of the System. The purchasers of these Obligations are deemed to have relied fully upon these covenants and undertakings on the part of the Governmental Agency as part of the consideration for the purchase of the Obligations. To the extent that the Governmental Agency obtains an opinion of nationally recognized bond counsel to the effect that non-compliance with any of the covenants contained in this Assistance Agreement or referred to in this Assistance Agreement would not subject interest on the Obligations to federal income taxes or Kentucky income taxes, the Governmental Agency shall not be required to comply with such covenants or requirements.

This Assistance Agreement is enacted in contemplation that Bond Counsel will render an opinion as to exemption of principal of the Obligations from Kentucky ad valorem taxation and as to exemption of interest on the Obligations from federal and Kentucky income taxation, based on the assumption by Bond Counsel that the Governmental Agency complies with covenants made by the Governmental Agency with respect to compliance with the provisions of the Code, and based on the assumption of compliance by the Governmental Agency with requirements as to any required rebate (and reports with reference thereto) to the United States of America of certain investment earnings on the proceeds of the Obligations. The Governmental Agency has been advised that based on the foregoing assumptions of compliance, Bond Counsel is of the opinion that the Obligations are not "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 18. Bank Eligibility. The Governmental Agency hereby certifies that it does not reasonably anticipate issuing "qualified tax-exempt obligations" during the calendar year in which the Obligations are being issued in excess of \$30,000,000, and, therefore, the Governmental Agency does hereby designate the Obligations as "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Code.

Section 19. Insurance.

(a) *Fire and Extended Coverage.* If and to the extent that the System includes structures above ground level, the Governmental Agency shall, upon receipt of the proceeds of the sale of the Obligations, if such insurance is not already in force, procure fire and extended coverage insurance on the insurable portion of all of the facilities of the System, of a kind and in such amounts as would ordinarily be carried by private companies or public bodies engaged in operating a similar utility.

The foregoing fire and extended coverage insurance shall be maintained so long as any of the Obligations are outstanding and shall be in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed eighty percent (80%) of the full insurable value of the damaged facility.

In the event of any damage to or destruction of any part of the System the Governmental Agency shall promptly arrange for the application of the insurance proceeds for the repair or reconstruction of the damaged or destroyed portion thereof.

(b) *Liability Insurance on Facilities.* So long as any of the Obligations are outstanding, the Governmental Agency shall, procure and maintain, public liability insurance relating to the operation of the facilities of the System, with limits of not less than \$200,000 for one person and \$1,000,000 for more than one person involved in one accident, to protect the Governmental Agency from claims for bodily injury and/or death; and not less than \$200,000 from claims for damage to property of others which may arise from the Governmental Agency's operations of the System and any other facilities constituting a portion of the System.

(c) *Vehicle Liability Insurance.* If and to the extent that the Governmental Agency owns or operates vehicles in the operation of the System, upon receipt of the proceeds of the Obligations, the Governmental Agency shall, if such insurance is not already in force, procure and maintain, so long as any of the Obligations are outstanding, vehicular public liability insurance with limits of not less than \$200,000 for one person and \$1,000,000 for more than one person involved in one accident, to protect the Governmental Agency from claims for bodily injury and/or death, and not less than \$200,000 against claims for damage to property of others which may arise from the operation of such vehicles by the Governmental Agency.

Section 20. Event of Default; Remedies. The following items shall constitute an "Event of Default" on the part of the Governmental Agency:

(a) The failure to pay principal on the Obligations when due and payable, either at maturity or by proceedings for redemption;

(b) The failure to pay any installment of interest on the Obligations when the same shall become due and payable;

(c) The failure of the Governmental Agency to fulfill any of its obligations pursuant to this Assistance Agreement and to cure any such failure within 30 days after receipt of written notice of such failure; and/or

(d) The failure to promptly repair, replace or reconstruct essential facilities of the System after any major damage and/or destruction thereof.

Upon the occurrence of an Event of Default, the Issuer or the Trustee on its behalf, as owner of the Obligations, may enforce and compel the performance of all duties and obligations of the Governmental Agency as set forth herein. Upon the occurrence of an Event of Default, then, upon the filing of suit by the Trustee or the Issuer, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the Governmental Agency, with power to charge and collect rates sufficient to provide for the payment of the principal of and interest on the Obligations, and for the payment of operation and maintenance expenses of the System, and to provide and apply the income and revenues in conformity with this Assistance Agreement and with the laws of the Commonwealth of Kentucky.

In addition to and apart from the foregoing, upon the occurrence of an Event of Default, the owner of any of the Obligations may require the Governmental Agency by demand, court order, injunction, or otherwise, to raise all applicable rates charged for services of the System a reasonable amount, consistent with the requirements of this Assistance Agreement.

Section 21. Annual Reports. The Governmental Agency hereby agrees to provide or cause to be provided to the Issuer and the Compliance Group audited financial statements prepared in accordance with generally accepted accounting principles (commencing with the fiscal year ended December 31, 2010) and such other financial information and/or operating data as requested by the Issuer or the Compliance Group.

The annual financial information and operating data, including audited financial statements, will be made available on or before 120 days after the end of each fiscal year (December 31).

Section 22. Supplemental Assistance Agreement. The Governmental Agency may, but only with the consent of the Issuer, execute one or more supplemental Assistance Agreements as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Assistance Agreement;
- (b) to subject to the lien and pledge of this Assistance Agreement additional revenues, properties, or collateral which may legally be subjected;
- (c) to add to the conditions, limitations and restrictions on the issuance of bonds, other conditions, limitations and restrictions thereafter to be observed;

(d) to add to the covenants and agreements of the Governmental Agency in this Assistance Agreement, other covenants and agreements thereafter to be incurred by the Governmental Agency or to surrender any right or power herein reserved to or conferred upon the Governmental Agency;

(e) to effect the issuance of additional Parity Bonds; and/or

(f) to modify the terms and conditions of this Assistance Agreement at the request of the Issuer in order to assist the Issuer in operating the Program or to maintain any rating the Issuer may have on its Program obligations.

Section 23. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive, and every such remedy will be cumulative and will be in addition to every other remedy given hereunder and every remedy now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power and any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 24. Waivers. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

Section 25. Agreement to Pay Attorneys' Fees and Expenses. In the event that either party hereto shall become in default under any of the provisions hereof and the non-defaulting party employs attorneys or incurs other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will pay on demand therefore to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party.

Section 26. Signatures of Officers. If any of the officers whose signatures or facsimile signatures appear on this Assistance Agreement or any other document evidencing the Obligations cease to be such officers before delivery of the Obligations, such signatures shall nevertheless be valid for all purposes the same as if such officers had remained in office until delivery, as provided by KRS 58.040 and KRS 61.390.

Section 27. Severability Clause. If any section, paragraph, clause or provision of this Assistance Agreement shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Assistance Agreement.

[Signature page follows]

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 North Hopkins 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:

By _____
Secretary/Treasurer

NORTH HOPKINS WATER DISTRICT

By _____
Chairman

Attest:

By _____
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 North Hopkins 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:

By  _____
Secretary/Treasurer

NORTH HOPKINS WATER DISTRICT

By _____
Chairman

Attest:

By _____
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 North Hopkins 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:

By _____
Secretary/Treasurer

NORTH HOPKINS WATER DISTRICT

By 
Chairman

Attest:

By 
Secretary

EXHIBIT A

Debt Service Schedule

KRWFC Flexible Term Program Series 2010 D
Sinking Fund Payment Schedule

Borrower: North Hopkins Water District
Closing Date: 11/04/10

	Monthly Principal	Monthly Interest	Total Monthly Sinking Fund Payments
12/10-1/11	1,875.00	3,080.00	4,955.00
2/11-7/11	1,875.00	3,080.00	4,955.00
8/11-1/12	7,500.00	2,758.54	10,258.54
2/12-7/12	7,500.00	2,758.54	10,258.54
8/12-1/13	7,500.00	2,668.54	10,168.54
2/13-7/13	7,500.00	2,668.54	10,168.54
8/13-1/14	7,500.00	2,563.54	10,063.54
2/14-8/14	7,500.00	2,563.54	10,063.54
8/14-1/15	7,916.67	2,428.54	10,345.21
2/15-7/15	7,916.67	2,428.54	10,345.21
8/15-1/16	7,916.67	2,254.38	10,171.04
2/16-7/16	7,916.67	2,254.38	10,171.04
8/16-1/17	7,916.67	2,060.42	9,977.08
2/17-7/17	7,916.67	2,060.42	9,977.08
8/17-1/18	8,750.00	1,830.83	10,580.83
2/18-7/18	8,750.00	1,830.83	10,580.83
8/18-1/19	8,750.00	1,559.58	10,309.58
2/19-7/19	8,750.00	1,559.58	10,309.58
8/19-1-20	9,166.67	1,279.58	10,446.25
2/20-7/20	9,166.67	1,279.58	10,446.25
8/20-1/21	9,583.33	986.25	10,569.58
2/21-7/21	9,583.33	986.25	10,569.58
8/21-1/22	10,000.00	670.00	10,670.00
2/22-7/22	10,000.00	670.00	10,670.00
8/22-1/23	10,000.00	340.00	10,340.00
2/23-7/23	10,000.00	340.00	10,340.00
	<u>1,245,000.00</u>	<u>281,442.52</u>	<u>1,526,442.52</u>

Attachment 9

KRWFC Flexible Term Program Series 2010 D
Sinking Fund Payment Schedule

Borrower: North Hopkins Water District
Closing Date: 11/04/10

	Monthly Principal	Monthly Interest	Total Monthly Sinking Fund Payments
12/10-1/11	1,875.00	3,080.00	4,955.00
2/11-7/11	1,875.00	3,080.00	4,955.00
8/11-1/12	7,500.00	2,758.54	10,258.54
2/12-7/12	7,500.00	2,758.54	10,258.54
8/12-1/13	7,500.00	2,668.54	10,168.54
2/13-7/13	7,500.00	2,668.54	10,168.54
8/13-1/14	7,500.00	2,563.54	10,063.54
2/14-8/14	7,500.00	2,563.54	10,063.54
8/14-1/15	7,916.67	2,428.54	10,345.21
2/15-7/15	7,916.67	2,428.54	10,345.21
8/15-1/16	7,916.67	2,254.38	10,171.04
2/16-7/16	7,916.67	2,254.38	10,171.04
8/16-1/17	7,916.67	2,060.42	9,977.08
2/17-7/17	7,916.67	2,060.42	9,977.08
8/17-1/18	8,750.00	1,830.83	10,580.83
2/18-7/18	8,750.00	1,830.83	10,580.83
8/18-1/19	8,750.00	1,559.58	10,309.58
2/19-7/19	8,750.00	1,559.58	10,309.58
8/19-1-20	9,166.67	1,279.58	10,446.25
2/20-7/20	9,166.67	1,279.58	10,446.25
8/20-1/21	9,583.33	986.25	10,569.58
2/21-7/21	9,583.33	986.25	10,569.58
8/21-1/22	10,000.00	670.00	10,670.00
2/22-7/22	10,000.00	670.00	10,670.00
8/22-1/23	10,000.00	340.00	10,340.00
2/23-7/23	10,000.00	340.00	10,340.00
	<u>1,245,000.00</u>	<u>281,442.52</u>	<u>1,526,442.52</u>

Attachment 10

**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 _____ ("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. *see Danny Ashby Disclosure*
- ☐ 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."

Tamara Hunter
(Print Name)

Tamara Hunter
(Signed)

Office Manager
(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 Hopkins

Subscribed and sworn to before me by Tamara Hunter
(Name)

this 27th day of March, 2018.

Renee Toney ID # 547107
NOTARY PUBLIC
State-at-Large
exp. 1-9-2020

**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 _____ ("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. *see Danny Ashby Disclosure*
- ☐ 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."

Stephen O'Riley
(Print Name)

Danny Ashby
(Signed)

Superintendent
(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 Hopkins

Subscribed and sworn to before me by Steve Oakley
(Name)

this 27 day of March, 2018.

Jamara Hunter 557019
NOTARY PUBLIC
State-at-Large



**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 _____ ("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. *see Danny Ashby Disclosure*
- ☐ 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."

GREG CROWLEY
(Print Name)


(Signed)

Secretary
(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 Hopkins

Subscribed and sworn to before me by Greg Crowley
(Name)

this 26 day of March, 2018.

Jamara Hunter 557019
NOTARY PUBLIC
State-at-Large

**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 _____ ("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. *see Danny Ashby Disclosure*
- ☐ 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."

Norman D. Adams
(Print Name)

Norm D Adams
(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 Hopkins

Subscribed and sworn to before me by David Adams
(Name)

this 26 day of March, 2018.

Jamara Hunter 557019
NOTARY PUBLIC
State-at-Large

**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 _____ ("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
Jared Ashby	Mowing	500.00

- ☐ 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."

DANNY ASHBY
(Print Name)

Danny Ashby
(Signed)

Treasure
(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 Hopkins

Subscribed and sworn to before me by Danny Ashby
(Name)

this 28 day of March, 2018.

Samara Hunter
NOTARY PUBLIC
State-at-Large
exp May 26, 2020



Attachment 11

**A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE NORTH HOPKINS WATER DISTRICT PROPOSING
ADJUSTMENTS TO ITS WATER RATES AND CHARGES
AND AUTHORIZING ITS SUPERINTENDENT TO FILE AN
APPLICATION WITH THE PSC SEEKING APPROVAL OF
THE PROPOSED RATE ADJUSTMENT**

WHEREAS, the North Hopkins 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; and

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;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF NORTH HOPKINS WATER DISTRICT AS FOLLOWS:

Section 1. 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.

Section 2. The District proposes to adjust its monthly water rates and charges as set forth in **Appendix A**, which is attached hereto and 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 may be made by the PSC. The proposed rate adjustment shall not become effective until PSC approval has been obtained.

Section 3. The Superintendent is hereby authorized 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.

Section 4. The Chairman, Superintendent, 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.

Section 5. This Resolution shall take effect upon its adoption.

ADOPTED BY THE COMMISSION OF NORTH HOPKINS WATER DISTRICT at a meeting held on March 26, 2018, signed by the Chairman, and attested by the Secretary.

ATTEST:


CHAIRMAN


SECRETARY

CERTIFICATION

I, Secretary of the North Hopkins Water District (the "District"), do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the Commission of the District at a meeting properly held on March 26, 2018, signed by the Chairman of the Commission, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 26th day of March, 2018.


SECRETARY

APPENDIX A

CURRENT AND PROPOSED RATES North Hopkins Water District

Current Rates

Minimum Bills Based on Meter Size

<u>Meter Size</u>	<u>Gals. incl'd. in Minimum</u>	<u>Minimum Monthly Bill</u>
5/8 x 3/4 inch	2,000	\$ 25.12
3/4 inch	3,000	37.38
1 inch	5,000	59.55
1-1/2 inch	10,000	105.65
2 inch	15,000	140.45
3 inch	30,000	244.85

Rates for Water Usage in Addition to Minimum

<u>No. of Gallons per Month</u>	<u>Charge per 1,000 gals.</u>
First 2,000 Gallons (lump sum)	\$ 25.12
Next 2,000 Gallons	12.26
Next 3,000 Gallons	9.91
Next 3,000 Gallons	8.76
Over 10,000 Gallons	6.96

Proposed Rates

Minimum Bills Based on Meter Size

<u>Meter Size</u>	<u>Gals. incl'd. in Minimum</u>	<u>Minimum Monthly Bill</u>
5/8 x 3/4 inch	2,000	\$ 31.58
3/4 inch	3,000	46.99
1 inch	5,000	74.86
1-1/2 inch	10,000	132.81
2 inch	15,000	176.56
3 inch	30,000	307.81

Rates for Water Usage in Addition to Minimum

<u>No. of Gallons per Month</u>	<u>Charge per 1,000 gals.</u>
First 2,000 Gallons (lump sum)	\$ 31.58
Next 2,000 Gallons	15.41
Next 3,000 Gallons	12.46
Next 3,000 Gallons	11.01
Over 10,000 Gallons	8.75