

NORTHERN KENTUCKY WATER DISTRICT

Plan of Financing

**Northern Kentucky Water District
Refunding Revenue Bonds, Series 2016A
Refund Series 2006 and 2009 Bonds
(Plan of Finance)**

Debt Capsule Report	1
Savings Summary Reports	2-4
Sources and Uses of Funds	5
Pricing Summary	6
Net Debt Service (Semi-Annual)	7
Net Debt Service (Fiscal Year)	8
Bond Payoff Reports	9-14

Debt Capsule Summary Report

Bond Series	Original Par Amount	Amount Outstanding	Interest Rate Range	Final Maturity	Call Information
2000 USDA	\$2,287,000	\$1,873,000	5.000%	05/01/39	N/A
2004 Loan (Taylor Mill)	\$3,000,000	\$400,000	0.000%	2018	N/A
2006*	\$29,000,000	\$0	4.000 - 4.375%	02/01/31	Aug 2016 @ 100%
2006KIA F06-03	\$4,000,000	\$2,778,046	3.000%	06/01/28	N/A
2008KIA F08-07	\$4,000,000	\$3,449,669	1.000%	12/01/32	N/A
2009KIA C08-01	\$6,000,000	\$3,224,303	3.000%	12/01/20	N/A
2009*	\$29,290,000	\$0	4.000 - 6.150%	02/01/33	Feb 2019 @ 100%
2010KIA F09-02	\$24,000,000	\$21,495,742	2.000%	12/01/33	N/A
2011	\$30,830,000	\$26,450,000	3.000 - 5.000%	02/01/35	Feb 2021 @ 100%
2012-Ref	\$54,840,000	\$47,480,000	4.000 - 5.000%	02/01/27	Feb 2022 @ 100%
2013	\$26,400,000	\$24,510,000	2.000 - 5.000%	02/01/38	Feb 2023 @ 100%
2013-REF	\$24,120,000	\$18,180,000	5.000 - 4.000%	02/01/28	Aug 2023 @ 100%
2014-REF	\$15,805,000	\$11,955,000	3.125 - 5.000%	02/01/29	Aug 2023 @ 100%
2016 USDA (Estimated) **	\$1,733,000	\$1,733,000	2.750%	02/01/56	N/A
<i>Proposed Debt</i>					
2016-REF	\$47,335,000	\$47,335,000	1.000% - 3.600%	02/01/31	Feb 2026 @ 100%
Totals:	\$345,100,000	\$210,863,760	---	---	---

* To be Refunded by the 2016-REF Bonds

** District currently has outstanding project that will be funded by a USDA loan -- USDA bonds projected to close 2016

**Northern Kentucky Water District
Refunding Revenue Bonds, Series 2016A (EST)
(Savings Summary)**

Calendar Year	(A) Refunded Bond Payments			(B) Estimated New Bond Payments			(C) Savings
	-----Prior 2006 Bond Payments-----			-----Series 2016 Bonds-----			Annual Savings
	Principal	Interest	Totals	Principal Portion	Interest Portion	Payment Totals	
2017	\$1,020,000	\$864,488	\$1,884,488	\$1,235,000	\$514,057	\$1,749,057	\$135,431
2018	\$970,000	\$824,688	\$1,794,688	\$1,145,000	\$516,670	\$1,661,670	\$133,018
2019	\$1,010,000	\$785,088	\$1,795,088	\$1,155,000	\$504,876	\$1,659,876	\$135,211
2020	\$1,320,000	\$737,663	\$2,057,663	\$1,435,000	\$487,473	\$1,922,473	\$135,190
2021	\$1,205,000	\$685,584	\$1,890,584	\$1,290,000	\$465,100	\$1,755,100	\$135,484
2022	\$1,255,000	\$634,847	\$1,889,847	\$1,315,000	\$440,340	\$1,755,340	\$134,507
2023	\$1,420,000	\$579,675	\$1,999,675	\$1,455,000	\$410,458	\$1,865,458	\$134,218
2024	\$1,375,000	\$522,028	\$1,897,028	\$1,390,000	\$376,350	\$1,766,350	\$130,678
2025	\$1,440,000	\$463,969	\$1,903,969	\$1,430,000	\$339,313	\$1,769,313	\$134,656
2026	\$1,505,000	\$402,288	\$1,907,288	\$1,475,000	\$298,263	\$1,773,263	\$134,025
2027	\$1,570,000	\$336,944	\$1,906,944	\$1,520,000	\$253,695	\$1,773,695	\$133,249
2028	\$1,640,000	\$268,731	\$1,908,731	\$1,570,000	\$204,218	\$1,774,218	\$134,514
2029	\$1,720,000	\$197,331	\$1,917,331	\$1,635,000	\$150,125	\$1,785,125	\$132,206
2030	\$1,795,000	\$121,516	\$1,916,516	\$1,690,000	\$92,755	\$1,782,755	\$133,761
2031	\$1,880,000	\$41,125	\$1,921,125	\$1,755,000	\$31,590	\$1,786,590	\$134,535
Totals:	\$21,125,000	\$7,424,838	\$28,590,963	\$21,495,000	\$5,085,280	\$26,580,280	\$2,010,682

Total Net Savings Summary

Gross Savings Amount:	\$2,010,682
Present Value Savings Amount:	\$1,552,219
NPV Savings % of Prior:	7.348%

Interest Rate Reduction Summary

Series 2006 Average Interest Rate:	4.391%
Series 2016 EST True Interest Cost:	3.103%
Interest Rate Reduction:	1.288%



Ross, Sinclair & Associates, LLC

**Northern Kentucky Water District
Refunding Revenue Bonds, Series 2016A (EST)
(Savings Summary)**

Calendar Year	(A) Refunded Bond Payments			(B) Estimated New Bond Payments			(C) Savings
	-----Prior 2009 Bond Payments-----			-----Series 2016 Bonds-----			Annual Savings
	Principal	Interest	Totals	Principal Portion	Interest Portion	Payment Totals	
2017	\$850,000	\$1,324,663	\$2,174,663	\$1,510,000	\$614,719	\$2,124,719	\$49,944
2018	\$895,000	\$1,282,100	\$2,177,100	\$1,510,000	\$617,065	\$2,127,065	\$50,035
2019	\$940,000	\$1,236,225	\$2,176,225	\$1,525,000	\$601,501	\$2,126,501	\$49,724
2020	\$990,000	\$1,187,356	\$2,177,356	\$1,550,000	\$581,108	\$2,131,108	\$46,249
2021	\$1,040,000	\$1,134,688	\$2,174,688	\$1,570,000	\$555,353	\$2,125,353	\$49,335
2022	\$1,100,000	\$1,077,825	\$2,177,825	\$1,605,000	\$525,173	\$2,130,173	\$47,653
2023	\$1,160,000	\$1,016,363	\$2,176,363	\$1,635,000	\$490,320	\$2,125,320	\$51,043
2024	\$1,225,000	\$949,550	\$2,174,550	\$1,675,000	\$450,580	\$2,125,580	\$48,970
2025	\$1,300,000	\$877,263	\$2,177,263	\$1,725,000	\$405,924	\$2,130,924	\$46,339
2026	\$1,375,000	\$800,356	\$2,175,356	\$1,770,000	\$356,540	\$2,126,540	\$48,816
2027	\$1,460,000	\$717,025	\$2,177,025	\$1,825,000	\$303,044	\$2,128,044	\$48,981
2028	\$1,550,000	\$626,725	\$2,176,725	\$1,885,000	\$243,639	\$2,128,639	\$48,086
2029	\$1,645,000	\$530,875	\$2,175,875	\$1,950,000	\$178,915	\$2,128,915	\$46,960
2030	\$1,745,000	\$429,175	\$2,174,175	\$2,015,000	\$110,503	\$2,125,503	\$48,673
2031	\$1,855,000	\$321,175	\$2,176,175	\$2,090,000	\$37,620	\$2,127,620	\$48,555
2032	\$1,975,000	\$201,338	\$2,176,338			\$0	\$2,176,338
2033	\$2,110,000	\$68,575	\$2,178,575			\$0	\$2,178,575
Totals:	\$23,215,000	\$13,781,275	\$36,996,275	\$25,840,000	\$6,072,001	\$31,912,001	\$5,084,274

Total Net Savings Summary

Gross Savings Amount:	\$5,084,274
Present Value Savings Amount:	\$3,146,343
NPV Savings % of Prior:	13.553%
Negative Arbitrage	(\$956,607)

Interest Rate Reduction Summary

Series 2009 Average Interest Rate:	6.176%
Series 2016 EST True Interest Cost:	3.102%
Interest Rate Reduction:	3.074%



Ross, Sinclair & Associates, LLC

**Northern Kentucky Water District
Refunding Revenue Bonds, Series 2016A (EST)
(Savings Summary)**

Calendar Year	(A) Refunded Bond Payments			(B) Estimated New Bond Payments			(C) Savings
	-----Combined Prior Bond Payments-----			-----Series 2016 Bonds-----			Annual Savings
	Series 2006	Series 2009	Total Payments	Principal Portion	Interest Portion	Payment Totals	
2017	\$1,884,488	\$2,174,663	\$4,059,150	\$2,745,000	\$1,128,775	\$3,873,775	\$185,375
2018	\$1,794,688	\$2,177,100	\$3,971,788	\$2,655,000	\$1,133,735	\$3,788,735	\$183,053
2019	\$1,795,088	\$2,176,225	\$3,971,313	\$2,680,000	\$1,106,378	\$3,786,378	\$184,935
2020	\$2,057,663	\$2,177,356	\$4,235,019	\$2,985,000	\$1,068,580	\$4,053,580	\$181,439
2021	\$1,890,584	\$2,174,688	\$4,065,272	\$2,860,000	\$1,020,453	\$3,880,453	\$184,819
2022	\$1,889,847	\$2,177,825	\$4,067,672	\$2,920,000	\$965,513	\$3,885,513	\$182,159
2023	\$1,999,675	\$2,176,363	\$4,176,038	\$3,090,000	\$900,778	\$3,990,778	\$185,260
2024	\$1,897,028	\$2,174,550	\$4,071,578	\$3,065,000	\$826,930	\$3,891,930	\$179,648
2025	\$1,903,969	\$2,177,263	\$4,081,231	\$3,155,000	\$745,236	\$3,900,236	\$180,995
2026	\$1,907,288	\$2,175,356	\$4,082,644	\$3,245,000	\$654,803	\$3,899,803	\$182,841
2027	\$1,906,944	\$2,177,025	\$4,083,969	\$3,345,000	\$556,739	\$3,901,739	\$182,230
2028	\$1,908,731	\$2,176,725	\$4,085,456	\$3,455,000	\$447,856	\$3,902,856	\$182,600
2029	\$1,917,331	\$2,175,875	\$4,093,206	\$3,585,000	\$329,040	\$3,914,040	\$179,166
2030	\$1,916,516	\$2,174,175	\$4,090,691	\$3,705,000	\$203,258	\$3,908,258	\$182,433
2031	\$1,921,125	\$2,176,175	\$4,097,300	\$3,845,000	\$69,210	\$3,914,210	\$183,090
2032	\$0	\$2,176,338	\$2,176,338			\$0	\$2,176,338
2033	\$0	\$2,178,575	\$2,178,575			\$0	\$2,178,575
Totals:	\$28,590,963	\$30,465,188	\$65,587,238	\$47,335,000	\$11,157,282	\$58,492,282	\$7,094,956

Total Net Savings Summary

Gross Savings Amount:	\$7,094,956
Present Value Savings Amount:	\$4,698,563
NPV Savings % of Prior:	10.597%

Interest Rate Reduction Summary

Series 06 & 09 Average Interest Rate:	5.451%
Series 2016 EST True Interest Cost:	3.115%
Interest Rate Reduction:	2.336%



Ross, Sinclaire & Associates, LLC

Northern Kentucky Water District
 Refunding Revenue Bonds, Series 2016
 Plan of Refunding

Total Issue Sources And Uses

Dated 08/10/2016 | Delivered 08/10/2016

	Refund Prior Series 2006 Bonds	Refund Prior Series 2009 Bonds	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$21,495,000.00	\$25,840,000.00	\$47,335,000.00
Total Sources	\$21,495,000.00	\$25,840,000.00	\$47,335,000.00
Uses Of Funds			
Total Underwriter's Discount (1.250%)	268,687.50	323,000.00	591,687.50
Costs of Issuance	63,347.47	76,152.53	139,500.00
Deposit to Net Cash Escrow Fund	21,159,412.29	25,439,414.49	46,598,826.78
Rounding Amount	3,552.74	1,432.98	4,985.72
Total Uses	\$21,495,000.00	\$25,840,000.00	\$47,335,000.00

Northern Kentucky Water District
 Refunding Revenue Bonds, Series 2016
 Plan of Refunding

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2017	Serial Coupon	0.900%	0.900%	2,745,000.00	100.000%	2,745,000.00
02/01/2018	Serial Coupon	0.900%	0.900%	2,655,000.00	100.000%	2,655,000.00
02/01/2019	Serial Coupon	1.150%	1.150%	2,680,000.00	100.000%	2,680,000.00
02/01/2020	Serial Coupon	1.500%	1.500%	2,985,000.00	100.000%	2,985,000.00
02/01/2021	Serial Coupon	1.800%	1.800%	2,860,000.00	100.000%	2,860,000.00
02/01/2022	Serial Coupon	2.000%	2.000%	2,920,000.00	100.000%	2,920,000.00
02/01/2023	Serial Coupon	2.300%	2.300%	3,090,000.00	100.000%	3,090,000.00
02/01/2024	Serial Coupon	2.500%	2.500%	3,065,000.00	100.000%	3,065,000.00
02/01/2025	Serial Coupon	2.750%	2.750%	3,155,000.00	100.000%	3,155,000.00
02/01/2026	Serial Coupon	2.900%	2.900%	3,245,000.00	100.000%	3,245,000.00
02/01/2027	Serial Coupon	3.050%	3.050%	3,345,000.00	100.000%	3,345,000.00
02/01/2028	Serial Coupon	3.350%	3.350%	3,455,000.00	100.000%	3,455,000.00
02/01/2029	Serial Coupon	3.400%	3.400%	3,585,000.00	100.000%	3,585,000.00
02/01/2030	Serial Coupon	3.500%	3.500%	3,705,000.00	100.000%	3,705,000.00
02/01/2031	Serial Coupon	3.600%	3.600%	3,845,000.00	100.000%	3,845,000.00
Total	-	-	-	\$47,335,000.00	-	\$47,335,000.00

Bid Information

Par Amount of Bonds	\$47,335,000.00
Gross Production	\$47,335,000.00
Total Underwriter's Discount (1.250%)	\$(591,687.50)
Bid (98.750%)	46,743,312.50
Total Purchase Price	\$46,743,312.50
Bond Year Dollars	\$376,404.13
Average Life	7.952 Years
Average Coupon	2.9641762%
Net Interest Cost (NIC)	3.1213710%
True Interest Cost (TIC)	3.1151156%

2016 Refinancing Option 1 | Issue Summary | 3/24/2016 | 11:45 AM

Northern Kentucky Water District
Refunding Revenue Bonds, Series 2016
Plan of Refunding

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
02/01/2017	2,745,000.00	0.900%	555,934.06	3,300,934.06	3,300,934.06
08/01/2017	-	-	572,841.25	572,841.25	572,841.25
02/01/2018	2,655,000.00	0.900%	572,841.25	3,227,841.25	3,227,841.25
08/01/2018	-	-	560,893.75	560,893.75	560,893.75
02/01/2019	2,680,000.00	1.150%	560,893.75	3,240,893.75	3,240,893.75
08/01/2019	-	-	545,483.75	545,483.75	545,483.75
02/01/2020	2,985,000.00	1.500%	545,483.75	3,530,483.75	3,530,483.75
08/01/2020	-	-	523,096.25	523,096.25	523,096.25
02/01/2021	2,860,000.00	1.800%	523,096.25	3,383,096.25	3,383,096.25
08/01/2021	-	-	497,356.25	497,356.25	497,356.25
02/01/2022	2,920,000.00	2.000%	497,356.25	3,417,356.25	3,417,356.25
08/01/2022	-	-	468,156.25	468,156.25	468,156.25
02/01/2023	3,090,000.00	2.300%	468,156.25	3,558,156.25	3,558,156.25
08/01/2023	-	-	432,621.25	432,621.25	432,621.25
02/01/2024	3,065,000.00	2.500%	432,621.25	3,497,621.25	3,497,621.25
08/01/2024	-	-	394,308.75	394,308.75	394,308.75
02/01/2025	3,155,000.00	2.750%	394,308.75	3,549,308.75	3,549,308.75
08/01/2025	-	-	350,927.50	350,927.50	350,927.50
02/01/2026	3,245,000.00	2.900%	350,927.50	3,595,927.50	3,595,927.50
08/01/2026	-	-	303,875.00	303,875.00	303,875.00
02/01/2027	3,345,000.00	3.050%	303,875.00	3,648,875.00	3,648,875.00
08/01/2027	-	-	252,863.75	252,863.75	252,863.75
02/01/2028	3,455,000.00	3.350%	252,863.75	3,707,863.75	3,707,863.75
08/01/2028	-	-	194,992.50	194,992.50	194,992.50
02/01/2029	3,585,000.00	3.400%	194,992.50	3,779,992.50	3,779,992.50
08/01/2029	-	-	134,047.50	134,047.50	134,047.50
02/01/2030	3,705,000.00	3.500%	134,047.50	3,839,047.50	3,839,047.50
08/01/2030	-	-	69,210.00	69,210.00	69,210.00
02/01/2031	3,845,000.00	3.600%	69,210.00	3,914,210.00	3,914,210.00
Total	\$47,335,000.00	-	\$11,157,281.56	\$58,492,281.56	\$58,492,281.56

Northern Kentucky Water District
 Refunding Revenue Bonds, Series 2016
 Plan of Refunding

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
12/31/2016	-	-	-	-	-
12/31/2017	2,745,000.00	-	1,128,775.31	3,873,775.31	3,873,775.31
12/31/2018	2,655,000.00	-	1,133,735.00	3,788,735.00	3,788,735.00
12/31/2019	2,680,000.00	-	1,106,377.50	3,786,377.50	3,786,377.50
12/31/2020	2,985,000.00	-	1,068,580.00	4,053,580.00	4,053,580.00
12/31/2021	2,860,000.00	-	1,020,452.50	3,880,452.50	3,880,452.50
12/31/2022	2,920,000.00	-	965,512.50	3,885,512.50	3,885,512.50
12/31/2023	3,090,000.00	-	900,777.50	3,990,777.50	3,990,777.50
12/31/2024	3,065,000.00	-	826,930.00	3,891,930.00	3,891,930.00
12/31/2025	3,155,000.00	-	745,236.25	3,900,236.25	3,900,236.25
12/31/2026	3,245,000.00	-	654,802.50	3,899,802.50	3,899,802.50
12/31/2027	3,345,000.00	-	556,738.75	3,901,738.75	3,901,738.75
12/31/2028	3,455,000.00	-	447,856.25	3,902,856.25	3,902,856.25
12/31/2029	3,585,000.00	-	329,040.00	3,914,040.00	3,914,040.00
12/31/2030	3,705,000.00	-	203,257.50	3,908,257.50	3,908,257.50
12/31/2031	3,845,000.00	-	69,210.00	3,914,210.00	3,914,210.00
Total	\$47,335,000.00	-	\$11,157,281.56	\$58,492,281.56	\$58,492,281.56

Northern Kentucky Water Service District

Revenue Bonds

Series 2006A

Debt Service To Maturity And To Call

Part 1 of 2

Date	Revenue Bonds	Revenue Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
08/10/2016	-	-	-	-	-	-	-
08/15/2016	21,125,000.00	34,412.29	21,159,412.29	-	-	-	-
02/01/2017	-	-	-	1,020,000.00	4.000%	442,443.75	1,462,443.75
08/01/2017	-	-	-	-	-	422,043.75	422,043.75
02/01/2018	-	-	-	970,000.00	4.000%	422,043.75	1,392,043.75
08/01/2018	-	-	-	-	-	402,643.75	402,643.75
02/01/2019	-	-	-	1,010,000.00	4.000%	402,643.75	1,412,643.75
08/01/2019	-	-	-	-	-	382,443.75	382,443.75
02/01/2020	-	-	-	1,320,000.00	4.125%	382,443.75	1,702,443.75
08/01/2020	-	-	-	-	-	355,218.75	355,218.75
02/01/2021	-	-	-	1,205,000.00	4.125%	355,218.75	1,560,218.75
08/01/2021	-	-	-	-	-	330,365.63	330,365.63
02/01/2022	-	-	-	1,255,000.00	4.125%	330,365.63	1,585,365.63
08/01/2022	-	-	-	-	-	304,481.25	304,481.25
02/01/2023	-	-	-	1,420,000.00	4.125%	304,481.25	1,724,481.25
08/01/2023	-	-	-	-	-	275,193.75	275,193.75
02/01/2024	-	-	-	1,375,000.00	4.125%	275,193.75	1,650,193.75
08/01/2024	-	-	-	-	-	246,834.38	246,834.38
02/01/2025	-	-	-	1,440,000.00	4.125%	246,834.38	1,686,834.38
08/01/2025	-	-	-	-	-	217,134.38	217,134.38
02/01/2026	-	-	-	1,505,000.00	4.250%	217,134.38	1,722,134.38
08/01/2026	-	-	-	-	-	185,153.13	185,153.13
02/01/2027	-	-	-	1,570,000.00	4.250%	185,153.13	1,755,153.13
08/01/2027	-	-	-	-	-	151,790.63	151,790.63

Northern Kentucky Water Service District

Revenue Bonds

Series 2006A

Debt Service To Maturity And To Call

Part 2 of 2

Date	Unrefunded Bonds	Unrefunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
02/01/2028	-	-	-	1,640,000.00	4.250%	151,790.63	1,791,790.63
08/01/2028	-	-	-	-	-	116,940.63	116,940.63
02/01/2029	-	-	-	1,720,000.00	4.250%	116,940.63	1,836,940.63
08/01/2029	-	-	-	-	-	80,390.63	80,390.63
02/01/2030	-	-	-	1,795,000.00	4.375%	80,390.63	1,875,390.63
08/01/2030	-	-	-	-	-	41,125.00	41,125.00
02/01/2031	-	-	-	1,880,000.00	4.375%	41,125.00	1,921,125.00
Total	\$21,125,000.00	\$34,412.29	\$21,159,412.29	\$21,125,000.00	-	\$7,465,962.57	\$28,590,962.57

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	8/10/2016
Average Life	8.299 Years
Average Coupon	4.2457533%
Weighted Average Maturity (Par Basis)	8.299 Years

Refunding Bond Information

Refunding Dated Date	8/10/2016
Refunding Delivery Date	8/10/2016

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Northern Kentucky Water District

Revenue Bonds

2009 Series

Debt Service To Maturity And To Call

Part 1 of 2

Date	Revenue Bonds	Revenue Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/31/2016	-	-	-	-	-	-	-
02/01/2017	850,000.00	672,425.00	1,522,425.00	850,000.00	4.750%	672,425.00	1,522,425.00
08/01/2017	-	652,237.50	652,237.50	-	-	652,237.50	652,237.50
02/01/2018	895,000.00	652,237.50	1,547,237.50	895,000.00	5.000%	652,237.50	1,547,237.50
08/01/2018	21,470,000.00	629,862.50	22,099,862.50	-	-	629,862.50	629,862.50
02/01/2019	-	-	-	940,000.00	5.000%	629,862.50	1,569,862.50
08/01/2019	-	-	-	-	-	606,362.50	606,362.50
02/01/2020	-	-	-	990,000.00	5.125%	606,362.50	1,596,362.50
08/01/2020	-	-	-	-	-	580,993.75	580,993.75
02/01/2021	-	-	-	1,040,000.00	5.250%	580,993.75	1,620,993.75
08/01/2021	-	-	-	-	-	553,693.75	553,693.75
02/01/2022	-	-	-	1,100,000.00	5.375%	553,693.75	1,653,693.75
08/01/2022	-	-	-	-	-	524,131.25	524,131.25
02/01/2023	-	-	-	1,160,000.00	5.500%	524,131.25	1,684,131.25
08/01/2023	-	-	-	-	-	492,231.25	492,231.25
02/01/2024	-	-	-	1,225,000.00	5.700%	492,231.25	1,717,231.25
08/01/2024	-	-	-	-	-	457,318.75	457,318.75
02/01/2025	-	-	-	1,300,000.00	5.750%	457,318.75	1,757,318.75
08/01/2025	-	-	-	-	-	419,943.75	419,943.75
02/01/2026	-	-	-	1,375,000.00	5.750%	419,943.75	1,794,943.75
08/01/2026	-	-	-	-	-	380,412.50	380,412.50
02/01/2027	-	-	-	1,460,000.00	6.000%	380,412.50	1,840,412.50
08/01/2027	-	-	-	-	-	336,612.50	336,612.50
02/01/2028	-	-	-	1,550,000.00	6.000%	336,612.50	1,886,612.50

Northern Kentucky Water District

Revenue Bonds

2009 Series

Debt Service To Maturity And To Call

Part 2 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
08/01/2028	-	-	-	-	-	290,112.50	290,112.50
02/01/2029	-	-	-	1,645,000.00	6.000%	290,112.50	1,935,112.50
08/01/2029	-	-	-	-	-	240,762.50	240,762.50
02/01/2030	-	-	-	1,745,000.00	6.000%	240,762.50	1,985,762.50
08/01/2030	-	-	-	-	-	188,412.50	188,412.50
02/01/2031	-	-	-	1,855,000.00	6.000%	188,412.50	2,043,412.50
08/01/2031	-	-	-	-	-	132,762.50	132,762.50
02/01/2032	-	-	-	1,975,000.00	6.500%	132,762.50	2,107,762.50
08/01/2032	-	-	-	-	-	68,575.00	68,575.00
02/01/2033	-	-	-	2,110,000.00	6.500%	68,575.00	2,178,575.00
Total	\$23,215,000.00	\$2,606,762.50	\$25,821,762.50	\$23,215,000.00	-	\$13,781,275.00	\$36,996,275.00

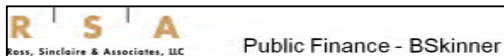
Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	8/10/2016
Average Life	9.829 Years
Average Coupon	6.0251241%
Weighted Average Maturity (Par Basis)	9.829 Years

Refunding Bond Information

Refunding Dated Date	8/10/2016
Refunding Delivery Date	8/10/2016

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Northern Kentucky Water District
 Refunding Revenue Bonds, Series 2016
 Plan of Refunding

Debt Service To Maturity And To Call

Part 1 of 2

Date	Refunded Bonds	Interest to Call	D/S To Call	Principal	Interest	Refunded D/S
08/10/2016	-	-	-	-	-	-
08/15/2016	21,125,000.00	34,412.29	21,159,412.29	-	-	-
02/01/2017	850,000.00	672,425.00	1,522,425.00	1,870,000.00	1,114,868.75	2,984,868.75
08/01/2017	-	652,237.50	652,237.50	-	1,074,281.25	1,074,281.25
02/01/2018	895,000.00	652,237.50	1,547,237.50	1,865,000.00	1,074,281.25	2,939,281.25
08/01/2018	21,470,000.00	629,862.50	22,099,862.50	-	1,032,506.25	1,032,506.25
02/01/2019	-	-	-	1,950,000.00	1,032,506.25	2,982,506.25
08/01/2019	-	-	-	-	988,806.25	988,806.25
02/01/2020	-	-	-	2,310,000.00	988,806.25	3,298,806.25
08/01/2020	-	-	-	-	936,212.50	936,212.50
02/01/2021	-	-	-	2,245,000.00	936,212.50	3,181,212.50
08/01/2021	-	-	-	-	884,059.38	884,059.38
02/01/2022	-	-	-	2,355,000.00	884,059.38	3,239,059.38
08/01/2022	-	-	-	-	828,612.50	828,612.50
02/01/2023	-	-	-	2,580,000.00	828,612.50	3,408,612.50
08/01/2023	-	-	-	-	767,425.00	767,425.00
02/01/2024	-	-	-	2,600,000.00	767,425.00	3,367,425.00
08/01/2024	-	-	-	-	704,153.13	704,153.13
02/01/2025	-	-	-	2,740,000.00	704,153.13	3,444,153.13
08/01/2025	-	-	-	-	637,078.13	637,078.13
02/01/2026	-	-	-	2,880,000.00	637,078.13	3,517,078.13
08/01/2026	-	-	-	-	565,565.63	565,565.63
02/01/2027	-	-	-	3,030,000.00	565,565.63	3,595,565.63
08/01/2027	-	-	-	-	488,403.13	488,403.13

Northern Kentucky Water District
 Refunding Revenue Bonds, Series 2016
 Plan of Refunding

Debt Service To Maturity And To Call

Part 2 of 2

Date	Refunded Bonds	Interest to Call	D/S To Call	Principal	Interest	Refunded D/S
02/01/2028	-	-	-	3,190,000.00	488,403.13	3,678,403.13
08/01/2028	-	-	-	-	407,053.13	407,053.13
02/01/2029	-	-	-	3,365,000.00	407,053.13	3,772,053.13
08/01/2029	-	-	-	-	321,153.13	321,153.13
02/01/2030	-	-	-	3,540,000.00	321,153.13	3,861,153.13
08/01/2030	-	-	-	-	229,537.50	229,537.50
02/01/2031	-	-	-	3,735,000.00	229,537.50	3,964,537.50
08/01/2031	-	-	-	-	132,762.50	132,762.50
02/01/2032	-	-	-	1,975,000.00	132,762.50	2,107,762.50
08/01/2032	-	-	-	-	68,575.00	68,575.00
02/01/2033	-	-	-	2,110,000.00	68,575.00	2,178,575.00
Total	\$44,340,000.00	\$2,641,174.79	\$46,981,174.79	\$44,340,000.00	\$21,247,237.57	\$65,587,237.57

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	8/10/2016
Average Life	9.100 Years
Average Coupon	5.2657799%
Weighted Average Maturity (Par Basis)	9.100 Years

Refunding Bond Information

Refunding Dated Date	8/10/2016
Refunding Delivery Date	8/10/2016

2016 Refinancing Option 1 | Issue Summary | 3/24/2016 | 11:45 AM



**NORTHERN KENTUCKY WATER
DISTRICT**

Board Approval

**Northern Kentucky Water District
Board of Commissioners
Special Meeting
May 19, 2016**

A special meeting of the Board of Commissioners of the Northern Kentucky Water District was held on May 19, 2016 at the District's facility located at 2835 Crescent Springs Road in Erlanger, Kentucky. All Commissioners were present, except for Commissioner Spaulding. Also present were Matt Piccirillo, Mary Carol Wagner, Kyle Ryan, Jenna Canafax, Rusty Collinsworth, Jeff Schuchter, Lindsey Rechten, Jim Sparrow, CPA of Rankin & Rankin, and Brian Dunham.

Chairperson Macke called the meeting to order at 12:07 p.m., and Jim Sparrow, CPA and Jenna Canafax led the pledge of allegiance.

The Board reviewed correspondence received and articles published since the last regular Board meeting on April 21, 2016.

Mr. Jim Sparrow, CPA then addressed the Board and presented his firm's audit report for the District's most recently ended fiscal year. Mr. Sparrow noted that prior to this presentation, he had also met earlier in the week to review the report with the Treasurer, President/CEO and Vice President of Finance for the District. On motion of Commissioner Cunningham, seconded by Commissioner Wagner, and after discussion, the Commissioners unanimously accepted the December 31, 2015 audit report as presented.

On motion of Commissioner Sommerkamp, seconded by Commissioner Cunningham, the Commissioners, unanimously approved the minutes for the regular Board meeting held on April 21, 2016.

The Board was provided a copy of the District's check registers, which included the check number, check date, payee, check amount and description of the reason for each payment, detailing the District's expenditures for the period April 1, 2016 through April 30, 2016. It was noted that both the Chairperson and Treasurer of the District monitor the check register weekly. On motion of Commissioner Wagner, seconded by Commissioner Sommerkamp, and after discussion, the Commissioners unanimously approved the expenditures of the District for the month of April, 2016.

On motion of Commissioner Collins, seconded by Commissioner Wagner, the Commissioners unanimously approved the District's acceptance of the engineering services agreement with Dixon Engineering, Inc. to design the Water Storage Tank Projects, with a total project budget of \$1,166,000, and authorized staff to execute the appropriate documents.

On motion of Commissioner Cunningham, seconded by Commissioner Collins, the Commissioners unanimously authorized the District's acceptance of the bid by and awarding a contract to Moody's of Dayton for the Richardson Road and Ripple Creek Pump Stations Pump

and Motor Replacement Project, with a total project budget of \$250,000, and authorized staff to execute the appropriate documents.

On motion of Commissioner Sommerkamp, seconded by Commissioner Wagner, the Commissioners unanimously authorized the District's acceptance of the bid by and awarding a contract to UCL, Inc. for the Industrial Tank Rehabilitation Project, with alternates bid one and two rejected, with a total project budget of \$416,000, and authorized staff to execute the appropriate documents.

On motion of Commissioner Collins, seconded by Commissioner Wagner, the Commissioners unanimously approved the District's acceptance of the bids by and awarding contracts to the various vendors highlighted on the attached bid tabulation for the purchase of the indicated water treatment chemicals, and authorized staff to execute the appropriate contract documents for a single one-year term.

On motion of Commissioner Wagner, seconded by Commissioner Cunningham, the Commissioners unanimously approved the District's entering into the engineering services agreement with Brandstetter Carroll Inc. to design the Ann Street Water Main Replacement Project, and authorized staff to execute the appropriate documents.

On motion of Commissioner Collins, seconded by Commissioner Sommerkamp, the Commissioners unanimously approved the District's acceptance of the bid by and awarding a contract to Jack Gemmer and Sons, Inc. for the Aberdeen Road Water Main Replacement Project, with a total project budget of \$120,000, and authorized staff to execute the appropriate documents.

On motion of Commissioner Wagner, seconded by Commissioner Cunningham, the Commissioners unanimously approved the District's acceptance of the bid by and awarding a contract to Smithcorp, Inc. for the Riggs Avenue Phase I Water Main Replacement project, with a total project budget of \$240,000, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Wagner, seconded by Commissioner Cunningham, the Commissioners unanimously approved the District's acceptance of the bids by and awarding a contract to TMS Construction for Concrete Restoration, and authorized staff to execute the appropriate contract documents for a single one-year term, with a possible one-year extension.

On motion of Commissioner Sommerkamp, seconded by Commissioner Collins, the Commissioners unanimously approved the District's acceptance of the bid by and awarding a contract to Len Riegler Corporation, for the 2016 Asphalt Restoration Milling and Paving, with a total project budget of \$180,000, and authorized staff to execute the appropriate documents.

On motion of Commissioner Wagner, seconded by Commissioner Collins, the Commissioners unanimously approved the District's acceptance of the bids by and awarding a contract to Lonkard Construction Company, for the Gaddis Drive Water Main Replacement

project, with a total project budget of \$240,000, and authorized staff to execute the appropriate documents.

Ms. Rehtin reviewed with the Board the current and historical fiscal agent and bond counsel fees, as well as the fiscal agent and bond counsel fees being paid by similar Kentucky public agencies. After such discussion, on motion of Commissioner Sommerkamp, seconded by Commissioner Wagner, the Commissioners unanimously approved the District's adoption and authorization of the Series 2016 Bond Resolution prepared by the District's bond counsel for up to \$50,000,000 in General Revenue Bonds to refinance the 2006 and 2009 General Revenue Bonds, and the filing of an application to the Public Service Commission for the approval of the refunding, and authorized staff to execute the appropriate documents.

On motion of Commissioner Collins, seconded by Commissioner Wagner, the Commissioners unanimously approved the District's sale of the surplus Dixie Highway Property to GPS Hospitality Partners, LLC ("GPS") for \$850,000 pursuant to the terms and conditions of that certain purchase agreement between NKWD and GPS dated October 30, 2015 (as amended), the adoption of the additional specific resolutions prepared by Frost Brown Todd LLC, as attached, and that C. Ronald Lovan, as President/CEO of the NKWD, be and hereby is authorized to execute all the necessary documents and take any and all other actions as he may in his sole discretion deem necessary or appropriate to close on the sale of such property.

The Commissioners reviewed the District's financial reports and Department reports. As part of her report, Ms. Kramer reviewed with the Commissioners the status of on-going projects within the 2015 5-Year Capital Budget, including highlighting the change orders since the last Board meeting and highlighting the expenses incurred to date. Ms. Kramer also gave an update of Flint, Michigan related lead issues.

Other matters of a general nature were discussed.

On motion of Commissioner Wagner, seconded by Commissioner Cunningham, the Board unanimously agreed to go into executive session under the provisions of KRS 61.810(1)(c) to discuss pending or proposed litigation against or on behalf of the District and to protect the District's legal interests and strategy in connection with such litigation. The executive session commenced at 2:22 p.m. and ended at 2:49 p.m. The Board then came back into open session.

On motion of Commissioner Collins, seconded by Commissioner Sommerkamp, the meeting was adjourned at 2:50 p.m.

CHAIRMAN

SECRETARY

**NORTHERN KENTUCKY WATER
DISTRICT**

2016 Refunding Bond Resolution

SERIES 2016 BOND RESOLUTION NO. _____

SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF WATER DISTRICT REFUNDING REVENUE BONDS, SERIES 2016, OF THE NORTHERN KENTUCKY WATER DISTRICT, IN THE AMOUNT OF APPROXIMATELY \$50,000,000; DESIGNATING THE PAYING AGENT AND REGISTRAR IN RESPECT THEREOF, AUTHORIZING THE REDEMPTION OF CERTAIN OUTSTANDING BONDS OF THE DISTRICT; APPROVING THE PREPARATION OF PRELIMINARY AND FINAL OFFICIAL STATEMENTS IN RESPECT THEREOF; AND AUTHORIZING A CONTINUING DISCLOSURE AGREEMENT.

WHEREAS, the Board of Commissioners of Northern Kentucky Water District (hereinafter sometimes referred to as the “District”), a water district duly organized pursuant to Chapter 74 of the Kentucky Revised Statutes, and a public body corporate and politic, has, under date of November 19, 1985, authorized and adopted its “1985 General Bond Resolution Authorizing the Issuance of and Securing Water District Revenue Bonds” (the “1985 General Bond Resolution” or the “General Bond Resolution”) pursuant to which the District is authorized to issue its Water District Refunding Revenue Bonds from time to time, the proceeds of which, in whole or in part, are to be used for the purposes described with particularity in said General Bond Resolution; and

WHEREAS, the District has heretofore issued \$29,000,000 of its Water District Revenue Bonds, Series 2006 dated September 1, 2006 and \$29,290,000 of its Water District Revenue Bonds, Series 2009 dated January 1, 2009 (collectively, the “Prior Bonds”) secured by the revenues of the water system described in the General Bond Resolution and the related series resolutions authorizing the Prior Bonds; and

WHEREAS, in order to achieve debt service savings, the District desires to refund and retire the Prior Bonds; and

WHEREAS, said General Bond Resolution authorizes the issuance of such Water District Refunding Revenue Bonds in one or more Series pursuant to one or more Series Resolutions and authorizes the issuance and sale of such Series; and

WHEREAS, the Board of Commissioners of the District has determined that it is necessary and desirable that the District issue a Series of Water District Revenue Bonds, to be designated “Water District Refunding Revenue Bonds, Series 2016,” to provide moneys to carry out the purposes of the District as hereinafter particularly set forth, including, but not limited to retiring the Prior Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE NORTHERN KENTUCKY WATER DISTRICT, THAT PURSUANT TO THE GENERAL BOND RESOLUTION AUTHORIZING THE ISSUANCE OF AND SECURING WATER DISTRICT REVENUE BONDS ADOPTED ON NOVEMBER 19, 1985, THIS SERIES 2016 BOND RESOLUTION IS ADOPTED, AS FOLLOWS:

**ARTICLE I
AUTHORITY AND DEFINITIONS**

101. Short Title. This resolution may hereafter be cited by the District and is hereinafter sometimes referred to as the “Series 2016 Bond Resolution.”

102. Defined Words and Terms.

(1) All words and terms which are defined in the General Bond Resolution, which General Bond Resolution is incorporated herein by reference, shall have the same and identical meanings respectively in this Series 2016 Bond Resolution as such terms are given in Article I of the General Bond Resolution.

(2) “Agent Member” shall mean a member of, or participant in, the Securities Depository.

(3) “Book-Entry Form” shall mean, with respect to any Series 2016 Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Series 2016 Bonds and Series 2016 Bond service charges may be transferred only through a book entry, and (ii) physical Series 2016 Bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as owner, with the physical Series 2016 Bond certificates in the custody of a Securities Depository.

(4) “Prior Bonds” shall mean the District’s outstanding Water District Revenue Bonds, Series 2006 dated September 1, 2006 and Water District Revenue Bonds, Series 2009 dated January 1, 2009.

(5) “Securities Depository” shall mean any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act, operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of beneficial interests in bonds and bond service charges, and to effect transfers of bonds in Book-Entry Form, and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

(6) “Securities Depository Nominee” shall mean any nominee of a Securities Depository and initially means Cede & Co., New York, New York, as nominee of The Depository Trust Company.

(7) The “Series 2016 Bonds” shall mean the Water District Refunding Revenue Bonds which are authorized by Article II of this Series 2016 Bond Resolution.

103. Authority. This Series 2016 Bond Resolution is adopted pursuant to authority of Article II, Section 204 of the 1985 General Bond Resolution, and pursuant to authority contained in the Act.

104. Determination in Respect of Redemption of Certain Outstanding Issues of Bonds Payable from the Revenues of the Public Water System of the District. It is hereby determined and declared by the District that, pursuant to the requirements of the General Bond Resolution, the District shall carry out the redemption of any or all of the Prior Bonds. The specific maturities of the Prior Bonds to be redeemed shall be selected by an Authorized Officer of the District.

105. Determination by District that Series 2016 Bonds Be Issued. It is hereby determined by the District that it is necessary and desirable that approximately \$50,000,000 principal amount (which amount may be decreased as necessary or desirable) of Water District Refunding Revenue Bonds, Series 2016, be authorized and issued by the District for the purpose of redeeming the Prior Bonds, funding the Debt Service Reserve in accordance with the General Bond Resolution, if necessary, and paying the costs of issuance of the Series 2016 Bonds, pursuant to the General Bond Resolution and the Act, as more specifically set forth in this Series 2016 Bond Resolution.

ARTICLE II
AUTHORIZATION AND TERMS OF SERIES 2016 BONDS

201. Authorization of Bonds; Principal Amount; Designation and Series. In order to provide sufficient funds necessary for the redemption of any or all of the Prior Bonds, funding of the Debt Service Reserve and paying the costs of issuance in connection with the Series 2016 Bonds in accordance with and subject to the terms, conditions and limitations established in the Act, the General Bond Resolution, and this Series 2016 Bond Resolution, a series of Water District Revenue Bonds is hereby authorized to be issued in the aggregate principal amount not to exceed \$50,000,000 (which amount may be decreased as necessary or desirable). As stated aforesaid, the District is of the opinion and hereby determines that the issuance of said Series 2016 Bonds in the principal amount of approximately \$50,000,000 is necessary to provide sufficient funds to be used and expended for the purposes hereinafter set forth. As provided by Article II, Section 204 of the General Bond Resolution, in addition to the designation “Water District Refunding Revenue Bonds,” such Series of Bonds hereby authorized shall bear the additional designation “Series 2016” or such other series designation as may be appropriate for the year and date that the Series 2016 Bonds are issued, and each Bond as so designated shall be a “Water District Refunding Revenue Bond, Series 2016.” The Series 2016 Bonds shall consist of a principal amount not to exceed

\$50,000,000 of Serial Bonds and/or Term Bonds as described in Section 204 hereof and shall be issued in fully registered form.

202. Purpose for Issue of Series 2016 Bonds. The purpose for which the Series 2016 Bonds are to be issued is to provide funds for the redemption prior to maturity of the Prior Bonds, to provide funds, for deposit in the Debt Service Reserve and to provide funds for deposit in the Series 2016 Cost of Issuance Account and all to the extent and in the amounts or subject to the determinations provided in Article III of this Series 2016 Bond Resolution.

203. Issue Date. The Series 2016 Bonds shall be dated their date of delivery, or such other date as is determined by the Chairperson or President/CEO of the District without further action of this Board, set forth in a certificate of award described in Section 401 hereof.

204. Maturities. The Series 2016 Bonds shall mature on February 1 of the years, and in the principal amounts, and shall bear interest from the date thereof, payable semiannually on each August 1 and February 1 on dates and in amounts, as set forth in a certificate of award described in Section 401 hereof, on the date of sale of the Series 2016 Bonds.

205. Denominations, Numbers and Letters. The Series 2016 Bonds shall be issued in the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof, not exceeding, however, the aggregate principal amount of Series 2016 Bonds maturing in the year of maturity of the Series 2016 Bond for which the denomination is to be specified. The Series 2016 Bonds shall be lettered and numbered separately consecutively from R-1 upwards.

206. Place of Payment and Designation of Paying Agent and Registrar. The principal and Redemption Price on the Series 2016 Bonds shall be payable in lawful money of the United States of America at the principal office of the Paying Agent and Registrar, as may be designated in the certificate of award described in Section 401. Interest on Series 2016 Bonds will be paid by check

or draft mailed to the registered owner at such address as shall be shown by the registration records of the Registrar in accordance with the provisions of Article III of the General Bond Resolution.

207. Book-Entry Form. The Series 2016 Bonds shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form by the Securities Depository for the account of the Agent Members of the Securities Depository. Initially, the Series 2016 Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company. Except as provided in paragraph (c) below, the Series 2016 Bonds shall be transferred, in whole but not in part, only to the Securities Depository or the Securities Depository Nominee, or to a successor Securities Depository selected or approved by the Board or to a nominee of such successor Securities Depository. As to any Series 2016 Bond, the person in whose name such Series 2016 Bond shall be registered shall be the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, and interest on any such Series 2016 Bond shall be made only to or upon the order of the registered owner thereof or his legal representative.

For any Series 2016 Bonds issued in Book-Entry Form, neither the Board, the Registrar or the Paying Agent shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Securities Depository or any Agent Member with respect to any beneficial ownership interest in the Series 2016 Bonds; (ii) the delivery to any Agent Member, any beneficial owner of the Series 2016 Bonds or any other person, other than the Securities Depository, of any notice with respect to the Series 2016 Bonds or the Series 2016 Bond Resolution; or (iii) the payment to any Agent Member, any beneficial owner of the Series 2016 Bonds or any other person, other than the Securities Depository, of any amount with respect to the principal of, premium, if any, or interest on the Series 2016 Bonds.

For any Series 2016 Bonds registered in Book-Entry Form, the Board, the Registrar and the Paying Agent shall treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Series 2016 Bonds for all purposes whatsoever, including without limitation:

(1) the payment of principal of, premium, if any, and interest on the Series 2016 Bonds;

(2) giving notices of redemption and other matters with respect to the Series 2016 Bonds;

(3) registering transfers with respect to the Series 2016 Bonds;

(4) the selection of Series 2016 Bonds for redemption;

(5) for purposes of obtaining consents under the Series 2016 Bond Resolution; and

(6) notwithstanding the definition of the terms “bondholder” or “holder” or “owner” in the General Bond Resolution as referencing the registered owners of the Series 2016 Bonds, the Registrar and Paying Agent shall be entitled to rely upon written instructions from a majority of the beneficial owners of the Series 2016 Bonds with reference to consent, if any, required from the owners of the Series 2016 Bonds pursuant to the terms of this Series 2016 Bond Resolution.

If at any time the Securities Depository notifies the Board that it is unwilling or unable to continue as Securities Depository with respect to any Series 2016 Bonds, or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Securities Depository is not appointed by the Board within 90 days after the Board receives notice or becomes aware of such condition, as the case may be, then this Section shall no longer be applicable, and the Board shall execute and the Trustee shall authenticate and deliver certificates representing the affected

Series 2016 Bonds to the owners of such Series 2016 Bonds as otherwise provided in this Article II.

Payment of the principal of, premium, if any, and interest on any Series 2016 Bonds not registered in Book-Entry Form shall be made as provided in Section 208 hereof.

The principal of, premium, if any, and interest on the Series 2016 Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee shall be payable by wire transfer from the Trustee to the Securities Depository or the Securities Depository Nominee, as the case may be.

208. Redemption of Series 2016 Bonds; Redemption Terms and Prices. The Series 2016 Bonds shall be subject to redemption on dates and under terms set forth in a certificate of award described in Section 401 hereof, in whole or in part, and if in part, in inverse order of maturity, less than all of a single maturity to be selected in such manner as the Bond Registrar may determine, at redemption prices (expressed as percentages of the principal amount of the Series 2016 Bonds to be redeemed) plus accrued interest to the redemption date upon notice and pursuant to other conditions as prescribed by the General Bond Resolution or certificate of award not inconsistent therewith.

ARTICLE III DISPOSITION OF PROCEEDS OF SERIES 2016 BONDS

301. Creation of Redemption Account for Retirement of Prior Bonds. There is hereby created the following special funds or accounts identified as: the “Water District Revenue Bonds, Series 2006 Redemption Account” (the “Series 2006 Redemption Fund”); and the “Water District Revenue Bonds, Series 2009 Redemption Account” (the “Series 2009 Redemption Fund,” and together with the Series 2006 Redemption Fund, the “Prior Bond Redemption Funds”). Such Prior Bond Redemption Funds shall be held in the custody of The Bank of New York Trust Company, N.A., for the purpose of paying the Prior Bonds. The Prior Bonds Redemption Funds may be

established under and in accordance with the General Bond Resolution or under an Escrow Trust Agreement between the District and The Bank of New York Trust Company, N.A.

302. Series 2016 Cost of Issuance Account. Pursuant to Article V, Section 502 of the General Bond Resolution, there shall be established with a Fiduciary to be appointed by the District prior to the issuance of the Series 2016 Bonds (the “Bond Proceeds Depository”), the Bond Proceeds Fund. All of the moneys in the Bond Proceeds Fund shall, after required deposits to the Prior Bond Redemption Funds, payment of the Costs of Issuance of the Series 2016 Bonds by deposit in a costs of issuance account, to be created and known as the Series 2016 Cost of Issuance Account, and deposit of amounts required to be deposited in the Debt Service Reserve, be deposited in the Improvement, Repair and Replacement Fund created by the General Resolution. After making provision for the payment of all costs of issuance payable from the Series 2016 Cost of Issuance Account, any balance in said account not required to be deposited in the Improvement, Repair and Replacement Fund shall be transferred to the Debt Service Fund.

303. Debt Service Fund. There shall be deposited in the Interest Account of the Debt Service Fund, identified in Article V, Section 502 of the General Bond Resolution, all sums received from the purchasers of the Series 2016 Bonds as representing accrued interest. Such funds held from time to time in the Debt Service Fund shall be treated, invested, transferred and applied in accordance with the provisions of Article V, Section 505 of the General Bond Resolution.

304. Debt Service Reserve. There shall be deposited in the Debt Service Reserve proceeds of the Series 2016 Bonds such that the amount on deposit in the Debt Service Reserve will equal the Aggregate Debt Service Reserve Requirement.

ARTICLE IV
ISSUANCE AND SALE OF THE SERIES 2016 BONDS

401. Award of Series 2016 Bonds to Best Bidder. The Series 2016 Bonds shall be offered publicly for sale upon the basis of sealed, competitive bids.

The Authorized Officers of the Board are hereby authorized and directed to cause an appropriate form or forms of a Notice of Sale of Bonds to be published. To the extent required by law, such notice shall be published at least once not less than seven nor more than twenty-one days prior to the scheduled date of sale of the Series 2016 Bonds.

Upon the date and at the respective hour set for the opening and consideration of purchase bids, as provided in the instruments hereinafter approved, the sealed bids theretofore received by an Authorized Officer shall be opened. If there shall be one or more bids which conform in all respects to the prescribed terms and conditions, such bids shall be compared, and such Authorized Officer, upon the advice of the financial advisor, is authorized to accept the best of such bids, as measured in terms of the lowest interest cost, as calculated in the manner prescribed in the Official Terms and Conditions of Bond Sale. Calculations shall be performed as are necessary to determine the exact amount of Series 2016 Bonds that are required to be issued in order to provide sufficient funds for the purposes described herein and the final principal amount and maturities of the Series 2016 Bonds shall thereupon be established, as prescribed in the Official Terms and Conditions of Bond Sale.

A certificate of award shall (i) be executed on the date of the public sale of the Series 2016 Bonds; (ii) accept the bid which the Authorized Officer determines to be the best bid in accordance with the official terms and conditions of sale; and (iii) in accepting the successful bid, determine the exact principal amount and maturities of Series 2016 Bonds to be issued, the

rates of interest which said Series 2016 Bonds shall bear and the optional and mandatory redemption terms for the Series 2016 Bonds.

402. Approval of Preliminary Official Statement and Official Statement. The District hereby approves the preparation and use of a Preliminary Official Statement and the public distribution of such Preliminary Official Statement and an Official Bid Form and Official Terms and Conditions of Bond Sale, to be prepared by the District and its financial advisor in the usual and customary form. The Preliminary Official Statement shall, upon the sale of the Series 2016 Bonds, be completed to reflect the interest rates to be borne by the Series 2016 Bonds and other relevant facts to serve as the District's Official Statement regarding the Series 2016 Bonds. The President/CEO or other Authorized Officer is further authorized to declare the Official Statement to be "final" for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule").

In order to comply with the Rule, a Continuing Disclosure Agreement, to be dated the date of delivery of the Bonds, between the District and the disclosure agent identified therein, is hereby authorized and approved, in the usual and customary form, with such modifications and additions as may be approved by the Authorized Officer executing the same.

403. General Authorization. The Chair, Secretary, Treasurer and President/CEO (the "Authorized Officers") are hereby authorized to do and perform any act or sign any and all documents required by the General Bond Resolution, and perform any other acts or sign and execute any other documents necessary or convenient in connection with the authorization, sale, delivery and issuance of the Series 2016 Bonds. Said Series 2016 Bonds shall be executed, authenticated and sealed pursuant to the General Bond Resolution and supplemental resolutions not inconsistent therewith, provided that the attestation shall be by an Authorized Officer.

404. Delivery of Series 2016 Bonds. The Authorized Officers, and all Authorized Officers of the District as defined in the General Bond Resolution, are hereby severally

authorized, after execution of the Series 2016 Bonds to deliver said Series 2016 Bonds to or upon the order of the Purchaser thereof, to receive the proceeds of sale of the Series 2016 Bonds and give a written receipt thereof on behalf of the District, to apply said proceeds and any other moneys in accordance with the terms of the General Bond Resolution, and the Series 2016 Bond Resolution, and in such manner as is required to cause the conditions to the issuance of the Series 2016 Bonds as stipulated in the General Bond Resolution to be complied with and to do and perform, or cause to be done and performed, for and on behalf of the District, all acts and things that constitute conditions to the authentication and delivery of the Series 2016 Bonds, or that are otherwise required to be done and performed by or on behalf of the District prior to, or simultaneously with, the delivery of the Series 2016 Bonds.

ARTICLE V
EFFECTIVE DATE

501. Effective upon Adoption. This Series 2016 Resolution and any supplement thereto shall be in full force and effect from and after its adoption.

Adopted on the 19th day of May, 2016.

APPROVED:

Chair

ATTEST

Secretary

CERTIFICATION

I, the undersigned, the duly appointed and qualified Secretary of Northern Kentucky Water District, do hereby certify that the foregoing Resolution is a true, accurate and complete copy of a certain Resolution duly adopted by the Board of Commissioners of said District at a duly and properly convened or recessed meeting of said Board of Commissioners held on the 19th day of May, 2016, on the same occasion signed in open session by the Chair attested under seal by me as Secretary, and declared to be in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said District this 19th day of May, 2016.

Secretary
Northern Kentucky Water District

9978821v1

NORTHERN KENTUCKY WATER
DISTRICT

Bond Counsel Letter



Legal Counsel.

DINSMORE & SHOHL LLP
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Covington, KY 41011
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ian.koffler@dinsmore.com

July 5, 2016

Mr. Aaron Greenwell, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602-0615

Re: Case Number 2016 - _____ Northern Kentucky Water District

Dear Mr. Greenwell:

We are representing the Northern Kentucky Water District (the "District") as Bond Counsel concerning the issuance of the District's Water District Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds"). Proceeds of the Series 2016 Bonds will be used to refund and retire certain outstanding bonds of the following issues: Water District Revenue Bonds, Series 2006 dated September 1, 2006 and Water District Revenue Bonds, Series 2009 dated January 1, 2009 (collectively, the "Prior Bonds,") and to pay costs of issuing the Series 2016 Bonds.

We have reviewed the terms under which each of Prior Bonds were issued and each series is currently eligible to be refunded. Additionally, the District's Board has taken all necessary action to approve the Bond issue.

Should you have any questions please contact the undersigned.

Very truly yours,

DINSMORE & SHOHL, LLP

Per

Roger L. Peterman, Esq.

NORTHERN KENTUCKY WATER DISTRICT

Summary of Debt Service with Detail

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2016						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$0	\$45,775	\$45,775		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$0	\$0	\$0		
	2009	\$0	\$0	\$0		
	2011	\$0	\$0	\$0		
	2012	\$0	\$0	\$0		
	2013A	\$0	\$0	\$0		
	2013B	\$0	\$0	\$0		
	2014B	\$0	\$0	\$0		
	Total Senior Debt	\$0	\$45,775	\$45,775		\$45,775
	KIA F-06	\$93,794	\$43,642	\$137,436		
	KIA C-08	\$204,293	\$29,283	\$233,576		
	KIA F-08	\$93,800	\$20,977	\$114,777		
	KIA F-09	\$521,137	\$236,022	\$757,159		
	Total Subordinate Debt	\$913,024	\$329,924	\$1,242,948		\$1,242,948
	Total Debt Service Senior & Subordinate					\$1,288,723
2017						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$44,000	\$90,450	\$134,450		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,020,000	\$864,488	\$1,884,488		
	2009	\$850,000	\$1,324,663	\$2,174,663		
	2011	\$960,000	\$1,118,162	\$2,078,162		
	2012	\$2,530,000	\$2,310,750	\$4,840,750		
	2013A	\$665,000	\$1,063,401	\$1,728,401		
	2013B	\$1,645,000	\$818,825	\$2,463,825		
	2014B	\$1,940,000	\$485,638	\$2,425,638		
	Total Senior Debt	\$9,654,000	\$8,076,377	\$17,730,377		\$17,730,377
	KIA F-06	\$191,828	\$82,689	\$274,517		
	KIA C-08	\$625,264	\$74,639	\$699,903		
	KIA F-08	\$189,010	\$40,192	\$229,202		
	KIA F-09	\$1,057,960	\$454,398	\$1,512,358		
	Total Subordinate Debt	\$2,064,062	\$651,918	\$2,715,980		\$2,715,980
	Total Debt Service Senior & Subordinate					\$20,446,357

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2018						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$46,000	\$88,200	\$134,200		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$970,000	\$824,688	\$1,794,688		
	2009	\$895,000	\$1,282,101	\$2,177,101		
	2011	\$985,000	\$1,088,987	\$2,073,987		
	2012	\$3,475,000	\$2,160,625	\$5,635,625		
	2013A	\$685,000	\$1,039,726	\$1,724,726		
	2013B	\$1,170,000	\$748,450	\$1,918,450		
	2014B	\$1,880,000	\$390,138	\$2,270,138		
	Total Senior Debt	\$10,106,000	\$7,622,915	\$17,728,915		\$17,728,915
	KIA F-06	\$197,627	\$76,406	\$274,033		
	KIA C-08	\$644,281	\$54,323	\$698,604		
	KIA F-08	\$190,905	\$37,825	\$228,730		
	KIA F-09	\$1,079,225	\$430,475	\$1,509,700		
	Total Subordinate Debt	\$2,112,038	\$599,029	\$2,711,067		\$2,711,067
	Total Debt Service Senior & Subordinate					\$20,439,982
2019						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$49,000	\$85,825	\$134,825		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,010,000	\$785,088	\$1,795,088		
	2009	\$940,000	\$1,236,226	\$2,176,226		
	2011	\$1,015,000	\$1,058,987	\$2,073,987		
	2012	\$3,650,000	\$1,982,500	\$5,632,500		
	2013A	\$720,000	\$1,008,026	\$1,728,026		
	2013B	\$1,230,000	\$688,450	\$1,918,450		
	2014B	\$1,980,000	\$293,638	\$2,273,638		
	Total Senior Debt	\$10,594,000	\$7,138,740	\$17,732,740		\$17,732,740
	KIA F-06	\$203,600	\$69,956	\$273,556		
	KIA C-08	\$663,879	\$33,450	\$697,329		
	KIA F-08	\$192,819	\$35,431	\$228,250		
	KIA F-09	\$1,100,917	\$406,071	\$1,506,988		
	Total Subordinate Debt	\$2,161,215	\$544,908	\$2,706,123		\$2,706,123
	Total Debt Service Senior & Subordinate					\$20,438,863

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2020						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$51,000	\$83,325	\$134,325		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,320,000	\$737,663	\$2,057,663		
	2009	\$990,000	\$1,187,357	\$2,177,357		
	2011	\$1,055,000	\$1,022,662	\$2,077,662		
	2012	\$4,150,000	\$1,787,500	\$5,937,500		
	2013A	\$755,000	\$971,151	\$1,726,151		
	2013B	\$1,295,000	\$625,325	\$1,920,325		
	2014B	\$1,505,000	\$206,513	\$1,711,513		
	Total Senior Debt	\$11,121,000	\$6,621,496	\$17,742,496		\$17,742,496
	KIA F-06	\$209,754	\$63,268	\$273,022		
	KIA C-08	\$684,072	\$11,912	\$695,984		
	KIA F-08	\$194,752	\$33,015	\$227,767		
	KIA F-09	\$1,123,045	\$381,176	\$1,504,221		
	Total Subordinate Debt	\$2,211,623	\$489,371	\$2,700,994		\$2,700,994
	Total Debt Service Senior & Subordinate					\$20,443,490
2021						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$54,000	\$80,700	\$134,700		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,205,000	\$685,585	\$1,890,585		
	2009	\$1,040,000	\$1,134,688	\$2,174,688		
	2011	\$1,095,000	\$979,662	\$2,074,662		
	2012	\$4,365,000	\$1,574,625	\$5,939,625		
	2013A	\$795,000	\$932,401	\$1,727,401		
	2013B	\$1,355,000	\$559,075	\$1,914,075		
	2014B	\$440,000	\$157,888	\$597,888		
	Total Senior Debt	\$10,349,000	\$6,104,624	\$16,453,624		\$16,453,624
	KIA F-06	\$216,094	\$56,401	\$272,495		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$196,704	\$30,575	\$227,279		
	KIA F-09	\$1,145,619	\$355,782	\$1,501,401		
	Total Subordinate Debt	\$1,558,417	\$442,758	\$2,001,175		\$2,001,175
	Total Debt Service Senior & Subordinate					\$18,454,799

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2022						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$56,000	\$77,950	\$133,950		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,255,000	\$634,847	\$1,889,847		
	2009	\$1,100,000	\$1,077,725	\$2,177,725		
	2011	\$1,140,000	\$934,962	\$2,074,962		
	2012	\$4,590,000	\$1,350,750	\$5,940,750		
	2013A	\$835,000	\$891,651	\$1,726,651		
	2013B	\$1,430,000	\$489,450	\$1,919,450		
	2014B	\$465,000	\$135,263	\$600,263		
	Total Senior Debt	\$10,871,000	\$5,592,598	\$16,463,598		\$16,463,598
	KIA F-06	\$222,625	\$49,325	\$271,950		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$198,676	\$28,110	\$226,786		
	KIA F-09	\$1,168,646	\$329,876	\$1,498,522		
	Total Subordinate Debt	\$1,589,947	\$407,311	\$1,997,258		\$1,997,258
	Total Debt Service Senior & Subordinate					\$18,460,856
2023						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$59,000	\$75,075	\$134,075		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,420,000	\$579,675	\$1,999,675		
	2009	\$1,160,000	\$1,016,362	\$2,176,362		
	2011	\$1,185,000	\$888,462	\$2,073,462		
	2012	\$4,720,000	\$1,118,000	\$5,838,000		
	2013A	\$880,000	\$848,776	\$1,728,776		
	2013B	\$1,500,000	\$416,200	\$1,916,200		
	2014B	\$485,000	\$116,363	\$601,363		
	Total Senior Debt	\$11,409,000	\$5,058,913	\$16,467,913		\$16,467,913
	KIA F-06	\$229,354	\$42,036	\$271,390		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$200,668	\$25,620	\$226,288		
	KIA F-09	\$1,192,135	\$303,450	\$1,495,585		
	Total Subordinate Debt	\$1,622,157	\$371,106	\$1,993,263		\$1,993,263
	Total Debt Service Senior & Subordinate					\$18,461,176

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2024						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$62,000	\$72,050	\$134,050		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,375,000	\$522,028	\$1,897,028		
	2009	\$1,225,000	\$949,550	\$2,174,550		
	2011	\$1,235,000	\$840,062	\$2,075,062		
	2012	\$4,970,000	\$875,750	\$5,845,750		
	2013A	\$925,000	\$803,651	\$1,728,651		
	2013B	\$1,570,000	\$347,300	\$1,917,300		
	2014B	\$495,000	\$101,663	\$596,663		
	Total Senior Debt	\$11,857,000	\$4,512,054	\$16,369,054		\$16,369,054
	KIA F-06	\$236,287	\$34,525	\$270,812		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$202,680	\$23,106	\$225,786		
	KIA F-09	\$1,216,098	\$276,493	\$1,492,591		
	Total Subordinate Debt	\$1,655,065	\$334,124	\$1,989,189		\$1,989,189
	Total Debt Service Senior & Subordinate					\$18,358,243
2025						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$65,000	\$68,875	\$133,875		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,440,000	\$463,968	\$1,903,968		
	2009	\$1,300,000	\$877,263	\$2,177,263		
	2011	\$1,285,000	\$789,662	\$2,074,662		
	2012	\$5,220,000	\$621,000	\$5,841,000		
	2013A	\$970,000	\$756,276	\$1,726,276		
	2013B	\$1,635,000	\$283,200	\$1,918,200		
	2014B	\$515,000	\$83,938	\$598,938		
	Total Senior Debt	\$12,430,000	\$3,944,182	\$16,374,182		\$16,374,182
	KIA F-06	\$243,428	\$26,789	\$270,217		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$204,711	\$20,566	\$225,277		
	KIA F-09	\$1,240,541	\$248,994	\$1,489,535		
	Total Subordinate Debt	\$1,688,680	\$296,349	\$1,985,029		\$1,985,029
	Total Debt Service Senior & Subordinate					\$18,359,211

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2026						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$68,000	\$65,550	\$133,550		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,505,000	\$402,287	\$1,907,287		
	2009	\$1,375,000	\$800,357	\$2,175,357		
	2011	\$1,340,000	\$736,325	\$2,076,325		
	2012	\$5,495,000	\$353,125	\$5,848,125		
	2013A	\$1,020,000	\$706,526	\$1,726,526		
	2013B	\$1,700,000	\$216,500	\$1,916,500		
	2014B	\$540,000	\$62,838	\$602,838		
	Total Senior Debt	\$13,043,000	\$3,343,508	\$16,386,508		\$16,386,508
	KIA F-06	\$250,785	\$18,819	\$269,604		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$206,764	\$18,001	\$224,765		
	KIA F-09	\$1,265,476	\$220,942	\$1,486,418		
	Total Subordinate Debt	\$1,723,025	\$257,762	\$1,980,787		\$1,980,787
	Total Debt Service Senior & Subordinate					\$18,367,295
2027						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$72,000	\$62,050	\$134,050		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,570,000	\$336,944	\$1,906,944		
	2009	\$1,460,000	\$717,026	\$2,177,026		
	2011	\$1,395,000	\$679,044	\$2,074,044		
	2012	\$4,315,000	\$107,875	\$4,422,875		
	2013A	\$1,070,000	\$659,626	\$1,729,626		
	2013B	\$1,780,000	\$138,000	\$1,918,000		
	2014B	\$550,000	\$43,788	\$593,788		
	Total Senior Debt	\$12,212,000	\$2,744,353	\$14,956,353		\$14,956,353
	KIA F-06	\$258,365	\$10,607	\$268,972		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$208,837	\$15,409	\$224,246		
	KIA F-09	\$1,290,912	\$192,327	\$1,483,239		
	Total Subordinate Debt	\$1,758,114	\$218,343	\$1,976,457		\$1,976,457
	Total Debt Service Senior & Subordinate					\$16,932,810

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2028						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$75,000	\$58,375	\$133,375		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,640,000	\$268,732	\$1,908,732		
	2009	\$1,550,000	\$626,726	\$2,176,726		
	2011	\$1,460,000	\$618,375	\$2,078,375		
	2012	\$0	\$0	\$0		
	2013A	\$1,110,000	\$616,026	\$1,726,026		
	2013B	\$1,870,000	\$46,750	\$1,916,750		
	2014B	\$570,000	\$26,988	\$596,988		
	Total Senior Debt	\$8,275,000	\$2,261,972	\$10,536,972		\$10,536,972
	KIA F-06	\$132,097	\$2,146	\$134,243		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$210,930	\$12,793	\$223,723		
	KIA F-09	\$1,316,859	\$163,136	\$1,479,995		
	Total Subordinate Debt	\$1,659,886	\$178,075	\$1,837,961		\$1,837,961
	Total Debt Service Senior & Subordinate					\$12,374,933
2029						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$79,000	\$54,525	\$133,525		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,720,000	\$197,332	\$1,917,332		
	2009	\$1,645,000	\$530,876	\$2,175,876		
	2011	\$1,520,000	\$555,050	\$2,075,050		
	2012	\$0	\$0	\$0		
	2013A	\$1,155,000	\$570,726	\$1,725,726		
	2013B	\$0	\$0	\$0		
	2014B	\$590,000	\$9,219	\$599,219		
	Total Senior Debt	\$6,709,000	\$1,917,728	\$8,626,728		\$8,626,728
	KIA F-06	\$0	\$0	\$0		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$213,045	\$10,149	\$223,194		
	KIA F-09	\$1,343,328	\$133,358	\$1,476,686		
	Total Subordinate Debt	\$1,556,373	\$143,507	\$1,699,880		\$1,699,880
	Total Debt Service Senior & Subordinate					\$10,326,608

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2030						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$83,000	\$50,475	\$133,475		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,795,000	\$121,516	\$1,916,516		
	2009	\$1,745,000	\$429,176	\$2,174,176		
	2011	\$1,590,000	\$486,975	\$2,076,975		
	2012	\$0	\$0	\$0		
	2013A	\$1,205,000	\$523,526	\$1,728,526		
	2013B	\$0	\$0	\$0		
	2014B	\$0	\$0	\$0		
	Total Senior Debt	\$6,418,000	\$1,611,668	\$8,029,668		\$8,029,668
	KIA F-06	\$0	\$0	\$0		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$215,181	\$7,480	\$222,661		
	KIA F-09	\$1,370,329	\$102,982	\$1,473,311		
	Total Subordinate Debt	\$1,585,510	\$110,462	\$1,695,972		\$1,695,972
	Total Debt Service Senior & Subordinate					\$9,725,640
2031						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$87,000	\$46,225	\$133,225		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$1,880,000	\$41,125	\$1,921,125		
	2009	\$1,855,000	\$321,176	\$2,176,176		
	2011	\$1,660,000	\$413,850	\$2,073,850		
	2012	\$0	\$0	\$0		
	2013A	\$1,255,000	\$473,541	\$1,728,541		
	2013B	\$0	\$0	\$0		
	2014B	\$0	\$0	\$0		
	Total Senior Debt	\$6,737,000	\$1,295,917	\$8,032,917		\$8,032,917
	KIA F-06	\$0	\$0	\$0		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$217,338	\$4,783	\$222,121		
	KIA F-09	\$1,397,873	\$71,996	\$1,469,869		
	Total Subordinate Debt	\$1,615,211	\$76,779	\$1,691,990		\$1,691,990
	Total Debt Service Senior & Subordinate					\$9,724,907

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2032						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$92,000	\$41,750	\$133,750		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$0	\$0	\$0		
	2009	\$1,975,000	\$201,338	\$2,176,338		
	2011	\$1,745,000	\$332,875	\$2,077,875		
	2012	\$0	\$0	\$0		
	2013A	\$1,310,000	\$418,181	\$1,728,181		
	2013B	\$0	\$0	\$0		
	2014B	\$0	\$0	\$0		
	Total Senior Debt	\$5,122,000	\$994,144	\$6,116,144		\$6,116,144
	KIA F-06	\$0	\$0	\$0		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$219,516	\$2,060	\$221,576		
	KIA F-09	\$1,425,970	\$40,387	\$1,466,357		
	Total Subordinate Debt	\$1,645,486	\$42,447	\$1,687,933		\$1,687,933
	Total Debt Service Senior & Subordinate					\$7,804,077
2033						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$96,000	\$37,050	\$133,050		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$0	\$0	\$0		
	2009	\$2,110,000	\$68,575	\$2,178,575		
	2011	\$1,835,000	\$243,375	\$2,078,375		
	2012	\$0	\$0	\$0		
	2013A	\$1,370,000	\$357,881	\$1,727,881		
	2013B	\$0	\$0	\$0		
	2014B	\$0	\$0	\$0		
	Total Senior Debt	\$5,411,000	\$706,881	\$6,117,881		\$6,117,881
	KIA F-06	\$0	\$0	\$0		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$0	\$0	\$0		
	KIA F-09	\$723,695	\$8,141	\$731,836		
	Total Subordinate Debt	\$723,695	\$8,141	\$731,836		\$731,836
	Total Debt Service Senior & Subordinate					\$6,849,717

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2034						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$102,000	\$32,100	\$134,100		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$0	\$0	\$0		
	2009	\$0	\$0	\$0		
	2011	\$1,925,000	\$149,375	\$2,074,375		
	2012	\$0	\$0	\$0		
	2013A	\$1,430,000	\$296,669	\$1,726,669		
	2013B	\$0	\$0	\$0		
	2014B	\$0	\$0	\$0		
	Total Senior Debt	\$3,457,000	\$478,144	\$3,935,144		\$3,935,144
	KIA F-06	\$0	\$0	\$0		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$0	\$0	\$0		
	KIA F-09	\$0	\$0	\$0		
	Total Subordinate Debt	\$0	\$0	\$0		\$0
	Total Debt Service Senior & Subordinate					\$3,935,144
2035						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$107,000	\$26,875	\$133,875		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$0	\$0	\$0		
	2009	\$0	\$0	\$0		
	2011	\$2,025,000	\$50,625	\$2,075,625		
	2012	\$0	\$0	\$0		
	2013A	\$1,490,000	\$235,550	\$1,725,550		
	2013B	\$0	\$0	\$0		
	2014B	\$0	\$0	\$0		
	Total Senior Debt	\$3,622,000	\$313,050	\$3,935,050		\$3,935,050
	KIA F-06	\$0	\$0	\$0		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$0	\$0	\$0		
	KIA F-09	\$0	\$0	\$0		
	Total Subordinate Debt	\$0	\$0	\$0		\$0
	Total Debt Service Senior & Subordinate					\$3,935,050

Northern Kentucky Water District						
Summary of Debt Service						
Effective September 1, 2016						
Year	Series	Principal	Interest	Total		Total Debt Service
2036						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$112,000	\$21,400	\$133,400		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$0	\$0	\$0		
	2009	\$0	\$0	\$0		
	2011	\$0	\$0	\$0		
	2013A	\$1,555,000	\$172,747	\$1,727,747		
	2013B	\$0	\$0	\$0		
	2014B	\$0	\$0	\$0		
	Total Senior Debt	\$1,667,000	\$194,147	\$1,861,147		\$1,861,147
	KIA F-06	\$0	\$0	\$0		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$0	\$0	\$0		
	KIA F-09	\$0	\$0	\$0		
	Total Subordinate Debt	\$0	\$0	\$0		\$0
	Total Debt Service Senior & Subordinate					\$1,861,147
2037						
	1997 Def. 2012	\$0	\$0	\$0		
	1998 Def. 2012	\$0	\$0	\$0		
	USDA 2000	\$118,000	\$15,650	\$133,650		
	2001 Def. 2012	\$0	\$0	\$0		
	2002A Def. 2012	\$0	\$0	\$0		
	2002B Def. 2013	\$0	\$0	\$0		
	2003A def. 2013	\$0	\$0	\$0		
	2003B def. 2013	\$0	\$0	\$0		
	2003C def 2014	\$0	\$0	\$0		
	2004 def 2014	\$0	\$0	\$0		
	2006	\$0	\$0	\$0		
	2009	\$0	\$0	\$0		
	2011	\$0	\$0	\$0		
	2013A	\$1,620,000	\$106,251	\$1,726,251		
	2013B	\$0	\$0	\$0		
	2014B	\$0	\$0	\$0		
	Total Senior Debt	\$1,738,000	\$121,901	\$1,859,901		\$1,859,901
	KIA F-06	\$0	\$0	\$0		
	KIA C-08	\$0	\$0	\$0		
	KIA F-08	\$0	\$0	\$0		
	KIA F-09	\$0	\$0	\$0		
	Total Subordinate Debt	\$0	\$0	\$0		\$0
	Total Debt Service Senior & Subordinate					\$1,859,901

NORTHERN KENTUCKY WATER DISTRICT

List of Bonds, Notes, and Other Indebtedness

Series 1997 Defeased 2012			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$0	\$0	\$0
8/1/2017	\$0	\$0	\$0
Total 2017	\$0	\$0	\$0
2/1/2018	\$0	\$0	\$0
8/1/2018	\$0	\$0	\$0
Total 2018	\$0	\$0	\$0
2/1/2019	\$0	\$0	\$0
8/1/2019	\$0	\$0	\$0
Total 2019	\$0	\$0	\$0
2/1/2020	\$0	\$0	\$0
8/1/2020	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0

Series 1997 Defeased 2012			
Date	Principal	Interest	Total
2/1/2021	\$0	\$0	\$0
8/1/2021	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0
2/1/2022	\$0	\$0	\$0
8/1/2022	\$0	\$0	\$0
Total 2022	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0

Series 1998 Defeased 2012			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$0	\$0	\$0
8/1/2017	\$0	\$0	\$0
Total 2017	\$0	\$0	\$0
2/1/2018	\$0	\$0	\$0
8/1/2018	\$0	\$0	\$0
Total 2018	\$0	\$0	\$0
2/1/2019	\$0	\$0	\$0
8/1/2019	\$0	\$0	\$0
Total 2019	\$0	\$0	\$0
2/1/2020	\$0	\$0	\$0
8/1/2020	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0

Series 1998 Defeased 2012			
Date	Principal	Interest	Total
2/1/2021	\$0	\$0	\$0
8/1/2021	\$0	\$0	\$0
Total 2021	\$0	\$0	\$0
2/1/2022	\$0	\$0	\$0
8/1/2022	\$0	\$0	\$0
Total 2022	\$0	\$0	\$0
2/1/2023	\$0	\$0	\$0
8/1/2023	\$0	\$0	\$0
Total 2023	\$0	\$0	\$0
2/1/2024	\$0	\$0	\$0
8/1/2024	\$0	\$0	\$0
Total 2024	\$0	\$0	\$0
2/1/2025	\$0	\$0	\$0
8/1/2025	\$0	\$0	\$0
Total 2025	\$0	\$0	\$0
2/1/2026	\$0	\$0	\$0
8/1/2026	\$0	\$0	\$0
Total 2026	\$0	\$0	\$0
2/1/2027	\$0	\$0	\$0
8/1/2027	\$0	\$0	\$0
Total 2027	\$0	\$0	\$0
2/1/2028	\$0	\$0	\$0
8/1/2028	\$0	\$0	\$0
Total 2028	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0

USDA 2000			
Effective September 1, 2016			
Date	Principal	Interest	Total
5/1/2012	\$0	\$0	\$0
11/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
5/1/2013	\$0	\$0	\$0
11/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
5/1/2014	\$0	\$0	\$0
11/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
5/1/2015	\$0	\$0	\$0
11/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
5/1/2016	\$0	\$0	\$0
11/1/2016	\$0	\$45,775	\$45,775
Total 2016	\$0	\$45,775	\$45,775
5/1/2017	\$44,000	\$45,775	\$89,775
11/1/2017	\$0	\$44,675	\$44,675
Total 2017	\$44,000	\$90,450	\$134,450
5/1/2018	\$46,000	\$44,675	\$90,675
11/1/2018	\$0	\$43,525	\$43,525
Total 2018	\$46,000	\$88,200	\$134,200
5/1/2019	\$49,000	\$43,525	\$92,525
8/1/2019	\$0	\$42,300	\$42,300
Total 2019	\$49,000	\$85,825	\$134,825
5/1/2020	\$51,000	\$42,300	\$93,300
11/1/2020	\$0	\$41,025	\$41,025
Total 2020	\$51,000	\$83,325	\$134,325
5/1/2021	\$54,000	\$41,025	\$95,025
11/1/2021	\$0	\$39,675	\$39,675

USDA 2000			
Effective September 1, 2016			
Date	Principal	Interest	Total
Total 2021	\$54,000	\$80,700	\$134,700
5/1/2022	\$56,000	\$39,675	\$95,675
11/1/2022	\$0	\$38,275	\$38,275
Total 2022	\$56,000	\$77,950	\$133,950
5/1/2023	\$59,000	\$38,275	\$97,275
11/1/2023	\$0	\$36,800	\$36,800
Total 2023	\$59,000	\$75,075	\$134,075
5/1/2024	\$62,000	\$36,800	\$98,800
11/1/2024	\$0	\$35,250	\$35,250
Total 2024	\$62,000	\$72,050	\$134,050
5/1/2025	\$65,000	\$35,250	\$100,250
11/1/2025	\$0	\$33,625	\$33,625
Total 2025	\$65,000	\$68,875	\$133,875
5/1/2026	\$68,000	\$33,625	\$101,625
11/1/2026	\$0	\$31,925	\$31,925
Total 2026	\$68,000	\$65,550	\$133,550
5/1/2027	\$72,000	\$31,925	\$103,925
11/1/2027	\$0	\$30,125	\$30,125
Total 2027	\$72,000	\$62,050	\$134,050
5/1/2028	\$75,000	\$30,125	\$105,125
11/1/2028	\$0	\$28,250	\$28,250
Total 2028	\$75,000	\$58,375	\$133,375
5/1/2029	\$79,000	\$28,250	\$107,250
11/1/2029	\$0	\$26,275	\$26,275
Total 2029	\$79,000	\$54,525	\$133,525
5/1/2030	\$83,000	\$26,275	\$109,275
11/1/2030	\$0	\$24,200	\$24,200
Total 2030	\$83,000	\$50,475	\$133,475

USDA 2000			
Effective September 1, 2016			
Date	Principal	Interest	Total
5/1/2031	\$87,000	\$24,200	\$111,200
11/1/2031	\$0	\$22,025	\$22,025
Total 2031	\$87,000	\$46,225	\$133,225
5/1/2032	\$92,000	\$22,025	\$114,025
11/1/2032	\$0	\$19,725	\$19,725
Total 2032	\$92,000	\$41,750	\$133,750
5/1/2033	\$96,000	\$19,725	\$115,725
11/1/2033	\$0	\$17,325	\$17,325
Total 2033	\$96,000	\$37,050	\$133,050
5/1/2034	\$102,000	\$17,325	\$119,325
11/1/2034	\$0	\$14,775	\$14,775
Total 2034	\$102,000	\$32,100	\$134,100
5/1/2035	\$107,000	\$14,775	\$121,775
11/1/2035	\$0	\$12,100	\$12,100
Total 2035	\$107,000	\$26,875	\$133,875
5/1/2036	\$112,000	\$12,100	\$124,100
11/1/2036	\$0	\$9,300	\$9,300
Total 2036	\$112,000	\$21,400	\$133,400
5/1/2037	\$118,000	\$9,300	\$127,300
11/1/2037	\$0	\$6,350	\$6,350
Total 2037	\$118,000	\$15,650	\$133,650
5/1/2038	\$124,000	\$6,350	\$130,350
11/1/2038	\$0	\$3,250	\$3,250
Total 2038	\$124,000	\$9,600	\$133,600
5/1/2039	\$130,000	\$3,250	\$133,250
Total 2039	\$130,000	\$3,250	\$133,250
Grand Total	\$1,831,000	\$1,293,100	\$3,124,100

Series 2001A Defeased 2012			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$0	\$0	\$0
8/1/2017	\$0	\$0	\$0
Total 2017	\$0	\$0	\$0
2/1/2018	\$0	\$0	\$0
8/1/2018	\$0	\$0	\$0
Total 2018	\$0	\$0	\$0
2/1/2019	\$0	\$0	\$0
8/1/2019	\$0	\$0	\$0
Total 2019	\$0	\$0	\$0
2/1/2020	\$0	\$0	\$0
8/1/2020	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0

Series 2001A Defeased 2012			
Date	Principal	Interest	Total
2/1/2021	\$0	\$0	\$0
8/1/2021	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0
2/1/2022	\$0	\$0	\$0
8/1/2022	\$0	\$0	\$0
Total 2022	\$0	\$0	\$0
2/1/2023	\$0	\$0	\$0
8/1/2023	\$0	\$0	\$0
Total 2023	\$0	\$0	\$0
2/1/2024	\$0	\$0	\$0
8/1/2024	\$0	\$0	\$0
Total 2024	\$0	\$0	\$0
2/1/2025	\$0	\$0	\$0
8/1/2025	\$0	\$0	\$0
Total 2025	\$0	\$0	\$0
2/1/2026	\$0	\$0	\$0
8/1/2026	\$0	\$0	\$0
Total 2026	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0

Series 2002A Defeased 2012			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$0	\$0	\$0
8/1/2017	\$0	\$0	\$0
Total 2017	\$0	\$0	\$0
2/1/2018	\$0	\$0	\$0
8/1/2018	\$0	\$0	\$0
Total 2018	\$0	\$0	\$0
2/1/2019	\$0	\$0	\$0
8/1/2019	\$0	\$0	\$0
Total 2019	\$0	\$0	\$0
2/1/2020	\$0	\$0	\$0
8/1/2020	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0

Series 2002A Defeased 2012			
Date	Principal	Interest	Total
2/1/2021	\$0	\$0	\$0
8/1/2021	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0
2/1/2022	\$0	\$0	\$0
8/1/2022	\$0	\$0	\$0
Total 2022	\$0	\$0	\$0
2/1/2023	\$0	\$0	\$0
8/1/2023	\$0	\$0	\$0
Total 2023	\$0	\$0	\$0
2/1/2024	\$0	\$0	\$0
8/1/2024	\$0	\$0	\$0
Total 2024	\$0	\$0	\$0
2/1/2025	\$0	\$0	\$0
8/1/2025	\$0	\$0	\$0
Total 2025	\$0	\$0	\$0
2/1/2026	\$0	\$0	\$0
8/1/2026	\$0	\$0	\$0
Total 2026	\$0	\$0	\$0
2/1/2027	\$0	\$0	\$0
8/1/2027	\$0	\$0	\$0
Total 2027	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0

Series 2002B Defeased 2013			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$0	\$0	\$0
8/1/2017	\$0	\$0	\$0
Total 2017	\$0	\$0	\$0
2/1/2018	\$0	\$0	\$0
8/1/2018	\$0	\$0	\$0
Total 2018	\$0	\$0	\$0
2/1/2019	\$0	\$0	\$0
8/1/2019	\$0	\$0	\$0
Total 2019	\$0	\$0	\$0
2/1/2020	\$0	\$0	\$0
8/1/2020	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0

Series 2002B Defeased 2013			
Date	Principal	Interest	Total
2/1/2021	\$0	\$0	\$0
8/1/2021	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0
2/1/2022	\$0	\$0	\$0
8/1/2022	\$0	\$0	\$0
Total 2022	\$0	\$0	\$0
2/1/2023	\$0	\$0	\$0
8/1/2023	\$0	\$0	\$0
Total 2023	\$0	\$0	\$0
2/1/2024	\$0	\$0	\$0
8/1/2024	\$0	\$0	\$0
Total 2024	\$0	\$0	\$0
2/1/2025	\$0	\$0	\$0
8/1/2025	\$0	\$0	\$0
Total 2025	\$0	\$0	\$0
2/1/2026	\$0	\$0	\$0
8/1/2026	\$0	\$0	\$0
Total 2026	\$0	\$0	\$0
2/1/2027	\$0	\$0	\$0
8/1/2027	\$0	\$0	\$0
Total 2027	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0

Series 2003A Defeased 2013			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$0	\$0	\$0
8/1/2017	\$0	\$0	\$0
Total 2017	\$0	\$0	\$0
2/1/2018	\$0	\$0	\$0
8/1/2018	\$0	\$0	\$0
Total 2018	\$0	\$0	\$0
2/1/2019	\$0	\$0	\$0
8/1/2019	\$0	\$0	\$0
Total 2019	\$0	\$0	\$0
2/1/2020	\$0	\$0	\$0
8/1/2020	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0

Series 2003A Defeased 2013			
Date	Principal	Interest	Total
2/1/2021	\$0	\$0	\$0
8/1/2021	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0
2/1/2022	\$0	\$0	\$0
8/1/2022	\$0	\$0	\$0
Total 2022	\$0	\$0	\$0
2/1/2023	\$0	\$0	\$0
8/1/2023	\$0	\$0	\$0
Total 2023	\$0	\$0	\$0
2/1/2024	\$0	\$0	\$0
8/1/2024	\$0	\$0	\$0
Total 2024	\$0	\$0	\$0
2/1/2025	\$0	\$0	\$0
8/1/2025	\$0	\$0	\$0
Total 2025	\$0	\$0	\$0
2/1/2026	\$0	\$0	\$0
8/1/2026	\$0	\$0	\$0
Total 2026	\$0	\$0	\$0
2/1/2027	\$0	\$0	\$0
8/1/2027	\$0	\$0	\$0
Total 2027	\$0	\$0	\$0
2/1/2028	\$0	\$0	\$0
8/1/2028	\$0	\$0	\$0
Total 2028	\$0	\$0	\$0
2/1/2029	\$0	\$0	\$0
8/1/2029	\$0	\$0	\$0
Total 2029	\$0	\$0	\$0

Series 2003A Defeased 2013			
Date	Principal	Interest	Total
2/1/2030	\$0	\$0	\$0
8/1/2030	\$0	\$0	\$0
Total 2030	\$0	\$0	\$0
2/1/2031	\$0	\$0	\$0
8/1/2031	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
2/1/2032	\$0	\$0	\$0
8/1/2032	\$0	\$0	\$0
Total 2032	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0

Series 2003B Defeased 2013			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$0	\$0	\$0
8/1/2017	\$0	\$0	\$0
Total 2017	\$0	\$0	\$0
2/1/2018	\$0	\$0	\$0
8/1/2018	\$0	\$0	\$0
Total 2018	\$0	\$0	\$0
2/1/2019	\$0	\$0	\$0
8/1/2019	\$0	\$0	\$0
Total 2019	\$0	\$0	\$0
2/1/2020	\$0	\$0	\$0
8/1/2020	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0

Series 2003B Defeased 2013			
Date	Principal	Interest	Total
2/1/2021	\$0	\$0	\$0
8/1/2021	\$0	\$0	\$0
Total 2021	\$0	\$0	\$0
2/1/2022	\$0	\$0	\$0
8/1/2022	\$0	\$0	\$0
Total 2022	\$0	\$0	\$0
2/1/2023	\$0	\$0	\$0
8/1/2023	\$0	\$0	\$0
Total 2023	\$0	\$0	\$0
2/1/2024	\$0	\$0	\$0
8/1/2024	\$0	\$0	\$0
Total 2024	\$0	\$0	\$0
2/1/2025	\$0	\$0	\$0
8/1/2025	\$0	\$0	\$0
Total 2025	\$0	\$0	\$0
2/1/2026	\$0	\$0	\$0
8/1/2026	\$0	\$0	\$0
Total 2026	\$0	\$0	\$0
2/1/2027	\$0	\$0	\$0
8/1/2027	\$0	\$0	\$0
Total 2027	\$0	\$0	\$0
2/1/2028	\$0	\$0	\$0
8/1/2028	\$0	\$0	\$0
Total 2028	\$0	\$0	\$0
2/1/2029	\$0	\$0	\$0
8/1/2029	\$0	\$0	\$0
Total 2029	\$0	\$0	\$0

Series 2003B Defeased 2013			
Date	Principal	Interest	Total
2/1/2030	\$0	\$0	\$0
8/1/2030	\$0	\$0	\$0
Total 2030	\$0	\$0	\$0
2/1/2031	\$0	\$0	\$0
8/1/2031	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
2/1/2032	\$0	\$0	\$0
8/1/2032	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0

2003C Defeased 2014 with 2014B			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$0	\$0	\$0
8/1/2017	\$0	\$0	\$0
Total 2017	\$0	\$0	\$0
2/1/2018	\$0	\$0	\$0
8/1/2018	\$0	\$0	\$0
Total 2018	\$0	\$0	\$0
2/1/2019	\$0	\$0	\$0
8/1/2019	\$0	\$0	\$0
Total 2019	\$0	\$0	\$0
2/1/2020	\$0	\$0	\$0
8/1/2020	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0

2003C Defeased 2014 with 2014B			
Date	Principal	Interest	Total
2/1/2021	\$0	\$0	\$0
8/1/2021	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0
2/1/2022	\$0	\$0	\$0
8/1/2022	\$0	\$0	\$0
Total 2022	\$0	\$0	\$0
2/1/2023	\$0	\$0	\$0
8/1/2023	\$0	\$0	\$0
Total 2023	\$0	\$0	\$0
2/1/2024	\$0	\$0	\$0
8/1/2024	\$0	\$0	\$0
Total 2024	\$0	\$0	\$0
2/1/2025	\$0	\$0	\$0
8/1/2025	\$0	\$0	\$0
Total 2025	\$0	\$0	\$0
2/1/2026	\$0	\$0	\$0
8/1/2026	\$0	\$0	\$0
Total 2026	\$0	\$0	\$0
2/1/2027	\$0	\$0	\$0
8/1/2027	\$0	\$0	\$0
Total 2027	\$0	\$0	\$0
2/1/2028	\$0	\$0	\$0
8/1/2028	\$0	\$0	\$0
Total 2028	\$0	\$0	\$0
2/1/2029	\$0	\$0	\$0
8/1/2029	\$0	\$0	\$0
Total 2029	\$0	\$0	\$0

2003C Defeased 2014 with 2014B			
Date	Principal	Interest	Total
2/1/2030	\$0	\$0	\$0
8/1/2030	\$0	\$0	\$0
Total 2030	\$0	\$0	\$0
2/1/2031	\$0	\$0	\$0
8/1/2031	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
2/1/2032	\$0	\$0	\$0
8/1/2032	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0

Series 2004A Defeased 2014B			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$0	\$0	\$0
8/1/2017	\$0	\$0	\$0
Total 2017	\$0	\$0	\$0
2/1/2018	\$0	\$0	\$0
8/1/2018	\$0	\$0	\$0
Total 2018	\$0	\$0	\$0
2/1/2019	\$0	\$0	\$0
8/1/2019	\$0	\$0	\$0
Total 2019	\$0	\$0	\$0
2/1/2020	\$0	\$0	\$0
8/1/2020	\$0	\$0	\$0
Total 2020	\$0	\$0	\$0

Series 2004A Defeased 2014B			
Date	Principal	Interest	Total
2/1/2021	\$0	\$0	\$0
8/1/2021	\$0	\$0	\$0
Total 2021	\$0	\$0	\$0
2/1/2022	\$0	\$0	\$0
8/1/2022	\$0	\$0	\$0
Total 2022	\$0	\$0	\$0
2/1/2023	\$0	\$0	\$0
8/1/2023	\$0	\$0	\$0
Total 2023	\$0	\$0	\$0
2/1/2024	\$0	\$0	\$0
8/1/2024	\$0	\$0	\$0
Total 2024	\$0	\$0	\$0
2/1/2025	\$0	\$0	\$0
8/1/2025	\$0	\$0	\$0
Total 2025	\$0	\$0	\$0
2/1/2026	\$0	\$0	\$0
8/1/2026	\$0	\$0	\$0
Total 2026	\$0	\$0	\$0
2/1/2027	\$0	\$0	\$0
8/1/2027	\$0	\$0	\$0
Total 2027	\$0	\$0	\$0
2/1/2028	\$0	\$0	\$0
8/1/2028	\$0	\$0	\$0
Total 2028	\$0	\$0	\$0
2/1/2029	\$0	\$0	\$0
8/1/2029	\$0	\$0	\$0
Total 2029	\$0	\$0	\$0

Series 2004A Defeased 2014B			
Date	Principal	Interest	Total
2/1/2030	\$0	\$0	\$0
8/1/2030	\$0	\$0	\$0
Total 2030	\$0	\$0	\$0
2/1/2031	\$0	\$0	\$0
8/1/2031	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
2/1/2032	\$0	\$0	\$0
8/1/2032	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
Grand Total	\$0	\$0	\$0

Series 2006A			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$1,020,000	\$442,444	\$1,462,444
8/1/2017	\$0	\$422,044	\$422,044
Total 2017	\$1,020,000	\$864,488	\$1,884,488
2/1/2018	\$970,000	\$422,044	\$1,392,044
8/1/2018	\$0	\$402,644	\$402,644
Total 2018	\$970,000	\$824,688	\$1,794,688
2/1/2019	\$1,010,000	\$402,644	\$1,412,644
8/1/2019	\$0	\$382,444	\$382,444
Total 2019	\$1,010,000	\$785,088	\$1,795,088
2/1/2020	\$1,320,000	\$382,444	\$1,702,444
8/1/2020	\$0	\$355,219	\$355,219
Total 2020	\$1,320,000	\$737,663	\$2,057,663
2/1/2021	\$1,205,000	\$355,219	\$1,560,219
8/1/2021	\$0	\$330,366	\$330,366

Series 2006A			
Effective September 1, 2016			
Date	Principal	Interest	Total
Total 2021	\$1,205,000	\$685,585	\$1,890,585
2/1/2022	\$1,255,000	\$330,366	\$1,585,366
8/1/2022	\$0	\$304,481	\$304,481
Total 2022	\$1,255,000	\$634,847	\$1,889,847
2/1/2023	\$1,420,000	\$304,481	\$1,724,481
8/1/2023	\$0	\$275,194	\$275,194
Total 2023	\$1,420,000	\$579,675	\$1,999,675
2/1/2024	\$1,375,000	\$275,194	\$1,650,194
8/1/2024	\$0	\$246,834	\$246,834
Total 2024	\$1,375,000	\$522,028	\$1,897,028
2/1/2025	\$1,440,000	\$246,834	\$1,686,834
8/1/2025	\$0	\$217,134	\$217,134
Total 2025	\$1,440,000	\$463,968	\$1,903,968
2/1/2026	\$1,505,000	\$217,134	\$1,722,134
8/1/2026	\$0	\$185,153	\$185,153
Total 2026	\$1,505,000	\$402,287	\$1,907,287
2/1/2027	\$1,570,000	\$185,153	\$1,755,153
8/1/2027	\$0	\$151,791	\$151,791
Total 2027	\$1,570,000	\$336,944	\$1,906,944
2/1/2028	\$1,640,000	\$151,791	\$1,791,791
8/1/2028	\$0	\$116,941	\$116,941
Total 2028	\$1,640,000	\$268,732	\$1,908,732
2/1/2029	\$1,720,000	\$116,941	\$1,836,941
8/1/2029	\$0	\$80,391	\$80,391
Total 2029	\$1,720,000	\$197,332	\$1,917,332
2/1/2030	\$1,795,000	\$80,391	\$1,875,391
8/1/2030	\$0	\$41,125	\$41,125
Total 2030	\$1,795,000	\$121,516	\$1,916,516

Series 2006A			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2031	\$1,880,000	\$41,125	\$1,921,125
8/1/2031	\$0	\$0	\$0
Total 2031	\$1,880,000	\$41,125	\$1,921,125
2/1/2032	\$0	\$0	\$0
8/1/2032	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
Grand Total	\$21,125,000	\$7,465,966	\$28,590,966

Series 2009			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$850,000	\$672,425	\$1,522,425
8/1/2017	\$0	\$652,238	\$652,238
Total 2017	\$850,000	\$1,324,663	\$2,174,663
2/1/2018	\$895,000	\$652,238	\$1,547,238
8/1/2018	\$0	\$629,863	\$629,863
Total 2018	\$895,000	\$1,282,101	\$2,177,101
2/1/2019	\$940,000	\$629,863	\$1,569,863
8/1/2019	\$0	\$606,363	\$606,363
Total 2019	\$940,000	\$1,236,226	\$2,176,226
2/1/2020	\$990,000	\$606,363	\$1,596,363
8/1/2020	\$0	\$580,994	\$580,994
Total 2020	\$990,000	\$1,187,357	\$2,177,357
2/1/2021	\$1,040,000	\$580,994	\$1,620,994
8/1/2021	\$0	\$553,694	\$553,694

Series 2009			
Effective September 1, 2016			
Date	Principal	Interest	Total
Total 2021	\$1,040,000	\$1,134,688	\$2,174,688
2/1/2022	\$1,100,000	\$553,594	\$1,653,594
8/1/2022	\$0	\$524,131	\$524,131
Total 2022	\$1,100,000	\$1,077,725	\$2,177,725
2/1/2023	\$1,160,000	\$524,131	\$1,684,131
8/1/2023	\$0	\$492,231	\$492,231
Total 2023	\$1,160,000	\$1,016,362	\$2,176,362
2/1/2024	\$1,225,000	\$492,231	\$1,717,231
8/1/2024	\$0	\$457,319	\$457,319
Total 2024	\$1,225,000	\$949,550	\$2,174,550
2/1/2025	\$1,300,000	\$457,319	\$1,757,319
8/1/2025	\$0	\$419,944	\$419,944
Total 2025	\$1,300,000	\$877,263	\$2,177,263
2/1/2026	\$1,375,000	\$419,944	\$1,794,944
8/1/2026	\$0	\$380,413	\$380,413
Total 2026	\$1,375,000	\$800,357	\$2,175,357
2/1/2027	\$1,460,000	\$380,413	\$1,840,413
8/1/2027	\$0	\$336,613	\$336,613
Total 2027	\$1,460,000	\$717,026	\$2,177,026
2/1/2028	\$1,550,000	\$336,613	\$1,886,613
8/1/2028	\$0	\$290,113	\$290,113
Total 2028	\$1,550,000	\$626,726	\$2,176,726
2/1/2029	\$1,645,000	\$290,113	\$1,935,113
8/1/2029	\$0	\$240,763	\$240,763
Total 2029	\$1,645,000	\$530,876	\$2,175,876
2/1/2030	\$1,745,000	\$240,763	\$1,985,763
8/1/2030	\$0	\$188,413	\$188,413
Total 2030	\$1,745,000	\$429,176	\$2,174,176

Series 2009			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2031	\$1,855,000	\$188,413	\$2,043,413
8/1/2031	\$0	\$132,763	\$132,763
Total 2031	\$1,855,000	\$321,176	\$2,176,176
2/1/2032	\$1,975,000	\$132,763	\$2,107,763
8/1/2032	\$0	\$68,575	\$68,575
Total 2032	\$1,975,000	\$201,338	\$2,176,338
2/1/2033	\$2,110,000	\$68,575	\$2,178,575
8/1/2033	\$0	\$0	\$0
Total 2033	\$2,110,000	\$68,575	\$2,178,575
Grand Total	\$23,215,000	\$13,781,185	\$36,996,185

Series 2011			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$960,000	\$566,281	\$1,526,281
8/1/2017	\$0	\$551,881	\$551,881
Total 2017	\$960,000	\$1,118,162	\$2,078,162
2/1/2018	\$985,000	\$551,881	\$1,536,881
8/1/2018	\$0	\$537,106	\$537,106
Total 2018	\$985,000	\$1,088,987	\$2,073,987
2/1/2019	\$1,015,000	\$537,106	\$1,552,106
8/1/2019	\$0	\$521,881	\$521,881
Total 2019	\$1,015,000	\$1,058,987	\$2,073,987
2/1/2020	\$1,055,000	\$521,881	\$1,576,881
8/1/2020	\$0	\$500,781	\$500,781
Total 2020	\$1,055,000	\$1,022,662	\$2,077,662
2/1/2021	\$1,095,000	\$500,781	\$1,595,781
8/1/2021	\$0	\$478,881	\$478,881

Series 2011			
Effective September 1, 2016			
Date	Principal	Interest	Total
Total 2021	\$1,095,000	\$979,662	\$2,074,662
2/1/2022	\$1,140,000	\$478,881	\$1,618,881
8/1/2022	\$0	\$456,081	\$456,081
Total 2022	\$1,140,000	\$934,962	\$2,074,962
2/1/2023	\$1,185,000	\$456,081	\$1,641,081
8/1/2023	\$0	\$432,381	\$432,381
Total 2023	\$1,185,000	\$888,462	\$2,073,462
2/1/2024	\$1,235,000	\$432,381	\$1,667,381
8/1/2024	\$0	\$407,681	\$407,681
Total 2024	\$1,235,000	\$840,062	\$2,075,062
2/1/2025	\$1,285,000	\$407,681	\$1,692,681
8/1/2025	\$0	\$381,981	\$381,981
Total 2025	\$1,285,000	\$789,662	\$2,074,662
2/1/2026	\$1,340,000	\$381,981	\$1,721,981
8/1/2026	\$0	\$354,344	\$354,344
Total 2026	\$1,340,000	\$736,325	\$2,076,325
2/1/2027	\$1,395,000	\$354,344	\$1,749,344
8/1/2027	\$0	\$324,700	\$324,700
Total 2027	\$1,395,000	\$679,044	\$2,074,044
2/1/2028	\$1,460,000	\$324,700	\$1,784,700
8/1/2028	\$0	\$293,675	\$293,675
Total 2028	\$1,460,000	\$618,375	\$2,078,375
2/1/2029	\$1,520,000	\$293,675	\$1,813,675
8/1/2029	\$0	\$261,375	\$261,375
Total 2029	\$1,520,000	\$555,050	\$2,075,050
2/1/2030	\$1,590,000	\$261,375	\$1,851,375
8/1/2030	\$0	\$225,600	\$225,600
Total 2030	\$1,590,000	\$486,975	\$2,076,975

Series 2011			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2031	\$1,660,000	\$225,600	\$1,885,600
8/1/2031	\$0	\$188,250	\$188,250
Total 2031	\$1,660,000	\$413,850	\$2,073,850
2/1/2032	\$1,745,000	\$188,250	\$1,933,250
8/1/2032	\$0	\$144,625	\$144,625
Total 2032	\$1,745,000	\$332,875	\$2,077,875
2/1/2033	\$1,835,000	\$144,625	\$1,979,625
8/1/2033	\$0	\$98,750	\$98,750
Total 2033	\$1,835,000	\$243,375	\$2,078,375
2/1/2034	\$1,925,000	\$98,750	\$2,023,750
8/1/2034	\$0	\$50,625	\$50,625
Total 2034	\$1,925,000	\$149,375	\$2,074,375
2/1/2035	\$2,025,000	\$50,625	\$2,075,625
8/1/2035	\$0	\$0	\$0
Total 2035	\$2,025,000	\$50,625	\$2,075,625
Grand Total	\$26,450,000	\$12,987,477	\$39,437,477

Series 2012			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$2,530,000	\$1,187,000	\$3,717,000
8/1/2017	\$0	\$1,123,750	\$1,123,750
Total 2017	\$2,530,000	\$2,310,750	\$4,840,750
2/1/2018	\$3,475,000	\$1,123,750	\$4,598,750
8/1/2018	\$0	\$1,036,875	\$1,036,875
Total 2018	\$3,475,000	\$2,160,625	\$5,635,625
2/1/2019	\$3,650,000	\$1,036,875	\$4,686,875
8/1/2019	\$0	\$945,625	\$945,625
Total 2019	\$3,650,000	\$1,982,500	\$5,632,500
2/1/2020	\$4,150,000	\$945,625	\$5,095,625
8/1/2020	\$0	\$841,875	\$841,875
Total 2020	\$4,150,000	\$1,787,500	\$5,937,500
2/1/2021	\$4,365,000	\$841,875	\$5,206,875
8/1/2021	\$0	\$732,750	\$732,750

Series 2012			
Effective September 1, 2016			
Date	Principal	Interest	Total
Total 2021	\$4,365,000	\$1,574,625	\$5,939,625
2/1/2022	\$4,590,000	\$732,750	\$5,322,750
8/1/2022	\$0	\$618,000	\$618,000
Total 2022	\$4,590,000	\$1,350,750	\$5,940,750
2/1/2023	\$4,720,000	\$618,000	\$5,338,000
8/1/2023	\$0	\$500,000	\$500,000
Total 2023	\$4,720,000	\$1,118,000	\$5,838,000
2/1/2024	\$4,970,000	\$500,000	\$5,470,000
8/1/2024	\$0	\$375,750	\$375,750
Total 2024	\$4,970,000	\$875,750	\$5,845,750
2/1/2025	\$5,220,000	\$375,750	\$5,595,750
8/1/2025	\$0	\$245,250	\$245,250
Total 2025	\$5,220,000	\$621,000	\$5,841,000
2/1/2026	\$5,495,000	\$245,250	\$5,740,250
8/1/2026	\$0	\$107,875	\$107,875
Total 2026	\$5,495,000	\$353,125	\$5,848,125
2/1/2027	\$4,315,000	\$107,875	\$4,422,875
8/1/2027	\$0	\$0	\$0
Total 2027	\$4,315,000	\$107,875	\$4,422,875
2/1/2028	\$0	\$0	\$0
8/1/2028	\$0	\$0	\$0
Total 2028	\$0	\$0	\$0
2/1/2029	\$0	\$0	\$0
8/1/2029	\$0	\$0	\$0
Total 2029	\$0	\$0	\$0
2/1/2030	\$0	\$0	\$0
8/1/2030	\$0	\$0	\$0
Total 2030	\$0	\$0	\$0

Series 2012			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2031	\$0	\$0	\$0
8/1/2031	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
2/1/2032	\$0	\$0	\$0
8/1/2032	\$0	\$0	\$0
Total 2032	\$0	\$0	\$0
2/1/2033	\$0	\$0	\$0
8/1/2033	\$0	\$0	\$0
Total 2033	\$0	\$0	\$0
2/1/2034	\$0	\$0	\$0
8/1/2034	\$0	\$0	\$0
Total 2034	\$0	\$0	\$0
2/1/2035	\$0	\$0	\$0
8/1/2035	\$0	\$0	\$0
Total 2035	\$0	\$0	\$0
Grand Total	\$47,480,000	\$14,242,500	\$61,722,500

Series 2013A			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$665,000	\$536,688	\$1,201,688
8/1/2017	\$0	\$526,713	\$526,713
Total 2017	\$665,000	\$1,063,401	\$1,728,401
2/1/2018	\$685,000	\$526,713	\$1,211,713
8/1/2018	\$0	\$513,013	\$513,013
Total 2018	\$685,000	\$1,039,726	\$1,724,726
2/1/2019	\$720,000	\$513,013	\$1,233,013
8/1/2019	\$0	\$495,013	\$495,013
Total 2019	\$720,000	\$1,008,026	\$1,728,026
2/1/2020	\$755,000	\$495,013	\$1,250,013
8/1/2020	\$0	\$476,138	\$476,138
Total 2020	\$755,000	\$971,151	\$1,726,151
2/1/2021	\$795,000	\$476,138	\$1,271,138
8/1/2021	\$0	\$456,263	\$456,263
Total 2021	\$795,000	\$932,401	\$1,727,401

Series 2013A			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2022	\$835,000	\$456,263	\$1,291,263
8/1/2022	\$0	\$435,388	\$435,388
Total 2022	\$835,000	\$891,651	\$1,726,651
2/1/2023	\$880,000	\$435,388	\$1,315,388
8/1/2023	\$0	\$413,388	\$413,388
Total 2023	\$880,000	\$848,776	\$1,728,776
2/1/2024	\$925,000	\$413,388	\$1,338,388
8/1/2024	\$0	\$390,263	\$390,263
Total 2024	\$925,000	\$803,651	\$1,728,651
2/1/2025	\$970,000	\$390,263	\$1,360,263
8/1/2025	\$0	\$366,013	\$366,013
Total 2025	\$970,000	\$756,276	\$1,726,276
2/1/2026	\$1,020,000	\$366,013	\$1,386,013
8/1/2026	\$0	\$340,513	\$340,513
Total 2026	\$1,020,000	\$706,526	\$1,726,526
2/1/2027	\$1,070,000	\$340,513	\$1,410,513
8/1/2027	\$0	\$319,113	\$319,113
Total 2027	\$1,070,000	\$659,626	\$1,729,626
2/1/2028	\$1,110,000	\$319,113	\$1,429,113
8/1/2028	\$0	\$296,913	\$296,913
Total 2028	\$1,110,000	\$616,026	\$1,726,026
2/1/2029	\$1,155,000	\$296,913	\$1,451,913
8/1/2029	\$0	\$273,813	\$273,813
Total 2029	\$1,155,000	\$570,726	\$1,725,726
2/1/2030	\$1,205,000	\$273,813	\$1,478,813
8/1/2030	\$0	\$249,713	\$249,713
Total 2030	\$1,205,000	\$523,526	\$1,728,526
2/1/2031	\$1,255,000	\$249,713	\$1,504,713
8/1/2031	\$0	\$223,828	\$223,828
Total 2031	\$1,255,000	\$473,541	\$1,728,541

Series 2013A			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2032	\$1,310,000	\$223,828	\$1,533,828
8/1/2032	\$0	\$194,353	\$194,353
Total 2032	\$1,310,000	\$418,181	\$1,728,181
2/1/2033	\$1,370,000	\$194,353	\$1,564,353
8/1/2033	\$0	\$163,528	\$163,528
Total 2033	\$1,370,000	\$357,881	\$1,727,881
2/1/2034	\$1,430,000	\$163,528	\$1,593,528
8/1/2034	\$0	\$133,141	\$133,141
Total 2034	\$1,430,000	\$296,669	\$1,726,669
2/1/2035	\$1,490,000	\$133,141	\$1,623,141
8/1/2035	\$0	\$102,409	\$102,409
Total 2035	\$1,490,000	\$235,550	\$1,725,550
2/1/2036	\$1,555,000	\$102,409	\$1,657,409
8/1/2036	\$0	\$70,338	\$70,338
Total 2036	\$1,555,000	\$172,747	\$1,727,747
2/1/2037	\$1,620,000	\$70,338	\$1,690,338
8/1/2037	\$0	\$35,913	\$35,913
Total 2037	\$1,620,000	\$106,251	\$1,726,251
2/1/2038	\$1,690,000	\$35,913	\$1,725,913
8/1/2038	\$0	\$0	\$0
Total 2038	\$1,690,000	\$35,913	\$1,725,913
Grand Total	\$24,510,000	\$13,488,222	\$37,998,222

Series 2013B			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$1,645,000	\$429,975	\$2,074,975
8/1/2017	\$0	\$388,850	\$388,850
Total 2017	\$1,645,000	\$818,825	\$2,463,825
2/1/2018	\$1,170,000	\$388,850	\$1,558,850
8/1/2018	\$0	\$359,600	\$359,600
Total 2018	\$1,170,000	\$748,450	\$1,918,450
2/1/2019	\$1,230,000	\$359,600	\$1,589,600
8/1/2019	\$0	\$328,850	\$328,850
Total 2019	\$1,230,000	\$688,450	\$1,918,450
2/1/2020	\$1,295,000	\$328,850	\$1,623,850
8/1/2020	\$0	\$296,475	\$296,475
Total 2020	\$1,295,000	\$625,325	\$1,920,325
2/1/2021	\$1,355,000	\$296,475	\$1,651,475
8/1/2021	\$0	\$262,600	\$262,600

Series 2013B			
Effective September 1, 2016			
Date	Principal	Interest	Total
Total 2021	\$1,355,000	\$559,075	\$1,914,075

Series 2013B			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2022	\$1,430,000	\$262,600	\$1,692,600
8/1/2022	\$0	\$226,850	\$226,850
Total 2022	\$1,430,000	\$489,450	\$1,919,450
2/1/2023	\$1,500,000	\$226,850	\$1,726,850
8/1/2023	\$0	\$189,350	\$189,350
Total 2023	\$1,500,000	\$416,200	\$1,916,200
2/1/2024	\$1,570,000	\$189,350	\$1,759,350
8/1/2024	\$0	\$157,950	\$157,950
Total 2024	\$1,570,000	\$347,300	\$1,917,300
2/1/2025	\$1,635,000	\$157,950	\$1,792,950
8/1/2025	\$0	\$125,250	\$125,250
Total 2025	\$1,635,000	\$283,200	\$1,918,200
2/1/2026	\$1,700,000	\$125,250	\$1,825,250
8/1/2026	\$0	\$91,250	\$91,250
Total 2026	\$1,700,000	\$216,500	\$1,916,500
2/1/2027	\$1,780,000	\$91,250	\$1,871,250
8/1/2027	\$0	\$46,750	\$46,750
Total 2027	\$1,780,000	\$138,000	\$1,918,000
2/1/2028	\$1,870,000	\$46,750	\$1,916,750
8/1/2028	\$0	\$0	\$0
Total 2028	\$1,870,000	\$46,750	\$1,916,750
Grand Total	\$18,180,000	\$5,377,525	\$23,557,525

Series 2014B			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2012	\$0	\$0	\$0
8/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
2/1/2013	\$0	\$0	\$0
8/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
2/1/2014	\$0	\$0	\$0
8/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
2/1/2015	\$0	\$0	\$0
8/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
Total 2016	\$0	\$0	\$0
2/1/2017	\$1,940,000	\$267,069	\$2,207,069
8/1/2017	\$0	\$218,569	\$218,569
Total 2017	\$1,940,000	\$485,638	\$2,425,638
2/1/2018	\$1,880,000	\$218,569	\$2,098,569
8/1/2018	\$0	\$171,569	\$171,569
Total 2018	\$1,880,000	\$390,138	\$2,270,138
2/1/2019	\$1,980,000	\$171,569	\$2,151,569
8/1/2019	\$0	\$122,069	\$122,069
Total 2019	\$1,980,000	\$293,638	\$2,273,638
2/1/2020	\$1,505,000	\$122,069	\$1,627,069
8/1/2020	\$0	\$84,444	\$84,444
Total 2020	\$1,505,000	\$206,513	\$1,711,513
2/1/2021	\$440,000	\$84,444	\$524,444
8/1/2021	\$0	\$73,444	\$73,444
Total 2021	\$440,000	\$157,888	\$597,888

Series 2014B			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2022	\$465,000	\$73,444	\$538,444
8/1/2022	\$0	\$61,819	\$61,819
Total 2022	\$465,000	\$135,263	\$600,263
2/1/2023	\$485,000	\$61,819	\$546,819
8/1/2023	\$0	\$54,544	\$54,544
Total 2023	\$485,000	\$116,363	\$601,363
2/1/2024	\$495,000	\$54,544	\$549,544
8/1/2024	\$0	\$47,119	\$47,119
Total 2024	\$495,000	\$101,663	\$596,663
2/1/2025	\$515,000	\$47,119	\$562,119
8/1/2025	\$0	\$36,819	\$36,819
Total 2025	\$515,000	\$83,938	\$598,938
2/1/2026	\$540,000	\$36,819	\$576,819
8/1/2026	\$0	\$26,019	\$26,019
Total 2026	\$540,000	\$62,838	\$602,838
2/1/2027	\$550,000	\$26,019	\$576,019
8/1/2027	\$0	\$17,769	\$17,769
Total 2027	\$550,000	\$43,788	\$593,788
2/1/2028	\$570,000	\$17,769	\$587,769
8/1/2028	\$0	\$9,219	\$9,219
Total 2028	\$570,000	\$26,988	\$596,988
2/1/2029	\$590,000	\$9,219	\$599,219
8/1/2029	\$0	\$0	\$0
Total 2029	\$590,000	\$9,219	\$599,219
Grand Total	\$11,955,000	\$2,113,875	\$14,068,875

KIA F-06 Memorial Chemical			
Effective September 1, 2016			
Date	Principal	Interest	Total
6/1/2012	\$0	\$0	\$0
12/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
6/1/2013	\$0	\$0	\$0
12/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
6/1/2014	\$0	\$0	\$0
12/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
6/1/2015	\$0	\$0	\$0
12/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
6/1/2016	\$0	\$0	\$0
12/1/2016	\$93,794	\$43,642	\$137,436
Total 2016	\$93,794	\$43,642	\$137,436
6/1/2017	\$95,200	\$42,118	\$137,318
12/1/2017	\$96,628	\$40,571	\$137,199
Total 2017	\$191,828	\$82,689	\$274,517
6/1/2018	\$98,078	\$39,000	\$137,078
12/1/2018	\$99,549	\$37,406	\$136,955
Total 2018	\$197,627	\$76,406	\$274,033
6/1/2019	\$101,042	\$35,809	\$136,851
12/1/2019	\$102,558	\$34,147	\$136,705
Total 2019	\$203,600	\$69,956	\$273,556
6/1/2020	\$104,096	\$32,480	\$136,576
12/1/2020	\$105,658	\$30,788	\$136,446
Total 2020	\$209,754	\$63,268	\$273,022
6/1/2021	\$107,243	\$29,072	\$136,315
12/1/2021	\$108,851	\$27,329	\$136,180
Total 2021	\$216,094	\$56,401	\$272,495

KIA F-06 Memorial Chemical			
Effective September 1, 2016			
Date	Principal	Interest	Total
6/1/2022	\$110,484	\$25,560	\$136,044
12/1/2022	\$112,141	\$23,765	\$135,906
Total 2022	\$222,625	\$49,325	\$271,950
6/1/2023	\$113,823	\$21,943	\$135,766
12/1/2023	\$115,531	\$20,093	\$135,624
Total 2023	\$229,354	\$42,036	\$271,390
6/1/2024	\$117,264	\$18,215	\$135,479
12/1/2024	\$119,023	\$16,310	\$135,333
Total 2024	\$236,287	\$34,525	\$270,812
6/1/2025	\$120,808	\$14,376	\$135,184
12/1/2025	\$122,620	\$12,413	\$135,033
Total 2025	\$243,428	\$26,789	\$270,217
6/1/2026	\$124,459	\$10,421	\$134,880
12/1/2026	\$126,326	\$8,398	\$134,724
Total 2026	\$250,785	\$18,819	\$269,604
6/1/2027	\$128,221	\$6,345	\$134,566
12/1/2027	\$130,144	\$4,262	\$134,406
Total 2027	\$258,365	\$10,607	\$268,972
6/1/2028	\$132,097	\$2,146	\$134,243
8/1/2028	\$0	\$0	\$0
Total 2028	\$132,097	\$2,146	\$134,243
2/1/2029	\$0	\$0	\$0
8/1/2029	\$0	\$0	\$0
Total 2029	\$0	\$0	\$0
2/1/2030	\$0	\$0	\$0
8/1/2030	\$0	\$0	\$0
Total 2030	\$0	\$0	\$0
2/1/2031	\$0	\$0	\$0
8/1/2031	\$0	\$0	\$0
Total 2031	\$0	\$0	\$0
2/1/2032	\$0	\$0	\$0
8/1/2032	\$0	\$0	\$0
Total 2032	\$0	\$0	\$0

KIA F-06 Memorial Chemical			
Effective September 1, 2016			
Date	Principal	Interest	Total
2/1/2033	\$0	\$0	\$0
8/1/2033	\$0	\$0	\$0
Total 2033	\$0	\$0	\$0
2/1/2034	\$0	\$0	\$0
8/1/2034	\$0	\$0	\$0
Total 2034	\$0	\$0	\$0
2/1/2035	\$0	\$0	\$0
8/1/2035	\$0	\$0	\$0
Total 2035	\$0	\$0	\$0
Grand Total	\$2,685,638	\$576,609	\$3,262,247

KIA F-08-07 Various			
Effective September 1, 2016			
Date	Principal	Interest	Total
6/1/2012	\$0	\$0	\$0
12/1/2012	\$0	\$0	\$0
Total 2012	\$0	\$0	\$0
6/1/2013	\$0	\$0	\$0
12/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
6/1/2014	\$0	\$0	\$0
12/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
6/1/2015	\$0	\$0	\$0
12/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
6/1/2016	\$0	\$0	\$0
12/1/2016	\$93,800	\$20,977	\$114,777
Total 2016	\$93,800	\$20,977	\$114,777
6/1/2017	\$94,269	\$20,391	\$114,660
12/1/2017	\$94,741	\$19,801	\$114,542
Total 2017	\$189,010	\$40,192	\$229,202
6/1/2018	\$95,214	\$19,210	\$114,424
12/1/2018	\$95,691	\$18,615	\$114,306
Total 2018	\$190,905	\$37,825	\$228,730
6/1/2019	\$96,169	\$18,016	\$114,185
12/1/2019	\$96,650	\$17,415	\$114,065
Total 2019	\$192,819	\$35,431	\$228,250
6/1/2020	\$97,133	\$16,811	\$113,944
12/1/2020	\$97,619	\$16,204	\$113,823
Total 2020	\$194,752	\$33,015	\$227,767

KIA F-08-07 Various			
Effective September 1, 2016			
Date	Principal	Interest	Total
6/1/2021	\$98,107	\$15,594	\$113,701
12/1/2021	\$98,597	\$14,981	\$113,578
Total 2021	\$196,704	\$30,575	\$227,279
6/1/2022	\$99,090	\$14,365	\$113,455
12/1/2022	\$99,586	\$13,745	\$113,331
Total 2022	\$198,676	\$28,110	\$226,786
6/1/2023	\$100,084	\$13,123	\$113,207
12/1/2023	\$100,584	\$12,497	\$113,081
Total 2023	\$200,668	\$25,620	\$226,288
6/1/2024	\$101,087	\$11,869	\$112,956
12/1/2024	\$101,593	\$11,237	\$112,830
Total 2024	\$202,680	\$23,106	\$225,786
6/1/2025	\$102,100	\$10,602	\$112,702
12/1/2025	\$102,611	\$9,964	\$112,575
Total 2025	\$204,711	\$20,566	\$225,277
6/1/2026	\$103,124	\$9,323	\$112,447
12/1/2026	\$103,640	\$8,678	\$112,318
Total 2026	\$206,764	\$18,001	\$224,765
6/1/2027	\$104,158	\$8,030	\$112,188
12/1/2027	\$104,679	\$7,379	\$112,058
Total 2027	\$208,837	\$15,409	\$224,246
6/1/2028	\$105,202	\$6,725	\$111,927
12/1/2028	\$105,728	\$6,068	\$111,796
Total 2028	\$210,930	\$12,793	\$223,723
6/1/2029	\$106,257	\$5,406	\$111,663
12/1/2029	\$106,788	\$4,743	\$111,531
Total 2029	\$213,045	\$10,149	\$223,194

KIA F-08-07 Various			
Effective September 1, 2016			
Date	Principal	Interest	Total
6/1/2030	\$107,322	\$4,075	\$111,397
12/1/2030	\$107,859	\$3,405	\$111,264
Total 2030	\$215,181	\$7,480	\$222,661
6/1/2031	\$108,398	\$2,730	\$111,128
12/1/2031	\$108,940	\$2,053	\$110,993
Total 2031	\$217,338	\$4,783	\$222,121
6/1/2032	\$109,484	\$1,372	\$110,856
12/1/2032	\$110,032	\$688	\$110,720
Total 2032	\$219,516	\$2,060	\$221,576
6/1/2033	\$0	\$0	\$0
12/1/2033	\$0	\$0	\$0
Total 2033	\$0	\$0	\$0
6/1/2034	\$0	\$0	\$0
12/1/2034	\$0	\$0	\$0
Total 2034	\$0	\$0	\$0
6/1/2035	\$0	\$0	\$0
12/1/2035	\$0	\$0	\$0
Total 2035	\$0	\$0	\$0
Grand Total	\$3,356,336	\$366,092	\$3,722,428

KIA F-09-02 GAC			
Effective September 1, 2016			
Date	Principal	Interest	Total
6/1/2013	\$0	\$0	\$0
12/1/2013	\$0	\$0	\$0
Total 2013	\$0	\$0	\$0
6/1/2014	\$0	\$0	\$0
12/1/2014	\$0	\$0	\$0
Total 2014	\$0	\$0	\$0
6/1/2015	\$0	\$0	\$0
12/1/2015	\$0	\$0	\$0
Total 2015	\$0	\$0	\$0
6/1/2016	\$0	\$0	\$0
12/1/2016	\$521,137	\$236,022	\$757,159
Total 2016	\$521,137	\$236,022	\$757,159
6/1/2017	\$526,348	\$230,160	\$756,508
12/1/2017	\$531,612	\$224,238	\$755,850
Total 2017	\$1,057,960	\$454,398	\$1,512,358
6/1/2018	\$536,928	\$218,258	\$755,186
12/1/2018	\$542,297	\$212,217	\$754,514
Total 2018	\$1,079,225	\$430,475	\$1,509,700
6/1/2019	\$547,720	\$206,116	\$753,836
12/1/2019	\$553,197	\$199,954	\$753,151
Total 2019	\$1,100,917	\$406,071	\$1,506,988
6/1/2020	\$558,729	\$193,731	\$752,460
12/1/2020	\$564,316	\$187,445	\$751,761
Total 2020	\$1,123,045	\$381,176	\$1,504,221
6/1/2021	\$569,960	\$181,097	\$751,057
12/1/2021	\$575,659	\$174,685	\$750,344
Total 2021	\$1,145,619	\$355,782	\$1,501,401
6/1/2022	\$581,416	\$168,208	\$749,624
12/1/2022	\$587,230	\$161,668	\$748,898
Total 2022	\$1,168,646	\$329,876	\$1,498,522
6/1/2023	\$593,102	\$155,061	\$748,163
12/1/2023	\$599,033	\$148,389	\$747,422
Total 2023	\$1,192,135	\$303,450	\$1,495,585

KIA F-09-02 GAC			
Effective September 1, 2016			
Date	Principal	Interest	Total
6/1/2024	\$605,024	\$141,650	\$746,674
12/1/2024	\$611,074	\$134,843	\$745,917
Total 2024	\$1,216,098	\$276,493	\$1,492,591
6/1/2025	\$617,185	\$127,969	\$745,154
12/1/2025	\$623,356	\$121,025	\$744,381
Total 2025	\$1,240,541	\$248,994	\$1,489,535
6/1/2026	\$629,590	\$114,012	\$743,602
12/1/2026	\$635,886	\$106,930	\$742,816
Total 2026	\$1,265,476	\$220,942	\$1,486,418
6/1/2027	\$642,245	\$99,776	\$742,021
12/1/2027	\$648,667	\$92,551	\$741,218
Total 2027	\$1,290,912	\$192,327	\$1,483,239
6/1/2028	\$655,154	\$85,253	\$740,407
12/1/2028	\$661,705	\$77,883	\$739,588
Total 2028	\$1,316,859	\$163,136	\$1,479,995
6/1/2029	\$668,322	\$70,438	\$738,760
12/1/2029	\$675,006	\$62,920	\$737,926
Total 2029	\$1,343,328	\$133,358	\$1,476,686
6/1/2030	\$681,756	\$55,326	\$737,082
12/1/2030	\$688,573	\$47,656	\$736,229
Total 2030	\$1,370,329	\$102,982	\$1,473,311
6/1/2031	\$695,459	\$39,910	\$735,369
12/1/2031	\$702,414	\$32,086	\$734,500
Total 2031	\$1,397,873	\$71,996	\$1,469,869
6/1/2032	\$709,438	\$24,184	\$733,622
12/1/2032	\$716,532	\$16,203	\$732,735
Total 2032	\$1,425,970	\$40,387	\$1,466,357
6/1/2033	\$723,695	\$8,141	\$731,836
12/1/2033	\$0	\$0	\$0
Total 2033	\$723,695	\$8,141	\$731,836
6/1/2034	\$0	\$0	\$0
12/1/2034	\$0	\$0	\$0
Total 2034	\$0	\$0	\$0
6/1/2035	\$0	\$0	\$0
12/1/2035	\$0	\$0	\$0
Total 2035	\$0	\$0	\$0
Grand Total	\$20,979,765	\$4,356,006	\$25,335,771

KIA C-08-01 AMR			
Effective September 1, 2016			
Date	Principal	Interest	Total
1/1/2016	\$0	\$0	\$0
2/1/2016	\$0	\$0	\$0
3/1/2016	\$0	\$0	\$0
4/1/2016	\$0	\$0	\$0
5/1/2016	\$0	\$0	\$0
6/1/2016	\$0	\$0	\$0
7/1/2016	\$0	\$0	\$0
8/1/2016	\$0	\$0	\$0
9/1/2016	\$50,882	\$7,524	\$58,406
10/1/2016	\$51,009	\$7,389	\$58,398
11/1/2016	\$51,137	\$7,253	\$58,390
12/1/2016	\$51,265	\$7,117	\$58,382
Total 2016	\$204,293	\$29,283	\$233,576
1/1/2017	\$51,393	\$6,980	\$58,373
2/1/2017	\$51,521	\$6,843	\$58,364
3/1/2017	\$51,650	\$6,705	\$58,355
4/1/2017	\$51,779	\$6,567	\$58,346
5/1/2017	\$51,909	\$6,430	\$58,339
6/1/2017	\$52,038	\$6,291	\$58,329
7/1/2017	\$52,168	\$6,153	\$58,321
8/1/2017	\$52,299	\$6,014	\$58,313
9/1/2017	\$52,430	\$5,874	\$58,304
10/1/2017	\$52,561	\$5,734	\$58,295
11/1/2017	\$52,692	\$5,594	\$58,286
12/1/2017	\$52,824	\$5,454	\$58,278
Total 2017	\$625,264	\$74,639	\$699,903
1/1/2018	\$52,956	\$5,313	\$58,269
2/1/2018	\$53,088	\$5,171	\$58,259
3/1/2018	\$53,221	\$5,029	\$58,250
4/1/2018	\$53,354	\$4,887	\$58,241
5/1/2018	\$53,487	\$4,716	\$58,203
6/1/2018	\$53,621	\$4,603	\$58,224
7/1/2018	\$53,755	\$4,460	\$58,215
8/1/2018	\$53,890	\$4,317	\$58,207
9/1/2018	\$54,024	\$4,173	\$58,197
10/1/2018	\$54,159	\$4,029	\$58,188
11/1/2018	\$54,295	\$3,885	\$58,180
12/1/2018	\$54,431	\$3,740	\$58,171
Total 2018	\$644,281	\$54,323	\$698,604

KIA C-08-01 AMR			
Effective September 1, 2016			
Date	Principal	Interest	Total
1/1/2019	\$54,567	\$3,595	\$58,162
2/1/2019	\$54,703	\$3,449	\$58,152
3/1/2019	\$54,840	\$3,303	\$58,143
4/1/2019	\$54,977	\$3,157	\$58,134
5/1/2019	\$55,114	\$3,010	\$58,124
6/1/2019	\$55,252	\$2,863	\$58,115
7/1/2019	\$55,390	\$2,716	\$58,106
8/1/2019	\$55,529	\$2,569	\$58,098
9/1/2019	\$55,668	\$2,420	\$58,088
10/1/2019	\$55,807	\$2,272	\$58,079
11/1/2019	\$55,946	\$2,123	\$58,069
12/1/2019	\$56,086	\$1,973	\$58,059
Total 2019	\$663,879	\$33,450	\$697,329
1/1/2020	\$56,226	\$1,824	\$58,050
2/1/2020	\$56,367	\$1,675	\$58,042
3/1/2020	\$56,508	\$1,524	\$58,032
4/1/2020	\$56,649	\$1,373	\$58,022
5/1/2020	\$56,791	\$1,222	\$58,013
6/1/2020	\$56,933	\$1,071	\$58,004
7/1/2020	\$57,075	\$919	\$57,994
8/1/2020	\$57,218	\$767	\$57,985
9/1/2020	\$57,361	\$614	\$57,975
10/1/2020	\$57,504	\$461	\$57,965
11/1/2020	\$57,648	\$308	\$57,956
12/1/2020	\$57,792	\$154	\$57,946
Total 2020	\$684,072	\$11,912	\$695,984
Grand Total	\$2,821,789	\$203,607	\$3,025,396

Northern Kentucky Water District		
Bonds & Notes		
9/1/2016		
Bonds		
USDA 2000	\$1,831,000	
Series 2003C	\$0	
Series 2004A	\$0	
Series 2006	\$21,125,000	
Series 2009	\$23,215,000	
Series 2011	\$26,450,000	
Series 2012	\$47,480,000	
Series 2013A	\$24,510,000	
Series 2013B	\$18,180,000	
Series 2014B	\$11,955,000	
	\$174,746,000	
KIA Currently Servicing		
F06-03	\$2,685,639	
C08-01	\$2,923,169	
F08-07	\$3,356,334	
F9-02	\$20,979,764	
F13-012	\$4,328,000	
Total KIA	\$34,272,906	
Notes		
Taylor Mill	\$225,000	Non-Interest Note
Deferred Note Kenton County	\$100,000	

**NORTHERN KENTUCKY WATER
DISTRICT**

**Current Balance Sheet & Income
Statement**

**NORTHERN KENTUCKY WATER DISTRICT
STATEMENT OF NET ASSETS**

	ASSETS	
	Month Ended May	Month Ended April
	2016	2016
Current Assets		
Cash and Cash Equivalents	\$ 16,479,494	\$ 16,140,929
Investments	1,177,298	1,177,298
Accounts Receivable		
Customers	3,684,577	4,152,504
Unbilled Customers	5,900,000	5,900,000
Others	217,290	171,820
Assessments Receivable	123,785	123,785
Inventory Supplies for New Installation and Maintenance, at Cost	1,645,318	1,697,381
Prepaid Items	576,990	626,055
	<u>29,804,752</u>	<u>29,989,771</u>
Total Current Assets		
Restricted Assets		
Boone Florence Settlement		-
Bond Proceeds Fund	2,903,131	2,995,805
Debt Service Reserve Account	18,597,235	18,536,190
Debt Service Account	11,012,011	10,458,974
Improvement, Repair & Replacement	1,899,502	2,240,265
	<u>34,411,879</u>	<u>34,231,234</u>
Total Restricted Assets		
Noncurrent Assets		
Capital Assets:		
Land, System, Buildings and Equipment	447,647,595	447,445,595
Construction in Progress	33,281,279	31,470,767
	<u>480,928,873</u>	<u>478,916,362</u>
Total Capital Assets	480,928,873	478,916,362
Less Accumulated Depreciation	135,892,675	134,885,915
	<u>345,036,199</u>	<u>344,030,447</u>
Total Capital Assets, Net of Acc Dep		
Total Noncurrent Assets	345,036,199	344,030,447
	<u>345,036,199</u>	<u>344,030,447</u>
Total Assets		
	\$ <u>409,252,830</u>	\$ <u>408,251,452</u>
Deferred Outflows of Resources		
Contributions Subsequent to the Measurement Date	2,343,773	2,343,773
Total Deferred Outflows of Resources	<u>2,343,773</u>	<u>2,343,773</u>
Total Assets and Deferred Outflows of Resources		
	<u><u>411,596,603</u></u>	<u><u>410,595,225</u></u>

**NORTHERN KENTUCKY WATER DISTRICT
STATEMENT OF NET ASSETS**

	LIABILITIES	
	Month Ended	Month Ended
	May	April
	2016	2016
Current Liabilities		
Bonded Indebtedness	\$ 9,610,000	\$ 9,652,000
Notes Payable	1,239,909	1,992,003
Accounts Payable	1,837,194	1,790,410
Accrued Payroll and Taxes	387,040	339,927
Other Accrued Liabilities	103,295	118,463
Customer Deposits	979,095	973,346
	<u>14,156,533</u>	<u>14,866,149</u>
Liabilities Payable-Restricted Assets		
Accounts Payable	1,770,021	1,046,549
Accrued Interest Payable	2,006,264	2,405,062
	<u>3,776,285</u>	<u>3,451,611</u>
Long-Term Liabilities (Net of Current Portion)		
Bond Indebtedness	165,136,000	165,136,000
Notes Payable	33,583,500	33,583,500
	<u>198,719,500</u>	<u>198,719,500</u>
Non-Current Liability		
Net Pension Liability	14,819,690	14,819,690
Miscellaneous Deferred Charges	3,853,408	3,760,115
	<u>235,325,417</u>	<u>235,617,065</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt	135,466,790	133,666,944
Restricted, Net of Related Debt	30,635,594	30,779,623
Unrestricted	10,168,803	10,531,594
	<u>176,271,186</u>	<u>174,978,160</u>
Total Liabilities and Net Assets	\$ <u>411,596,603</u>	\$ <u>410,595,225</u>

NORTHERN KENTUCKY WATER DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	Month Ended	Month Ended
	May	April
	2016	2016
Operating Revenues		
Water Sales	\$ 3,240,314	\$ 3,556,333
Forfeited Discounts	65,274	91,121
Rents From Property	49,157	34,662
Other Water Revenues	26,535	17,345
	<u>3,381,280</u>	<u>3,699,461</u>
Operating Expenses		
Operating and Maintenance Expense	2,020,688	1,913,264
Depreciation Expense	1,006,760	1,006,760
	<u>3,027,448</u>	<u>2,920,024</u>
Net Operating Income	<u>353,832</u>	<u>779,437</u>
Other Income (Expense)		
Investment Income	73,023	112,181
Unrealized Gain/(Loss) on Investments		-
Miscellaneous Non-Operating Income (Expense)	10,168	13,367
Gain/(Loss) on Disposal of Fixed Asset	774,125	-
Interest on Long-Term Debt	(8,064)	(766,616)
Amortization of Debt Discount and Expense	45,587	45,587
	<u>894,839</u>	<u>(595,481)</u>
Change in Net Assets Before Capital Contributions	1,248,671	183,956
Capital Contributions	44,355	56,813
	<u>1,293,026</u>	<u>240,769</u>
Net Assets - Beginning of Month	<u>174,978,160</u>	<u>174,737,391</u>
Net Assets - End of Month	<u>\$ 176,271,186</u>	<u>\$ 174,978,160</u>

**NORTHERN KENTUCKY WATER DISTRICT
STATEMENTS OF WATER OPERATING REVENUE**

	Month Ended May 2016	Month Ended April 2016
Operating Revenues		
Metered Sales		
Sales to Residential Customers	\$ 2,051,633	\$ 2,364,384
Sales to Commercial Customers	358,456	420,706
Sales to Industrial Customers	218,306	108,162
Sales to Public Authorities	133,463	191,725
Sales to Multiple Family Dwellings	326,416	330,346
Sales Through Bulk Loading Stations	4,335	4,590
	<hr/>	<hr/>
Total Metered Sales	3,092,609	3,419,913
Fire Protection Revenue	13,708	10,467
Sales For Resale	133,997	125,953
	<hr/>	<hr/>
Total Sales of Water	3,240,314	3,556,333
Forfeited Discounts	65,274	91,121
Rents from Water Property	49,157	34,662
Other Water Revenue	26,535	17,345
	<hr/>	<hr/>
Total Operating Revenues	\$ 3,381,280	\$ 3,699,461

**NORTHERN KENTUCKY WATER DISTRICT
STATEMENTS OF COMBINED OPERATION AND MAINTENANCE EXPENSES**

	Month Ended	Month Ended
	May	April
	2016	2016
Operation and Maintenance Expenses		
Salaries and Wages	\$ 676,480	\$ 646,556
Employee Pensions and Benefits	368,136	380,797
Taxes Other Than Income Taxes	48,393	46,323
Purchased Power	176,939	197,123
Chemicals	177,811	158,402
Materials and Supplies	154,868	165,647
Contractual Services	263,260	198,736
Rent	-	741
Transportation Expenses	57,148	34,961
Insurance	44,763	44,966
Advertising	3,268	8,472
Bad Debt Expense	28,941	14,721
Miscellaneous Expense	10,710	5,896
Regulatory Commission Assessment	9,971	9,923
	<hr/>	<hr/>
Total Operation and Maintenance Expenses	\$ 2,020,688	\$ 1,913,264
	<hr/> <hr/>	<hr/> <hr/>

NORTHERN KENTUCKY WATER DISTRICT

Description of Bonds

Exhibit 6

1. A full description of all terms of the proposed issuance

The terms of the proposed issuance are included in exhibit 1. The actual terms of the refinancing cannot be determined until the bonds are sold. The assumptions made are based on current market conditions and the best estimate of NKWD's financial advisor.

2. The interest rates of the proposed bonds

See exhibit 1. The interest rates assumed for the refinancing of each issuance are reflected on page 3. of the Savings Summary in exhibit 1.

3. Whether the proposed bonded debt will be secured and, if secured, how it is secured.

The debt will be secured by the District's revenues.

4. The par value of each bond series to be refunded.

See exhibit 1, page 1 and the bond transcript for each bond issuance, which are attached.

5. The amount for which the outstanding obligations sold.

The sale amount for each bond issuance is reflected in attachments 4, referenced above.

6. The expenses and application of the proceeds of the proposed issuance.

See exhibit 1.

7. The date of outstanding obligations that will be refunded.

The date cannot be known until approval from the Commission is obtained. The bonds will be sold as soon as practicable after approval - approximately 30 to 60 days.

8. The total principal amount of each refunded obligation.

See exhibit 1.

9. The interest rate of each refunded obligation.

See exhibit 1.

10. The length of time that each of the refunded obligations were held.

See exhibit 1. The obligations have been held since the issuance date.

11. The payees.

The actual holders of the bonds are unknown to NKWD. The purchasing agent for each bond series is identified in the respective bond transcripts, attachments to item 4 above.

12. The amount of bonds authorized.

The authorized amount of bonds for each issuance is reflected in the respective bond transcripts, attachments to item 4.

13. The amount of bonds issued.

See attachments to item 4.

14. The utility who issued the bonds.

NKWD issued the bonds.

15. Class of bonds issued.

The bonds are parity revenue bonds.

16. Date of issuance of each bond issuance.

The issuance date for each series bond is stated in the respective bond transcripts, attachments to item 4.

17. The date of maturity of each bond issuance.

The maturity date for each bond is stated in the respective bond transcripts, attachments to item 4.

18. How each bond issuance is secured.

The bonds are secured with general revenues of NKWD.

19. The date of issuance for each series of outstanding notes. See

attachment 19 and 2015 Annual Report for the issuance date of each note.

20. The amount of each series of outstanding notes.

See attachment 19 and 2015 Annual Report for the amount of each note.

21. The rate of interest for each series of outstanding notes.

The interest rate is shown on attachment 19.

22. Identity in whose favor the notes were issued. The

note holders are identified in attachment 19.

23. The 2015 Annual Report is incorporated by reference for any additional information related to the outstanding indebtedness related to this refinancing

NORTHERN KENTUCKY WATER DISTRICT

Series 2006 and 2009

ORDER AND CERTIFICATION OF NORTHERN KENTUCKY WATER DISTRICT AS TO CONDITIONS PRECEDENT TO AUTHORIZATION AND DELIVERY OF SERIES 2006 BONDS AND RELATED MATTERS

The undersigned, JOE KOESTER, Chairman of the Board of Commissioners and FRED MACKE, JR., Treasurer, of Northern Kentucky Water District, Erlanger, Kentucky, DO HEREBY CERTIFY AS FOLLOWS:

1. Except for the words "hereby," "herein," "hereto," "hereinafter" and any similar words, all terms which are defined in Section 102 of the General Bond Resolution of Northern Kentucky Water District, Erlanger, Kentucky (the "District"), adopted on November 19, 1985, as amended by the First Supplemental General Bond Resolution adopted by the District on November 17, 1987 (collectively, the "General Bond Resolution") shall have the same meanings, respectively, when used in this Order and Certificate as such terms are given in the General Bond Resolution.

2. Pursuant to the General Bond Resolution and the Series 2006 Bond Resolution adopted by the District on April 21, 2005, the District has sold, at public competitive sale \$29,000,000 principal amount of Water District Revenue Bonds, Series 2006, dated September 1, 2006 (the "Series 2006 Bonds") to JP Morgan Securities, Inc. (the "Purchaser") for a purchase price of \$28,646,452.62 together with accrued interest from September 1, 2006, to the date of delivery and payment of the Series 2006 Bonds. The Series 2006 Bonds are more fully described in Schedule X attached hereto.

3. There have now been adopted by and/or received by the District, each as a condition precedent to the issuance of the Series 2006 Bonds, as provided in Section 206 of the General Bond Resolution, the following:

(i) A certified copy of the General Bond Resolution and a certified copy of the Series 2006 Bond Resolution.

(ii) The written order of the District as to the delivery of the Series 2006 Bonds, signed by an authorized Officer describing the Series 2006 Bonds to be delivered, designating the purchaser to whom such Series 2006 Bonds are to be delivered and stating the purchase price of the Series 2006 Bonds. This document constitutes such order.

(iii) The Counsel's Opinion as described in Section 206(3) of the General Bond Resolution.

(iv) A written order in respect of the deposit of part of the bond proceeds into the Debt Service Reserve so that the amount held in such Fund will be equal to the Aggregate Debt Service Reserve Requirement.

(v) A Certificate of an Authorized Officer of the District stating that the District is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the General Bond Resolution. This document constitutes such a Certificate, and it is hereby certified for and on behalf of the District,

that the District is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the General Bond Resolution.

(vi) All certificates, documents and other matters required by the terms of the General Bond Resolution and the Series 2006 Bond Resolution.

4. Prior to the time of delivery of the Series 2006 Bonds, the District had authorized and issued the following bonds and notes which are presently outstanding (collectively, the "Outstanding Bonds"):

<u>Outstanding Bonds</u>	<u>Principal Amount</u>
Water District Refunding Revenue Bonds, Series 1997, dated September 1, 1997	\$5,500,000
Water District Revenue Bonds, Series 1998, dated December 1, 1998	\$9,550,000
Water District Revenue Bonds, Series 2000, dated August 4, 2000	\$2,170,000
Water District Revenue Bonds, 2001 Series A, dated October 1, 2001	\$15,120,000
Water District Refunding Revenue Bonds, 2002 Series A, dated February 1, 2002	\$44,060,000
Water District Refunding Revenue Bonds, 2002 Series B, dated November 15, 2002	\$8,565,000
Water District Refunding Revenue Bonds, 2003 Series A, dated March 1, 2003	\$1,510,000
Water District Revenue Bonds, 2003 Series B, dated June 1, 2003	\$27,740,000
Water District Refunding Revenue Bonds, 2003 Series C, dated December 1, 2003	\$20,020,000
Water District Revenue Bond Anticipation Notes, Series 2006, dated April 1, 2004	\$9,910,000
TOTAL	<u>\$144,145,000.00</u>

The Outstanding Bonds will constitute the only outstanding issues of bonds and notes, which are obligations issued under the General Bond Resolution and are payable from the District's income and revenues, and represent the only bonds, notes, or other evidences of indebtedness of the District outstanding and payable from the proceeds of the District's income and revenues other than the Series 2006 Bonds.

5. The District has received all documents, opinions, certificates and other instruments required under the General Bond Resolution and the Series 2006 Bond Resolution as conditions precedent to the issuance and delivery of the Series 2006 Bonds.

6. It is hereby ordered that, following execution by the District, the Series 2006 Bonds be delivered to JP Morgan Securities, Inc. (the "Purchaser"). Upon the date of delivery of the Series 2006 Bonds, there shall be paid to the District the purchase price of \$28,646,452.62 for such Series 2006 Bonds, less the good faith deposit of \$290,000.00 previously received, together with accrued interest from September 1, 2006, to date of delivery and payment of the Series 2006 Bonds. The District acknowledges that the accrued interest due and payable for the period from September 1, 2006, to the date of this Order and Certification (September 28, 2006) at the applicable interest rates borne by the Series 2006 Bonds is \$89,991.57, for a total amount due and payable from the Purchaser of \$28,446,444.19.

7. It is hereby ordered that the principal proceeds derived from the sale of the Series 2006 Bonds shall be applied by the District as follows:

(a) to the Interest Account of the Debt Service Fund	\$89,991.57
(b) to the Debt Service Reserve Fund (maintained at The Bank of New York Trust Company, N.A.)	\$697,095.00
(c) to be retained in the Series 2006 Cost of Issuance Account (to be applied to the costs set forth in Exhibit A)	\$127,300.00
(d) to the Lessee Prepayment Account for the Lease Agreement between the District and the Kentucky Area Development Districts Financing Trust	\$3,701,707.30
(e) to the Note Payment Fund for the \$17,980,000 Northern Kentucky Water District Revenue Bond Anticipation Notes, Series 2005	\$17,888,452.22
(f) resulting in a balance to be transferred to the Series 2006 Construction and Acquisition Account held at Fifth Third Bank, Northern Kentucky, Inc.	<u>\$6,231,898.10</u>
TOTAL	<u>\$28,736,444.19</u>

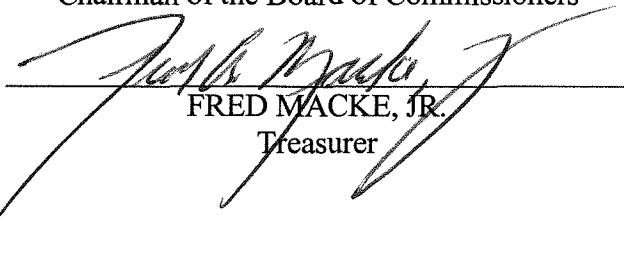
The good faith deposit of \$290,000.00 has previously been deposited in the Series 2006 Cost of Issuance Account maintained at The Bank of New York Trust Company, N.A. Therefore, the amount of \$127,300.00 will be retained in the Series 2006 Cost of Issuance Account, and the amount of \$6,231,898.10 should be transferred to the Series 2006 Construction and Acquisition Account held at Fifth Third Bank, Northern Kentucky, Inc. Any proceeds remaining in the Series 2006 Cost of Issuance Account after all costs of issuance have been paid shall be immediately transferred to the Construction and Acquisition Account of the Bond Proceeds Fund.

8. It is hereby certified that the signatories to this Order and Certification are both Authorized Officers as defined in Section 102 of the General Bond Resolution.

Dated as of the 28th day of September, 2006.

NORTHERN KENTUCKY WATER DISTRICT,
Erlanger, Kentucky

By: 
JOE KOESTER
Chairman of the Board of Commissioners

By: 
FRED MACKE, JR.
Treasurer

SCHEDULE X

NORTHERN KENTUCKY WATER DISTRICT WATER DISTRICT REVENUE BONDS, SERIES 2006

AGGREGATE PRINCIPAL AMOUNT: \$29,000,000

AUTHORIZATION: Under and pursuant to Chapter 74 of the Kentucky Revised Statutes, and under and pursuant to the General Bond Resolution of the District adopted and approved November 19, 1985, as amended by the First Supplemental General Bond Resolution adopted and approved on November 17, 1987 by the Board of Commissioners of the District (collectively, the "General Bond Resolution") and the resolution of the District adopted by the Board of Commissioners of the District on April 21, 2005, authorizing the issuance of \$29,000,000 Northern Kentucky Water District, Water District Revenue Bonds, Series 2006, of the District (the "Series 2006 Resolution").

DATE: September 1, 2006

MATURITIES AND INTEREST RATES: Maturing on February 1, of the following years in the respective principal amounts, and bearing the respective rates of interest set forth opposite such years in the following table:

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
2007	\$300,000	4.000%	2018	\$970,000	4.000%
2008	720,000	4.000	2019	1,010,000	4.000
2009	750,000	4.000	2020	1,320,000	4.125
2010	775,000	4.000	2021	1,205,000	4.125
2011	805,000	4.000	2022	1,255,000	4.125
2012	835,000	4.000	2023	1,420,000	4.125
2013	870,000	4.000	2024	1,375,000	4.125
2014	900,000	4.000	2025	1,440,000	4.125
2015	940,000	4.000	2027	3,075,000	4.250
2016	980,000	4.000	2029	3,360,000	4.250
2017	1,020,000	4.000	2031	3,675,000	4.375

PLACES AND MEDIUM OF PAYMENT OF INTEREST, PRINCIPAL AND REDEMPTION

PRICE: Principal and premium, if any, payable at the offices of The Bank of New York Trust Company, N.A., Cincinnati, Ohio, or its successor, as Paying Agent under the General Bond Resolution, and the Series 2006 Bond Resolution, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. Interest payable by check or draft mailed to the registered owners as of the 15th day of the month preceding each interest payment date.

REDEMPTION PRIOR TO MATURITY: Series 2006 Bonds maturing on and after February 1, 2017, are subject to redemption, in whole or in part on any interest payment date, on and after August 1, 2016 at the following Redemption Prices expressed as percentages of the principal amount of the Series 2006 Bonds to be redeemed, as follows:

<u>Period</u>	<u>Redemption Price</u>
August 1, 2016 and thereafter	100%

The Bonds maturing on February 1, 2027 are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2026	\$1,505,000
2027*	1,570,000

*Maturity

The Bonds maturing on February 1, 2029 are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2028	\$1,640,000
2029*	1,720,000

*Maturity

The Bonds maturing on February 1, 2031 are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2030	\$1,795,000
2031*	1,880,000

*Maturity


FORM, DENOMINATIONS AND NUMBERING OF THE Series 2006 BONDS: Series 2006 Bonds are issuable as fully registered bonds in book-entry-only form, in the denominations of any integral multiple of \$5,000. All Series 2006 Bonds are issued substantially in the form of registered bonds set forth in the General Bond Resolution and are numbered from R-1 upward.

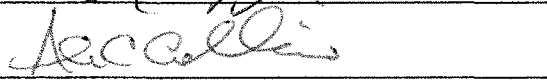
We each further certify that we have examined the signature of the other officer subscribed below and identify it to be true and genuine.

Done and delivered at Erlanger, Kentucky, this 28th day of September, 2006.

Signatures

Titles





Chairman

Secretary

SCHEDULE X

NORTHERN KENTUCKY WATER DISTRICT WATER DISTRICT REVENUE BONDS, SERIES 2006

AGGREGATE PRINCIPAL AMOUNT: \$29,000,000

AUTHORIZATION: Under and pursuant to Chapter 74 of the Kentucky Revised Statutes, and under and pursuant to the General Bond Resolution of the District adopted and approved November 19, 1985, as amended by the First Supplemental General Bond Resolution adopted and approved on November 17, 1987 by the Board of Commissioners of the District (collectively, the "General Bond Resolution") and the resolution of the District adopted by the Board of Commissioners of the District on April 21, 2005, authorizing the issuance of \$29,000,000 Northern Kentucky Water District, Water District Revenue Bonds, Series 2006, of the District (the "Series 2006 Resolution").

DATE: September 1, 2006

MATURITIES AND INTEREST RATES: Maturing on February 1, of the following years in the respective principal amounts, and bearing the respective rates of interest set forth opposite such years in the following table:

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
2007	\$300,000	4.000%	2018	\$970,000	4.000%
2008	720,000	4.000	2019	1,010,000	4.000
2009	750,000	4.000	2020	1,320,000	4.125
2010	775,000	4.000	2021	1,205,000	4.125
2011	805,000	4.000	2022	1,255,000	4.125
2012	835,000	4.000	2023	1,420,000	4.125
2013	870,000	4.000	2024	1,375,000	4.125
2014	900,000	4.000	2025	1,440,000	4.125
2015	940,000	4.000	2027	3,075,000	4.250
2016	980,000	4.000	2029	3,360,000	4.250
2017	1,020,000	4.000	2031	3,675,000	4.375

PLACES AND MEDIUM OF PAYMENT OF INTEREST, PRINCIPAL AND REDEMPTION

PRICE: Principal and premium, if any, payable at the offices of The Bank of New York Trust Company, N.A., Cincinnati, Ohio, or its successor, as Paying Agent under the General Bond Resolution, and the Series 2006 Bond Resolution, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. Interest payable by check or draft mailed to the registered owners as of the 15th day of the month preceding each interest payment date.

REDEMPTION PRIOR TO MATURITY: Series 2006 Bonds maturing on and after February 1, 2017, are subject to redemption, in whole or in part on any interest payment date, on and after August 1, 2016 at the following Redemption Prices expressed as percentages of the principal amount of the Series 2006 Bonds to be redeemed, as follows:

<u>Period</u>	<u>Redemption Price</u>
August 1, 2016 and thereafter	100%

The Bonds maturing on February 1, 2027 are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2026	\$1,505,000
2027*	1,570,000

*Maturity

The Bonds maturing on February 1, 2029 are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2028	\$1,640,000
2029*	1,720,000

*Maturity

The Bonds maturing on February 1, 2031 are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2030	\$1,795,000
2031*	1,880,000

*Maturity

FORM, DENOMINATIONS AND NUMBERING OF THE Series 2006 BONDS: Series 2006 Bonds are issuable as fully registered bonds in book-entry-only form, in the denominations of any integral multiple of \$5,000. All Series 2006 Bonds are issued substantially in the form of registered bonds set forth in the General Bond Resolution and are numbered from R-1 upward.

EXHIBIT A

<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
Ross, Sinclair & Associates, Inc.	Financial Advisor's Fee	\$65,000.00
Peck, Shaffer & Williams LLP	Bond Counsel's Fee and expenses	\$41,500.00
The Bank of New York Trust Company, N.A.	Paying Agent set-up fee	\$3,800.00
Moody's	Rating Agency's Fee	\$17,000.00

**CERTIFICATE OF THE TREASURER AS TO
INDEBTEDNESS AND FINANCIAL CONDITION**

I, FRED MACKE, JR., Treasurer of Northern Kentucky Water District, Erlanger, Kentucky (the "District"), a public agency and a governmental unit of the Commonwealth of Kentucky, created and existing pursuant to Chapter 74 of the Kentucky Revised Statutes, DO HEREBY CERTIFY, as follows:

1. That I am the duly appointed, qualified and acting Treasurer of the District authorized to do and perform all things and execute all papers and documents for and on behalf of the District necessary or convenient to the issuance and sale of the District's \$29,000,000 Kentucky Water District Revenue Bonds, Series 2006, dated September 1, 2006, described in the document hereto made a part hereof and attached hereto, and identified as Schedule X (the "Series 2006 Bonds").

2. That upon the date of issuance and delivery of the Series 2006 Bonds there will be outstanding, in addition to the Series 2006 Bonds only the following District Bonds:

<u>Outstanding Bonds</u>	<u>Principal Amount</u>
Water District Refunding Revenue Bonds, Series 1997, dated September 1, 1997	\$5,500,000
Water District Revenue Bonds, Series 1998, dated December 1, 1998	\$9,550,000
Water District Revenue Bonds, Series 2000, dated August 4, 2000	\$2,170,000
Water District Revenue Bonds, 2001 Series A, dated October 1, 2001	\$15,120,000
Water District Refunding Revenue Bonds, 2002 Series A, dated February 1, 2002	\$44,060,000
Water District Refunding Revenue Bonds, 2002 Series B, dated November 15, 2002	\$8,565,000
Water District Refunding Revenue Bonds, 2003 Series A, dated March 1, 2003	\$1,510,000
Water District Revenue Bonds, 2003 Series B, dated June 1, 2003	\$27,740,000
Water District Refunding Revenue Bonds, 2003 Series C, dated December 1, 2003	\$20,020,000
Water District Revenue Bond Anticipation Notes, Series 2006, dated April 1, 2004	\$9,910,000
TOTAL	<u>\$144,145,000</u>

3. That no other bonds, notes or other long-term obligations of the District, other than that specifically listed in paragraph 2 above, have been authorized (other than bonds authorized to retire the above described bond anticipation notes) and issued or are outstanding as of the date of this Certificate.

4. That the present indebtedness of the District including the obligations referred to in paragraph 2 of this Certificate, is within every limit pursuant to Chapter 74 of the Kentucky Revised Statutes and the Constitution of Kentucky prescribed in respect of the District.

5. That as of the date of this Certificate, the financial condition of the District has not changed in any material adverse respect from the financial condition of said District as same may have been represented in the Preliminary Official Statement of the District dated September 7, 2006, and the Official Statement of the District dated September 14, 2006, with respect to the Series 2006 Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the official seal of the District to be hereunto affixed, this 28th day of September, 2006.



FRED MACKE, JR.
Treasurer

(SEAL)

SCHEDULE X

NORTHERN KENTUCKY WATER DISTRICT WATER DISTRICT REVENUE BONDS, SERIES 2006

AGGREGATE PRINCIPAL AMOUNT: \$29,000,000

AUTHORIZATION: Under and pursuant to Chapter 74 of the Kentucky Revised Statutes, and under and pursuant to the General Bond Resolution of the District adopted and approved November 19, 1985, as amended by the First Supplemental General Bond Resolution adopted and approved on November 17, 1987 by the Board of Commissioners of the District (collectively, the "General Bond Resolution") and the resolution of the District adopted by the Board of Commissioners of the District on April 21, 2005, authorizing the issuance of \$29,000,000 Northern Kentucky Water District, Water District Revenue Bonds, Series 2006, of the District (the "Series 2006 Resolution").

DATE: September 1, 2006

MATURITIES AND INTEREST RATES: Maturing on February 1, of the following years in the respective principal amounts, and bearing the respective rates of interest set forth opposite such years in the following table:

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
2007	\$300,000	4.000%	2018	\$970,000	4.000%
2008	720,000	4.000	2019	1,010,000	4.000
2009	750,000	4.000	2020	1,320,000	4.125
2010	775,000	4.000	2021	1,205,000	4.125
2011	805,000	4.000	2022	1,255,000	4.125
2012	835,000	4.000	2023	1,420,000	4.125
2013	870,000	4.000	2024	1,375,000	4.125
2014	900,000	4.000	2025	1,440,000	4.125
2015	940,000	4.000	2027	3,075,000	4.250
2016	980,000	4.000	2029	3,360,000	4.250
2017	1,020,000	4.000	2031	3,675,000	4.375

PLACES AND MEDIUM OF PAYMENT OF INTEREST, PRINCIPAL AND REDEMPTION

PRICE: Principal and premium, if any, payable at the offices of The Bank of New York Trust Company, N.A., Cincinnati, Ohio, or its successor, as Paying Agent under the General Bond Resolution, and the Series 2006 Bond Resolution, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. Interest payable by check or draft mailed to the registered owners as of the 15th day of the month preceding each interest payment date.

REDEMPTION PRIOR TO MATURITY: Series 2006 Bonds maturing on and after February 1, 2017, are subject to redemption, in whole or in part on any interest payment date, on and after August 1, 2016 at the following Redemption Prices expressed as percentages of the principal amount of the Series 2006 Bonds to be redeemed, as follows:

<u>Period</u>	<u>Redemption Price</u>
August 1, 2016 and thereafter	100%

The Bonds maturing on February 1, 2027 are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2026	\$1,505,000
2027*	1,570,000

*Maturity

The Bonds maturing on February 1, 2029 are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2028	\$1,640,000
2029*	1,720,000

*Maturity

The Bonds maturing on February 1, 2031 are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows;

<u>Year</u>	<u>Principal Amount</u>
2030	\$1,795,000
2031*	1,880,000

*Maturity

FORM, DENOMINATIONS AND NUMBERING OF THE Series 2006 BONDS: Series 2006 Bonds are issuable as fully registered bonds in book-entry-only form, in the denominations of any integral multiple of \$5,000. All Series 2006 Bonds are issued substantially in the form of registered bonds set forth in the General Bond Resolution and are numbered from R-1 upward.

ORDER AND CERTIFICATION OF NORTHERN KENTUCKY WATER DISTRICT AS TO CONDITIONS PRECEDENT TO AUTHORIZATION AND DELIVERY OF SERIES 2009 BONDS AND RELATED MATTERS

The undersigned, FRED MACKE, JR., Chairman of the Board of Commissioners and ANDREW COLLINS, Treasurer, of Northern Kentucky Water District, Erlanger, Kentucky, DO HEREBY CERTIFY AS FOLLOWS:

1. Except for the words "hereby," "herein," "hereto," "hereinafter" and any similar words, all terms which are defined in Section 102 of the General Bond Resolution of Northern Kentucky Water District, Erlanger, Kentucky (the "District"), adopted on November 19, 1985, as amended by the First Supplemental General Bond Resolution adopted by the District on November 17, 1987 (collectively, the "General Bond Resolution") shall have the same meanings, respectively, when used in this Order and Certificate as such terms are given in the General Bond Resolution.

2. Pursuant to the General Bond Resolution and the Series 2009 Bond Resolution adopted by the District on March 15, 2007, the District has sold, at public competitive sale \$29,290,000 principal amount of Water District Revenue Bonds, Series 2009, dated January 1, 2009 (the "Series 2009 Bonds") to Robert W. Baird & Co., Inc. (the "Purchaser") for a purchase price of \$28,948,032.08 together with accrued interest from January 1, 2009, to the date of delivery and payment of the Series 2009 Bonds. The Series 2009 Bonds are more fully described in Schedule X attached hereto.

3. There have now been adopted by and/or received by the District, each as a condition precedent to the issuance of the Series 2009 Bonds, as provided in Section 206 of the General Bond Resolution, the following:

(i) A certified copy of the General Bond Resolution and a certified copy of the Series 2009 Bond Resolution.

(ii) The written order of the District as to the delivery of the Series 2009 Bonds, signed by an authorized Officer describing the Series 2009 Bonds to be delivered, designating the purchaser to whom such Series 2009 Bonds are to be delivered and stating the purchase price of the Series 2009 Bonds. This document constitutes such order.

(iii) The Counsel's Opinion as described in Section 206(3) of the General Bond Resolution.

(iv) A written order in respect of the deposit of part of the bond proceeds into the Debt Service Reserve so that the amount held in such Fund will be equal to the Aggregate Debt Service Reserve Requirement.

(v) A Certificate of an Authorized Officer of the District stating that the District is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the General Bond Resolution. This document constitutes such a Certificate, and it is hereby certified for and on behalf of the District,

that the District is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the General Bond Resolution.

(vi) All certificates, documents and other matters required by the terms of the General Bond Resolution and the Series 2009 Bond Resolution.

4. Prior to the time of delivery of the Series 2009 Bonds, the District had authorized and issued the following bonds and notes which are presently outstanding (collectively, the "Outstanding Bonds"):

<u>Outstanding Bonds</u>	<u>Principal Amount</u>
Water District Refunding Revenue Bonds, Series 1997, dated September 1, 1997	\$5,500,000
Water District Revenue Bonds, Series 1998, dated December 1, 1998	\$9,550,000
Water District Revenue Bonds, Series 2000, dated August 4, 2000	\$2,170,000
Water District Revenue Bonds, 2001 Series A, dated October 1, 2001	\$15,120,000
Water District Refunding Revenue Bonds, 2002 Series A, dated February 1, 2002	\$44,060,000
Water District Refunding Revenue Bonds, 2002 Series B, dated November 15, 2002	\$8,565,000
Water District Refunding Revenue Bonds, 2003 Series A, dated March 1, 2003	\$1,510,000
Water District Revenue Bonds, 2003 Series B, dated June 1, 2003	\$27,740,000
Water District Refunding Revenue Bonds, 2003 Series C, dated December 1, 2003	\$20,020,000
[Water District Revenue Bond Anticipation Notes, Series 2009, dated April 1, 2004]	\$9,910,000
Water District Refunding Revenue Bonds, 2006, dated September 1, 2006	\$29,000,000
TOTAL	<u>\$173,145,000</u>

The Outstanding Bonds will constitute the only outstanding issues of bonds and notes, which are obligations issued under the General Bond Resolution and are payable from the District's income and revenues, and represent the only bonds, notes, or other evidences of indebtedness of the District outstanding and payable from the proceeds of the District's income and revenues other than the Series 2009 Bonds.

5. The District has received all documents, opinions, certificates and other instruments required under the General Bond Resolution and the Series 2009 Bond Resolution as conditions precedent to the issuance and delivery of the Series 2009 Bonds.

6. It is hereby ordered that, following execution by the District, the Series 2009 Bonds be delivered to Robert W. Baird & Co., Inc. (the "Purchaser"). Upon the date of delivery of the Series 2009 Bonds, there shall be paid to the District the purchase price of \$28,948,032.08 for such Series 2009 Bonds, less the good faith deposit of \$292,900.00 previously received, together with accrued interest from January 1, 2009, to date of delivery and payment of the Series 2009 Bonds. The District acknowledges that the accrued interest due and payable for the period from January 1, 2009, to the date of this Order and Certification (January 6, 2009) at the applicable interest rates borne by the Series 2009 Bonds is \$21,965.80, for a total amount due and payable from the Purchaser of \$28,677,097.88.

7. It is hereby ordered that the principal proceeds derived from the sale of the Series 2009 Bonds shall be applied by the District as follows:

(a) to the Interest Account of the Debt Service Fund	\$21,965.80
(b) to the Debt Service Reserve Fund (maintained at The Bank of New York Mellon Trust Company, N.A.)	\$2,100,000.00
(c) to be retained in the Series 2009 Cost of Issuance Account (to be applied to the costs set forth in Exhibit A)	\$137,796.04
(d) to the Note Payment Fund for the Northern Kentucky Water District Revenue Bond Anticipation Notes, Series 2007 (the "Prior Notes")	\$26,710,236.04
TOTAL	<u>\$28,969,997.88</u>

The good faith deposit of \$292,900.00 has previously been deposited in the Series 2009 Cost of Issuance Account maintained at The Bank of New York Mellon Trust Company, N.A. Therefore, the amount of \$137,796.04 will be retained in the Series 2009 Cost of Issuance Account. Any proceeds remaining in the Series 2009 Cost of Issuance Account after all costs of issuance have been paid shall be immediately transferred to the Interest Account of the Debt Service Fund.

8. It is hereby certified that the signatories to this Order and Certification are both Authorized Officers as defined in Section 102 of the General Bond Resolution.

Dated as of the 6th day of January, 2009.

NORTHERN KENTUCKY WATER DISTRICT,
Erlanger, Kentucky

By: 
FRED MACKE, JR.
Chairman of the Board of Commissioners

By: 
ANDREW COLLINS
Treasurer

SCHEDULE X

NORTHERN KENTUCKY WATER DISTRICT WATER DISTRICT REVENUE BONDS, SERIES 2009

AGGREGATE PRINCIPAL AMOUNT: \$29,290,000

AUTHORIZATION: Under and pursuant to Chapter 74 of the Kentucky Revised Statutes, and under and pursuant to the General Bond Resolution of the District adopted and approved November 19, 1985, as amended by the First Supplemental General Bond Resolution adopted and approved on November 17, 1987 by the Board of Commissioners of the District (collectively, the "General Bond Resolution") and the resolution of the District adopted by the Board of Commissioners of the District on March 15, 2007, authorizing the issuance of \$29,290,000 Northern Kentucky Water District, Water District Revenue Bonds, Series 2009, of the District (the "Series 2009 Resolution").

DATE: January 1, 2009

MATURITIES AND INTEREST RATES: Maturing on February 1, of the following years in the respective principal amounts, and bearing the respective rates of interest set forth opposite such years in the following table:

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
2009	\$1,000,000	3.750%	2020	\$990,000	5.125%
2010	645,000	3.750	2021	1,040,000	5.250
2011	670,000	3.750	2022	1,100,000	5.375
2012	695,000	3.750	2023	1,160,000	5.500
2013	720,000	3.750	2024	1,225,000	5.700
2014	750,000	4.000	2025	1,300,000	5.750
2015	780,000	4.125	2026	1,375,000	5.750
2016	815,000	4.250	2028	3,010,000	6.000
2017	850,000	4.750	2031	5,245,000	6.000
2018	895,000	5.000	2033	4,085,000	6.500
2019	940,000	5.000			

PLACES AND MEDIUM OF PAYMENT OF INTEREST, PRINCIPAL AND REDEMPTION

PRICE: Principal and premium, if any, payable at the offices of The Bank of New York Mellon Trust Company, N.A., Cincinnati, Ohio, or its successor, as Paying Agent under the General Bond Resolution, and the Series 2009 Bond Resolution, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. Interest payable by check or draft mailed to the registered owners as of the 15th day of the month preceding each interest payment date.

REDEMPTION PRIOR TO MATURITY: The Series 2009 Bonds maturing on or after February 1, 2019 are subject to optional redemption, in whole or in part, on any date beginning August 1, 2018, at a redemption price equal to the principal amount to be redeemed, plus interest accrued to the date of redemption, without premium.

The Bonds maturing on the dates set forth below are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

Maturing February 1, 2028

<u>Year</u>	<u>Amount</u>
2027	\$1,460,000
2028*	1,550,000

*Maturity

Maturing February 1, 2031

<u>Year</u>	<u>Amount</u>
2029	\$1,645,000
2030	1,745,000
2031*	1,855,000

Maturing February 1, 2033

<u>Year</u>	<u>Amount</u>
2032	\$1,975,000
2033*	2,110,000

*Maturity


FORM, DENOMINATIONS AND NUMBERING OF THE Series 2009 BONDS: Series 2009 Bonds are issuable as fully registered bonds in book-entry-only form, in the denominations of any integral multiple of \$5,000. All Series 2009 Bonds are issued substantially in the form of registered bonds set forth in the General Bond Resolution and are numbered from R-1 upward.

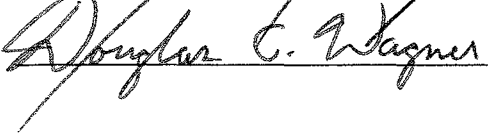
We each further certify that we have examined the signature of the other officer subscribed below and identify it to be true and genuine.

Done and delivered at Erlanger, Kentucky, this 6th day of January, 2009.

Signatures

Titles





Chairman

Secretary

SCHEDULE X

NORTHERN KENTUCKY WATER DISTRICT WATER DISTRICT REVENUE BONDS, SERIES 2009

AGGREGATE PRINCIPAL AMOUNT: \$29,290,000

AUTHORIZATION: Under and pursuant to Chapter 74 of the Kentucky Revised Statutes, and under and pursuant to the General Bond Resolution of the District adopted and approved November 19, 1985, as amended by the First Supplemental General Bond Resolution adopted and approved on November 17, 1987 by the Board of Commissioners of the District (collectively, the "General Bond Resolution") and the resolution of the District adopted by the Board of Commissioners of the District on March 15, 2007, authorizing the issuance of \$29,290,000 Northern Kentucky Water District, Water District Revenue Bonds, Series 2009, of the District (the "Series 2009 Resolution").

DATE: January 1, 2009

MATURITIES AND INTEREST RATES: Maturing on February 1, of the following years in the respective principal amounts, and bearing the respective rates of interest set forth opposite such years in the following table:

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
2009	\$1,000,000	3.750%	2020	\$990,000	5.125%
2010	645,000	3.750	2021	1,040,000	5.250
2011	670,000	3.750	2022	1,100,000	5.375
2012	695,000	3.750	2023	1,160,000	5.500
2013	720,000	3.750	2024	1,225,000	5.700
2014	750,000	4.000	2025	1,300,000	5.750
2015	780,000	4.125	2026	1,375,000	5.750
2016	815,000	4.250	2028	3,010,000	6.000
2017	850,000	4.750	2031	5,245,000	6.000
2018	895,000	5.000	2033	4,085,000	6.500
2019	940,000	5.000			

PLACES AND MEDIUM OF PAYMENT OF INTEREST, PRINCIPAL AND REDEMPTION

PRICE: Principal and premium, if any, payable at the offices of The Bank of New York Mellon Trust Company, N.A., Cincinnati, Ohio, or its successor, as Paying Agent under the General Bond Resolution, and the Series 2009 Bond Resolution, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. Interest payable by check or draft mailed to the registered owners as of the 15th day of the month preceding each interest payment date.

REDEMPTION PRIOR TO MATURITY: The Series 2009 Bonds maturing on or after February 1, 2019 are subject to optional redemption, in whole or in part, on any date beginning August 1, 2018, at a redemption price equal to the principal amount to be redeemed, plus interest accrued to the date of redemption, without premium.

The Bonds maturing on the dates set forth below are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Maturing February 1, 2028</u>		<u>Maturing February 1, 2031</u>	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2027	\$1,460,000	2029	\$1,645,000
2028*	1,550,000	2030	1,745,000
		2031*	1,855,000

*Maturity

<u>Maturing February 1, 2033</u>	
<u>Year</u>	<u>Amount</u>
2032	\$1,975,000
2033*	2,110,000

*Maturity

FORM, DENOMINATIONS AND NUMBERING OF THE Series 2009 BONDS: Series 2009 Bonds are issuable as fully registered bonds in book-entry-only form, in the denominations of any integral multiple of \$5,000. All Series 2009 Bonds are issued substantially in the form of registered bonds set forth in the General Bond Resolution and are numbered from R-1 upward.

EXHIBIT A

<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
Ross, Sinclair & Associates, Inc.	Financial Advisor's Fee	\$72,000.00
Peck, Shaffer & Williams LLP	Bond Counsel's Fee and expenses	\$33,856.42
The Bank of New York Mellon Trust Company, N.A.	Paying Agent set-up fee	\$5,125.00
AMTEC	Verification fee	\$500.00
Moody's	Rating Agency's Fee	\$17,850.00

**CERTIFICATE OF THE TREASURER AS TO
INDEBTEDNESS AND FINANCIAL CONDITION**

I, ANDREW COLLINS, Treasurer of Northern Kentucky Water District, Erlanger, Kentucky (the "District"), a public agency and a governmental unit of the Commonwealth of Kentucky, created and existing pursuant to Chapter 74 of the Kentucky Revised Statutes, DO HEREBY CERTIFY, as follows:

1. That I am the duly appointed, qualified and acting Treasurer of the District authorized to do and perform all things and execute all papers and documents for and on behalf of the District necessary or convenient to the issuance and sale of the District's \$29,290,000 Water District Revenue Bonds, Series 2009, dated January 1, 2009, described in the document hereto made a part hereof and attached hereto, and identified as Schedule X (the "Series 2009 Bonds").

2. That upon the date of issuance and delivery of the Series 2009 Bonds there will be outstanding, in addition to the Series 2009 Bonds only the following District Bonds:

<u>Outstanding Bonds</u>	<u>Principal Amount</u>
Water District Refunding Revenue Bonds, Series 1997, dated September 1, 1997	\$4,650,000
Water District Revenue Bonds, Series 1998, dated December 1, 1998	9,285,000
Water District Revenue Bonds, Series 2000, dated August 4, 2000	2,143,000
Water District Revenue Bonds, 2001 Series A, dated October 1, 2001	14,920,000
Water District Refunding Revenue Bonds, 2002 Series A, dated February 1, 2002	43,680,000
Water District Refunding Revenue Bonds, 2002 Series B, dated November 15, 2002	7,985,000
Water District Refunding Revenue Bonds, 2003 Series A, dated March 1, 2003	1,475,000
Water District Revenue Bonds, 2003 Series B, dated June 1, 2003	26,860,000
Water District Refunding Revenue Bonds, 2003 Series C, dated December 1, 2003	18,805,000
[Water District Revenue Bond Anticipation Notes, Series 2009, dated April 1, 2004]	9,625,000
Water District Refunding Revenue Bonds, 2006, dated September 1, 2006	28,700,000
TOTAL	<u>\$168,128,000</u>

3. That no other bonds, notes or other long-term obligations of the District, other than that specifically listed in paragraph 2 above, have been authorized (other than bonds authorized to retire the above described bond anticipation notes) and issued or are outstanding as of the date of this Certificate.

4. That the present indebtedness of the District including the obligations referred to in paragraph 2 of this Certificate, is within every limit pursuant to Chapter 74 of the Kentucky Revised Statutes and the Constitution of Kentucky prescribed in respect of the District.

5. That as of the date of this Certificate, the financial condition of the District has not changed in any material adverse respect from the financial condition of said District as same may have been represented in the Preliminary Official Statement of the District dated December 4, 2008, and the Official Statement of the District dated December 18, 2008, with respect to the Series 2009 Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the official seal of the District to be hereunto affixed, this 6th day of January, 2009.



ANDREW COLLINS

Treasurer

SCHEDULE X

NORTHERN KENTUCKY WATER DISTRICT WATER DISTRICT REVENUE BONDS, SERIES 2009

AGGREGATE PRINCIPAL AMOUNT: \$29,290,000

AUTHORIZATION: Under and pursuant to Chapter 74 of the Kentucky Revised Statutes, and under and pursuant to the General Bond Resolution of the District adopted and approved November 19, 1985, as amended by the First Supplemental General Bond Resolution adopted and approved on November 17, 1987 by the Board of Commissioners of the District (collectively, the "General Bond Resolution") and the resolution of the District adopted by the Board of Commissioners of the District on March 15, 2007, authorizing the issuance of \$29,290,000 Northern Kentucky Water District, Water District Revenue Bonds, Series 2009, of the District (the "Series 2009 Resolution").

DATE: January 1, 2009

MATURITIES AND INTEREST RATES: Maturing on February 1, of the following years in the respective principal amounts, and bearing the respective rates of interest set forth opposite such years in the following table:

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
2009	\$1,000,000	3.750%	2020	\$990,000	5.125%
2010	645,000	3.750	2021	1,040,000	5.250
2011	670,000	3.750	2022	1,100,000	5.375
2012	695,000	3.750	2023	1,160,000	5.500
2013	720,000	3.750	2024	1,225,000	5.700
2014	750,000	4.000	2025	1,300,000	5.750
2015	780,000	4.125	2026	1,375,000	5.750
2016	815,000	4.250	2028	3,010,000	6.000
2017	850,000	4.750	2031	5,245,000	6.000
2018	895,000	5.000	2033	4,085,000	6.500
2019	940,000	5.000			

PLACES AND MEDIUM OF PAYMENT OF INTEREST, PRINCIPAL AND REDEMPTION

PRICE: Principal and premium, if any, payable at the offices of The Bank of New York Mellon Trust Company, N.A., Cincinnati, Ohio, or its successor, as Paying Agent under the General Bond Resolution, and the Series 2009 Bond Resolution, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. Interest payable by check or draft mailed to the registered owners as of the 15th day of the month preceding each interest payment date.

REDEMPTION PRIOR TO MATURITY: The Series 2009 Bonds maturing on or after February 1, 2019 are subject to optional redemption, in whole or in part, on any date beginning August 1, 2018, at a redemption price equal to the principal amount to be redeemed, plus interest accrued to the date of redemption, without premium.

The Bonds maturing on the dates set forth below are subject to mandatory sinking fund redemption prior to maturity at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date, on February 1, in the years and in the principal amounts as follows:

<u>Maturing February 1, 2028</u>		<u>Maturing February 1, 2031</u>	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2027	\$1,460,000	2029	\$1,645,000
2028*	1,550,000	2030	1,745,000
		2031*	1,855,000

*Maturity

<u>Maturing February 1, 2033</u>	
<u>Year</u>	<u>Amount</u>
2032	\$1,975,000
2033*	2,110,000

*Maturity

FORM, DENOMINATIONS AND NUMBERING OF THE Series 2009 BONDS: Series 2009 Bonds are issuable as fully registered bonds in book-entry-only form, in the denominations of any integral multiple of \$5,000. All Series 2009 Bonds are issued substantially in the form of registered bonds set forth in the General Bond Resolution and are numbered from R-1 upward.

NORTHERN KENTUCKY WATER DISTRICT

Long Term Debt

Long Term Debt (Acct. 224)

Description of Obligation And Amount of Original Issue 2015 (a)	Date of Issue (b)	Date of Maturity (c)	Interest Expense For Year		Principal per balance Sheet Date (f)
			Rate	Amount	
			(d)	(e)	
				\$	\$
Notes Payable City of Taylor Mill	Mar-2004	7/1/2018	0	0	\$ 400,000
Kentucky Infrastructure Authority Loans					
-KIA F06-03 MPTP Project	June 2008	2028	3.0%	94,214	\$ 2,778,046
- KIA F08-07 Various Capital Projects	June 2009	2029	1.0%	44,666	\$ 3,449,668
- KIA C08-01 AMR Project	June 2009	2019	3.0%	122,501	\$ 3,224,300
- KIA F09-02 GAC MPTP	June 2010	2030	2.0%	481,743	\$ 21,495,742
- KIA F13-012 Various Capital Projects	N/A	N/A	2.0%	40,295	4,176,703
Total				\$ 783,419	\$ 35,524,459

Account 221, BONDS

Line No.	Par Value of Actual Issue 1	Cash Realized on Actual Issue 2	Par Value of Amount Held by or for Respondent 3	Actually Outstanding at Close of year 4	Interest During Year	
					Accrued 5	Actually Paid 6
1	11,225,000	11,131,694		-	-	-
2	11,355,000	11,141,619		-	-	-
3	2,287,000	2,287,000		1,873,000	94,317	94,650
4	16,325,000	15,835,250		-	-	-
5	45,485,000	44,121,624		-	-	-
6	10,575,000	10,525,204		-	-	-
7	1,615,000	1,583,553		-	-	-
8	30,270,000	30,068,115		-	-	-
9	23,790,000	23,532,357		-	-	-
10	10,455,000	10,195,116		-	-	-
11	29,000,000	28,736,444		22,105,000	927,221	942,888
12	29,290,000	27,430,236		24,030,000	1,382,169	1,395,575
13	30,830,000	28,862,016		27,380,000	1,162,712	1,173,962
14	54,840,000	-		49,440,000	2,458,650	2,489,900
15	26,400,000	25,807,113		25,155,000	1,093,775	1,099,026
16	24,120,000	-		20,200,000	968,950	1,008,950
17	15,805,000	-		13,805,000	587,201	390,020
Total	373,667,000	271,257,341	-	183,988,000	8,674,995	8,594,971

Schedule of Bond Maturities

Line No.	Bond Numbers 7	Maturity Date 8	Interest Rate 9	Principal Amount 10	Amount Paid 11	Remaining Bonds Outstanding 12
1						
2	See Attachments 23.01 Through 23.08					
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						

Northern Kentucky Water Service District
FmHA Loan \$2,287,000 - 2000

Attachment 23.01

Year	Maturity Date	Interest Rate	Principal Amount	Amounts Paid	Outstanding
2000			0.00	0.00	0.00
2001			0.00	0.00	0.00
2002			21,000.00	21,000.00	0.00
2003			22,000.00	22,000.00	0.00
2004			24,000.00	24,000.00	0.00
2005			24,000.00	24,000.00	0.00
2006			26,000.00	26,000.00	0.00
2007			27,000.00	27,000.00	0.00
2008			28,000.00	28,000.00	0.00
2009			30,000.00	30,000.00	0.00
2010			31,000.00	31,000.00	0.00
2011			33,000.00	33,000.00	0.00
2012			34,000.00	34,000.00	0.00
2013			36,000.00	36,000.00	0.00
2014			38,000.00	38,000.00	0.00
2015			40,000.00	40,000.00	0.00
2016			42,000.00		42,000.00
2017			44,000.00		44,000.00
2018			46,000.00		46,000.00
2019			49,000.00		49,000.00
2020			51,000.00		51,000.00
2021			54,000.00		54,000.00
2022			56,000.00		56,000.00
2023			59,000.00		59,000.00
2024			62,000.00		62,000.00
2025			65,000.00		65,000.00
2026			68,000.00		68,000.00
2027			72,000.00		72,000.00
2028			75,000.00		75,000.00
2029			79,000.00		79,000.00
2030			83,000.00		83,000.00
2031			87,000.00		87,000.00
2032			92,000.00		92,000.00
2033			96,000.00		96,000.00
2034			102,000.00		102,000.00
2035			107,000.00		107,000.00
2036			112,000.00		112,000.00
2037			118,000.00		118,000.00
2038			124,000.00		124,000.00
2039			130,000.00		130,000.00
Totals			2,287,000.00	414,000.00	1,873,000.00

Northern Kentucky Water Service District			Series 2006A		Attachment 23.02
Bond Issue	9/1/2006	\$29,000,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2007	4.000%	300,000.00	300,000.00	0.00
Registered	2/1/2008	4.000%	720,000.00	720,000.00	0.00
Registered	2/1/2009	4.000%	750,000.00	750,000.00	0.00
Registered	2/1/2010	4.000%	775,000.00	775,000.00	0.00
Registered	2/1/2011	4.000%	805,000.00	805,000.00	0.00
Registered	2/1/2012	4.000%	835,000.00	835,000.00	0.00
Registered	2/1/2013	4.000%	870,000.00	870,000.00	0.00
Registered	2/1/2014	4.000%	900,000.00	900,000.00	0.00
Registered	2/1/2015	4.000%	940,000.00	940,000.00	0.00
Registered	2/1/2016	4.000%	980,000.00		980,000.00
Registered	2/1/2017	4.000%	1,020,000.00		1,020,000.00
Registered	2/1/2018	4.000%	970,000.00		970,000.00
Registered	2/1/2019	4.000%	1,010,000.00		1,010,000.00
Registered	2/1/2020	4.125%	1,320,000.00		1,320,000.00
Registered	2/1/2021	4.125%	1,205,000.00		1,205,000.00
Registered	2/1/2022	4.125%	1,255,000.00		1,255,000.00
Registered	2/1/2023	4.125%	1,420,000.00		1,420,000.00
Registered	2/1/2024	4.125%	1,375,000.00		1,375,000.00
Registered	2/1/2025	4.125%	1,440,000.00		1,440,000.00
Registered	2/1/2026	4.250%	1,505,000.00		1,505,000.00
Registered	2/1/2027	4.250%	1,570,000.00		1,570,000.00
Registered	2/1/2028	4.250%	1,640,000.00		1,640,000.00
Registered	2/1/2029	4.250%	1,720,000.00		1,720,000.00
Registered	2/1/2030	4.250%	1,795,000.00		1,795,000.00
Registered	2/1/2031	4.375%	1,880,000.00		1,880,000.00
TOTALS			29,000,000.00	6,895,000.00	22,105,000.00

Northern Kentucky Water Service District			Series 2009		Attachment 23.03
Bond Issue	01/06/09	\$29,290,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2009	3.750%	1,000,000.00	1,000,000.00	0.00
Registered	2/1/2010	3.750%	645,000.00	645,000.00	0.00
Registered	2/1/2011	3.750%	670,000.00	670,000.00	0.00
Registered	2/1/2012	3.750%	695,000.00	695,000.00	0.00
Registered	2/1/2013	3.750%	720,000.00	720,000.00	0.00
Registered	2/1/2014	4.000%	750,000.00	750,000.00	0.00
Registered	2/1/2015	4.125%	780,000.00	780,000.00	0.00
Registered	2/1/2016	4.250%	815,000.00		815,000.00
Registered	2/1/2017	4.750%	850,000.00		850,000.00
Registered	2/1/2018	5.000%	895,000.00		895,000.00
Registered	2/1/2019	5.000%	940,000.00		940,000.00
Registered	2/1/2020	5.125%	990,000.00		990,000.00
Registered	2/1/2021	5.250%	1,040,000.00		1,040,000.00
Registered	2/1/2022	5.375%	1,100,000.00		1,100,000.00
Registered	2/1/2023	5.500%	1,160,000.00		1,160,000.00
Registered	2/1/2024	5.700%	1,225,000.00		1,225,000.00
Registered	2/1/2025	5.750%	1,300,000.00		1,300,000.00
Registered	2/1/2026	5.750%	1,375,000.00		1,375,000.00
Registered	2/1/2027	5.750%	1,460,000.00		1,460,000.00
Registered	2/1/2028	6.000%	1,550,000.00		1,550,000.00
Registered	2/1/2029	6.000%	1,645,000.00		1,645,000.00
Registered	2/1/2030	6.000%	1,745,000.00		1,745,000.00
Registered	2/1/2031	6.000%	1,855,000.00		1,855,000.00
Registered	2/1/2032	6.500%	1,975,000.00		1,975,000.00
Registered	2/1/2033	6.500%	2,110,000.00		2,110,000.00
TOTALS			29,290,000.00	5,260,000.00	24,030,000.00

Northern Kentucky Water Service District			Series 2011		Attachment 23.04
Bond Issue	05/31/11	\$30,830,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2012	3.000%	825,000.00	825,000.00	0.00
Registered	2/1/2013	3.000%	850,000.00	850,000.00	0.00
Registered	2/1/2014	3.000%	875,000.00	875,000.00	0.00
Registered	2/1/2015	3.000%	900,000.00	900,000.00	0.00
Registered	2/1/2016	3.000%	930,000.00		930,000.00
Registered	2/1/2017	3.000%	960,000.00		960,000.00
Registered	2/1/2018	3.000%	985,000.00		985,000.00
Registered	2/1/2019	3.000%	1,015,000.00		1,015,000.00
Registered	2/1/2020	4.000%	1,055,000.00		1,055,000.00
Registered	2/1/2021	4.000%	1,095,000.00		1,095,000.00
Registered	2/1/2022	4.000%	1,140,000.00		1,140,000.00
Registered	2/1/2023	4.000%	1,185,000.00		1,185,000.00
Registered	2/1/2024	4.000%	1,235,000.00		1,235,000.00
Registered	2/1/2025	4.000%	1,285,000.00		1,285,000.00
Registered	2/1/2026	4.125%	1,340,000.00		1,340,000.00
Registered	2/1/2027	4.250%	1,395,000.00		1,395,000.00
Registered	2/1/2028	4.250%	1,460,000.00		1,460,000.00
Registered	2/1/2029	4.250%	1,520,000.00		1,520,000.00
Registered	2/1/2030	4.500%	1,590,000.00		1,590,000.00
Registered	2/1/2031	4.500%	1,660,000.00		1,660,000.00
Registered	2/1/2032	5.000%	1,745,000.00		1,745,000.00
Registered	2/1/2033	5.000%	1,835,000.00		1,835,000.00
Registered	2/1/2034	5.000%	1,925,000.00		1,925,000.00
Registered	2/1/2035	5.000%	2,025,000.00		2,025,000.00
TOTALS			30,830,000.00	3,450,000.00	27,380,000.00

Northern Kentucky Water Service District			Series 2012		Attachment 23.05
Bond Issue	06/21/12	\$54,840,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2013	4.000%	1,725,000.00	1,725,000.00	0.00
Registered	2/1/2014	4.000%	1,800,000.00	1,800,000.00	0.00
Registered	2/1/2015	4.000%	1,875,000.00	1,875,000.00	0.00
Registered	2/1/2016	4.000%	1,960,000.00		1,960,000.00
Registered	2/1/2017	5.000%	2,530,000.00		2,530,000.00
Registered	2/1/2018	5.000%	3,475,000.00		3,475,000.00
Registered	2/1/2019	5.000%	3,650,000.00		3,650,000.00
Registered	2/1/2020	5.000%	4,150,000.00		4,150,000.00
Registered	2/1/2021	5.000%	4,365,000.00		4,365,000.00
Registered	2/1/2022	5.000%	4,590,000.00		4,590,000.00
Registered	2/1/2023	5.000%	4,720,000.00		4,720,000.00
Registered	2/1/2024	5.000%	4,970,000.00		4,970,000.00
Registered	2/1/2025	5.000%	5,220,000.00		5,220,000.00
Registered	2/1/2026	5.000%	5,495,000.00		5,495,000.00
Registered	2/1/2027	5.000%	4,315,000.00		4,315,000.00
TOTALS			54,840,000.00	5,400,000.00	49,440,000.00

Northern Kentucky Water Service District			Series 2013A		Attachment 23.06
Bond Issue	01/27/13	\$26,400,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2014	2.000%	615,000.00	615,000.00	0.00
Registered	2/1/2015	2.000%	630,000.00	630,000.00	0.00
Registered	2/1/2016	3.000%	645,000.00		645,000.00
Registered	2/1/2017	3.000%	665,000.00		665,000.00
Registered	2/1/2018	4.000%	685,000.00		685,000.00
Registered	2/1/2019	5.000%	720,000.00		720,000.00
Registered	2/1/2020	5.000%	755,000.00		755,000.00
Registered	2/1/2021	5.000%	795,000.00		795,000.00
Registered	2/1/2022	5.000%	835,000.00		835,000.00
Registered	2/1/2023	5.000%	880,000.00		880,000.00
Registered	2/1/2024	5.000%	925,000.00		925,000.00
Registered	2/1/2025	5.000%	970,000.00		970,000.00
Registered	2/1/2026	5.000%	1,020,000.00		1,020,000.00
Registered	2/1/2027	4.000%	1,070,000.00		1,070,000.00
Registered	2/1/2028	4.000%	1,110,000.00		1,110,000.00
Registered	2/1/2029	4.000%	1,155,000.00		1,155,000.00
Registered	2/1/2030	4.000%	1,205,000.00		1,205,000.00
Registered	2/1/2031	4.125%	1,255,000.00		1,255,000.00
Registered	2/1/2032	4.500%	1,310,000.00		1,310,000.00
Registered	2/1/2033	4.500%	1,370,000.00		1,370,000.00
Registered	2/1/2034	4.250%	1,430,000.00		1,430,000.00
Registered	2/1/2035	4.125%	1,490,000.00		1,490,000.00
Registered	2/1/2036	4.125%	1,555,000.00		1,555,000.00
Registered	2/1/2037	4.250%	1,620,000.00		1,620,000.00
Registered	2/1/2038	4.250%	1,690,000.00		1,690,000.00
TOTALS			26,400,000.00	1,245,000.00	25,155,000.00

Northern Kentucky Water Service District			2013B		Attachment 23.07
Bond Issue	06/21/12	\$24,120,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2014	5.000%	2,000,000.00	2,000,000.00	0.00
Registered	2/1/2015	5.000%	1,920,000.00	1,920,000.00	0.00
Registered	2/1/2016	5.000%	2,020,000.00		2,020,000.00
Registered	2/1/2017	5.000%	1,645,000.00		1,645,000.00
Registered	2/1/2018	5.000%	1,170,000.00		1,170,000.00
Registered	2/1/2019	5.000%	1,230,000.00		1,230,000.00
Registered	2/1/2020	5.000%	1,295,000.00		1,295,000.00
Registered	2/1/2021	5.000%	1,355,000.00		1,355,000.00
Registered	2/1/2022	5.000%	1,430,000.00		1,430,000.00
Registered	2/1/2023	5.000%	1,500,000.00		1,500,000.00
Registered	2/1/2024	4.000%	1,570,000.00		1,570,000.00
Registered	2/1/2025	4.000%	1,635,000.00		1,635,000.00
Registered	2/1/2026	4.000%	1,700,000.00		1,700,000.00
Registered	2/1/2027	5.000%	1,780,000.00		1,780,000.00
Registered	2/1/2028	5.000%	1,870,000.00		1,870,000.00
TOTALS			24,120,000.00	3,920,000.00	20,200,000.00

Northern Kentucky Water Service District			2014B		Attachment 23.08
Bond Issue	12/23/14	\$15,805,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2015	5.000%	2,000,000.00	2,000,000.00	0.00
Registered	2/1/2016	5.000%	1,850,000.00		1,850,000.00
Registered	2/1/2017	5.000%	1,940,000.00		1,940,000.00
Registered	2/1/2018	5.000%	1,880,000.00		1,880,000.00
Registered	2/1/2019	5.000%	1,980,000.00		1,980,000.00
Registered	2/1/2020	5.000%	1,505,000.00		1,505,000.00
Registered	2/1/2021	5.000%	440,000.00		440,000.00
Registered	2/1/2022	5.000%	465,000.00		465,000.00
Registered	2/1/2023	3.000%	485,000.00		485,000.00
Registered	2/1/2024	3.000%	495,000.00		495,000.00
Registered	2/1/2025	4.000%	515,000.00		515,000.00
Registered	2/1/2026	4.000%	540,000.00		540,000.00
Registered	2/1/2027	3.000%	550,000.00		550,000.00
Registered	2/1/2028	3.000%	570,000.00		570,000.00
Registered	2/1/2029	3.125%	590,000.00		590,000.00
TOTALS			15,805,000.00	2,000,000.00	13,805,000.00

Notes Payable (Acct. 232 & 234)

2015 a	Nominal Date of Issue b	Date of Maturity c	INTEREST		Principal Amount per Balance Sheet f
			Rate d	Amount of payment e	
Account 232 - Note Payable					
Campbell Co. Fiscal Court			0.00%	\$ _____	\$ 100,000
			0.00%		
Total Account 232				\$ _____	\$ 100,000
Account 234 - Notes Payable To Associated Companies		N/A		\$ _____	\$ _____
Total Account 234				\$ _____	\$ _____

Accounts Payable to Associated Companies (Acct. 233)

Show Payable to Each Associated Company Separately	Amount
	\$ _____
N/A	
Total	\$ _____

**NORTHERN KENTUCKY WATER
DISTRICT**

2015 Audited Financial Statements

**NORTHERN KENTUCKY
WATER DISTRICT**

FINANCIAL STATEMENTS

December 31, 2015 and 2014

**NORTHERN KENTUCKY
WATER DISTRICT**

FINANCIAL STATEMENTS

December 31, 2015 and 2014

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis (M D & A)	5
Statements of Net Position.....	10
Statements of Revenues, Expenses, and Changes in Net Position.....	12
Statements of Cash Flows.....	13
Notes to the Financial Statements.....	14
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of District Contributions.....	37
Schedule of the Proportionate Share of Net Liability, Non-hazardous.....	38
OTHER SUPPLEMENTARY INFORMATION	
Statement of Comparison of Budget to Actual.....	39
Statements of Water Operating Revenue	40
Statements of Combined Operation and Maintenance Expenses.....	41
Schedule of Insurance Coverages.....	42
Schedule of Rates, Rules and Regulations.....	43
Members of the Commission and Administrative Staff.....	45
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	46
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.....	48
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND OF INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE.....	52
SCHEDULE OF FINDINGS AND QUESTIONED COSTS.....	55
SUMMARY SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS.....	56



INDEPENDENT AUDITOR'S REPORT

**To the Board of Commissioners
Northern Kentucky Water District
Erlanger, Kentucky**

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Northern Kentucky Water District, as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Northern Kentucky Water District, as of December 31, 2015 and 2014, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on page 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Northern Kentucky Water District's basic financial statements. The other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2016, on our consideration of the Northern Kentucky Water District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northern Kentucky Water District's internal control over financial reporting and compliance.

RANKIN, RANKIN & COMPANY

A handwritten signature in cursive script that reads "Rankin, Rankin & Company".

**Ft. Wright, Kentucky
April 21, 2016**

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the year ended December 31, 2015. This information is presented in conjunction with the audited financial statements that follow this section.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent year by \$173,557,469 (net position). This was a decrease of \$5,043,114 in comparison to the prior year.
- Operating revenues decreased \$309,698 or 0.61% from 2014.
- The debt coverage ratio decreased from 1.52 in 2014 to 1.39 in 2015, due to the 2015 change in net assets and the effects of GASB 68.

Overview of the Financial Statements

The financial statements presented herein include all of the activities of the District as prescribed by Government Accounting Standards. The District's basic financial statements include the statements of net position, statements of revenues, expenses and changes in net position and statements of cash flows and the notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Basis of Accounting. The District's financial statements are prepared using the accrual basis of accounting.

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position

In the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position, we report the District's activities:

- The District charges rates on water consumption to customers to help it cover all or most of the cost of certain services it provides.

Overview of Annual Financial Report

Table 1 provides a summary of the District's net position for 2015 compared to 2014.

	Net Position	
	2015	2014
Current assets	\$ 34,948,167	\$ 34,810,480
Restricted assets	40,799,297	43,013,195
Noncurrent assets	343,194,211	339,557,570
Total assets	<u>418,941,675</u>	<u>417,381,245</u>
Deferred outflow of resources	2,343,773	-
Total Assets and Deferred outflows of resources	<u>421,285,448</u>	<u>417,381,245</u>
Current liabilities	14,721,277	14,369,968
Liabilities payable from restricted assets	6,229,716	5,130,235
Long term liabilities	226,776,986	219,280,459
Total liabilities	<u>247,727,979</u>	<u>238,780,662</u>
Net position:		
Invested in capital assets, net of related debt	123,581,751	112,890,227
Restricted	34,569,581	37,882,960
Unrestricted	15,406,137	27,827,396
Total net position	<u>\$ 173,557,469</u>	<u>\$ 178,600,583</u>

The District's net position for 2015 decreased 2.82%, as compared to the previous year. This decrease was mainly attributable to the implementation of GASB 68 which required a prior period adjustment of over \$11 Million. The largest portion of the District's net position (71%) reflects its investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets still outstanding. The District uses these capital assets to provide services to its customers; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (20%) is considered to be restricted. This amount represents resources that are subject to external restrictions on how they may be used.

The unrestricted net position (9%) may be used to meet the District's ongoing obligations to customers and creditors.

Table 2 shows the changes in net position for 2015, as well as revenue and expense comparisons to 2014.

**Table 2
Changes in Net Position**

	2015	2014
Operating Revenues:		
Water Sales	\$ 48,776,304	\$ 49,108,156
Forfeited discounts	832,463	859,283
Rents from property	567,932	557,728
Other water revenue	378,630	339,860
Total operating revenues	50,555,329	50,865,027
Operating Expenses:		
Operations, maintenance and administration expenses	27,074,797	25,369,579
Depreciation	11,175,166	11,207,665
Total operating expenses	38,249,963	36,577,244
Net Operating Income	12,305,366	14,287,783
Non-operating Income (Expenses)		
Investment income	793,339	797,246
Miscellaneous non-operating income (expense)	(187,848)	(462,913)
Interest on long-term debt	(8,446,701)	(8,980,047)
Amortization of bond discount and expense	547,046	361,178
Gain/(loss) on disposition of assets	(8,410)	(59,840)
Net Non-operating income (expenses)	(7,302,574)	(8,344,376)
Income Before Capital Contributions	5,002,792	5,943,407
Capital Contributions	956,293	2,166,160
Change in net position	5,959,085.00	8,109,567
Net position - January 1	178,600,583	170,491,016
Prior period adjustment-GASB 68	(11,002,199)	-
Net position - December 31	\$ 173,557,469	\$ 178,600,583

The basic financial statements of the District are included in this report. Operations are accounted for in such a manner as to show changes in net assets and the District is intended to be entirely or predominantly self-supported from water user charges.

In reviewing income before capital contributions, the financial statements showed net income for the year of \$5,002,792. Operating revenues decreased 0.61% due to the slight decrease in water sales. Operating expenses (including depreciation) increased by 4.57%.

Debt and Capital Asset Administration

Table 3 summarizes the District's outstanding debt at the end of 2015 as compared to 2014.

**Table 3
Outstanding Debt at Year End**

	<u>2015</u>	<u>2014</u>
Bond payable obligations	\$ 183,988,000	\$ 193,073,000
Notes payable	35,624,460	33,594,344
Totals	\$ <u>219,612,460</u>	\$ <u>226,667,344</u>

At year-end, the District had \$219,612,460 in outstanding notes and bonds compared to \$226,667,344 last year. That is a decrease of 3% as shown in the Table 3.

Capital Assets

At December 31, 2015, the capital assets reported amounted to \$474,053,086 invested in capital assets including land, buildings, water systems, equipment, and vehicles. This represents a net increase of \$13,549,539, or 2.9%, over last year due to the District's investment in distribution and treatment projects, and vehicle and equipment purchases during the year.

**Table 4
Capital Assets, Net of Depreciation**

	<u>2015</u>	<u>2014</u>
Not being depreciated:		
Land	\$ 3,291,127	\$ 3,291,127
Construction in progress	27,277,241	22,260,422
Plant Acquisition Adjustment	5,516,136	5,516,136
Other capital assets:		
Utility plants:	437,968,582	429,435,859
Transmission & Distribution, Source of Supply, Pumping system, Power Generation, Water Treatment and General plant and equipment		
Subtotal	<u>474,053,086</u>	<u>460,503,544</u>
Accumulated depreciation	<u>(130,858,875)</u>	<u>(120,945,977)</u>
TOTALS	\$ <u>343,194,211</u>	\$ <u>339,557,567</u>

Economic Factors and Next Year's Budget

The District's budget for 2016 projects a normal water revenue increase due to the first step of the estimated increase from the rate increase in 2015. A modest increase is anticipated for operating expenses as a result of the modest increase in employee related expenses offset by the reduced use of carbon in the GAC process due to shrinking demand and optimization.

Contacting The District's Financial Management

This financial report is designed to provide our customers and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Administrative Office at 2835 Crescent Springs Road, Erlanger, KY, 41018.

NORTHERN KENTUCKY WATER DISTRICT
STATEMENTS OF NET POSITION
December 31, 2015 and 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 20,583,131	\$ 20,796,630
Investments	1,163,010	-
Accounts receivable		
Customers	4,796,712	5,558,817
Unbilled customers	5,900,000	5,900,000
Others	176,416	88,762
Assessments receivable	123,785	117,464
Inventory supplies for new installation and maintenance, at cost	1,584,034	1,631,421
Prepaid items	621,079	717,386
TOTAL CURRENT ASSETS	<u>34,948,167</u>	<u>34,810,480</u>
RESTRICTED ASSETS		
Boone Florence Settlement	-	308,392
Bond Proceeds Fund	3,492,225	5,289,663
Debt Service Reserve Account	18,556,798	18,466,115
Debt Service Account	16,903,629	15,679,859
Improvement, Repair & Replacement	1,846,645	3,269,166
TOTAL RESTRICTED ASSETS	<u>40,799,297</u>	<u>43,013,195</u>
NONCURRENT ASSETS		
Miscellaneous deferred charges	-	-
Capital assets:		
Land, system, buildings and equipment	446,775,845	438,243,125
Construction in progress	27,277,241	22,260,422
Total capital assets before accumulated depreciation	474,053,086	460,503,547
Less accumulated depreciation	(130,858,875)	(120,945,977)
Total capital assets, net of accumulated depreciation	343,194,211	339,557,570
TOTAL NONCURRENT ASSETS	<u>343,194,211</u>	<u>339,557,570</u>
TOTAL ASSETS	<u>418,941,675</u>	<u>417,381,245</u>
DEFERRED OUTFLOWS OF RESOURCES		
Contributions subsequent to the measurement date, Change in assumptions and other changes	2,343,773	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 421,285,448</u>	<u>\$ 417,381,245</u>

NORTHERN KENTUCKY WATER DISTRICT**STATEMENTS OF NET POSITION**

December 31, 2015 and 2014

	2015	2014
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Bonded indebtedness	\$ 9,242,000	\$ 9,085,000
Notes payable	2,192,256	2,146,588
Accounts payable	1,772,076	1,834,714
Accrued payroll and taxes	323,920	402,917
Other accrued liabilities	238,169	233,274
Customer deposits	952,855	667,475
TOTAL CURRENT LIABILITIES	14,721,277	14,369,968
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS		
Accounts payable	2,573,513	1,548,495
Accrued interest payable	3,656,203	3,581,740
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	6,229,716	5,130,235
LONG-TERM DEBT		
Bonded indebtedness	174,746,000	183,988,000
Notes payable	33,432,204	31,447,755
TOTAL LONG-TERM DEBT	208,178,204	215,435,755
NET PENSION LIABILITY	14,819,690	-
NON CURRENT LIABILITIES		
Miscellaneous deferred charges	3,779,092	3,844,704
TOTAL LIABILITIES	247,727,979	238,780,662
DEFERRED INFLOWS OF RESOURCES		
Differences between projected and actual earnings on pension plan	-	-
NET POSITION		
Net investment in capital assets	123,581,751	112,890,227
Restricted	34,569,581	37,882,960
Unrestricted	15,406,137	27,827,396
TOTAL NET POSITION	173,557,469	178,600,583
TOTAL LIABILITIES DEFERRED IN FLOWS OF RESOURCES AND NET POSITION	\$ 421,285,448	\$ 417,381,245

NORTHERN KENTUCKY WATER DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Years Ended December 31, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Water sales	\$ 48,776,304	\$ 49,108,156
Forfeited discounts	832,463	859,283
Rents from property	567,932	557,728
Other water revenues	378,630	339,860
TOTAL OPERATING REVENUES	50,555,329	50,865,027
OPERATING EXPENSES		
Operating and maintenance expense	27,074,797	25,369,579
Depreciation expense	11,175,166	11,207,665
TOTAL OPERATING EXPENSES	38,249,963	36,577,244
NET OPERATING INCOME	12,305,366	14,287,783
NONOPERATING INCOME (EXPENSES)		
Investment income	793,339	797,246
Miscellaneous non-operating income/(expense)	(187,848)	(462,913)
Interest on long-term debt	(8,446,701)	(8,980,047)
Amortization of debt discount and expense	547,046	361,178
Gain/(loss) on disposition of assets	(8,410)	(59,840)
NET NONOPERATING INCOME (EXPENSES)	(7,302,574)	(8,344,376)
INCOME BEFORE CONTRIBUTIONS	5,002,792	5,943,407
CAPITAL CONTRIBUTIONS	956,293	2,166,160
CHANGE IN NET POSITION	5,959,085	8,109,567
NET POSITION - BEGINNING OF YEAR	178,600,583	170,491,016
Prior period adjustment-GASB 68	(11,002,199)	-
NET POSITION - ENDING OF YEAR	\$ 173,557,469	\$ 178,600,583

NORTHERN KENTUCKY WATER DISTRICT
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Customer deposits	\$ 285,381	\$ 263,247
Received from customers	51,223,459	50,203,490
Paid to suppliers for goods and services	(13,262,774)	(13,754,455)
Paid to or on behalf of employees for services	(12,331,351)	(11,976,957)
Net Cash Flows From Operating Activities	<u>25,914,715</u>	<u>24,735,325</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(1,163,010)	-
Investment income	793,339	797,246
Net Cash Flows From Investing Activities	<u>(369,671)</u>	<u>797,246</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on capital debt	(11,231,588)	(27,645,031)
Debt proceeds	4,176,704	15,805,000
Interest paid on bonds and notes, net of capitalized interest	(8,372,235)	(9,213,267)
Change in deferred assets, other than amortization	481,435	(176,871)
Acquisition and construction of fixed assets	(13,855,517)	(16,709,641)
(Increase) decrease in restricted funds		
Boone Florence Settlement	308,392	(663)
Bond Proceeds Fund	1,797,438	3,439,033
Debt Service Reserve and Debt Service Account	(1,314,453)	(991,516)
Improvement, Repair and Replacement Fund	1,422,521	9,556,898
Payment of restricted liabilities	1,025,018	371,652
Miscellaneous non-operating income (expense)	(196,258)	(522,753)
Net Cash Flows From Capital and Related Financing Activities	<u>(25,758,543)</u>	<u>(26,087,159)</u>
Net Change in Cash and Cash Equivalents	(213,499)	(554,588)
CASH AND CASH EQUIVALENTS-Beginning of Year	<u>20,796,630</u>	<u>21,351,218</u>
CASH AND CASH EQUIVALENTS-END OF YEAR	<u>\$ 20,583,131</u>	<u>\$ 20,796,630</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income	\$ 12,305,366	\$ 14,287,783
Adjustments to reconcile net operating income to net cash provided by operating activities		
Depreciation	11,175,166	11,207,665
Change in pension expense from deferred outflows	1,473,718	-
(Increase) decrease in assessments receivable	(6,321)	(6,511)
(Increase) decrease in accounts receivable	674,451	(655,026)
(Increase) decrease in inventory supplies	47,387	(93,717)
(Increase) decrease in prepaid expenses	96,307	(335,052)
Increase (decrease) in accounts payable	(62,638)	27,911
Increase (decrease) in accrued payroll and taxes	(78,997)	35,947
Increase (decrease) in other accrued liabilities	4,895	3,078
Increase (decrease) in customer deposits	285,381	263,247
	<u>\$ 25,914,715</u>	<u>\$ 24,735,325</u>

See accompanying notes.

NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014
--

NOTE 1 – REPORTING ENTITY

Description of Entity

The Northern Kentucky Water District (the District) was established August 28, 1996 and became operational January 1, 1997 as a result of a merger agreement executed by the Kenton County Water District No. 1 and the Campbell County Kentucky Water District. The District was organized and operates under the provisions of Kentucky Revised Statutes (Chapter 74). The District owns and operates water production and distribution facilities which are used to furnish water supplies within their service area as approved by the Commonwealth of Kentucky Public Service Commission.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain significant accounting policies followed in the preparation of these financial statements.

Basis of Accounting and Presentation

The District's financial statements are presented on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The District applies all Governmental Accounting Standards Board (GASB) pronouncements as well as Financial Accounting Standards Board (FASB) statements and interpretations, and the Accounting Principles Board (APB) of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

All activities of the District are accounted for within a single proprietary (enterprise) reporting entity. Proprietary entities are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The accounting and financial reporting treatment applied to the District is determined by its measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the balance sheet. Net assets (i.e., total assets net of total liabilities) are segregated into "invested in capital assets, net of related liabilities"; "restricted"; and "unrestricted" components.

Fund Structure

The activities of the accounts included in the accompanying financial statements are summarized below.

General Revenue Account

All monies received by the District as Pledged Receipts and income from the Debt Service Reserve Account are deposited in the General Revenue Account. Transfers from the General Revenue Account to other designated accounts follow the requirements of the General Bond Resolution.

NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014
--

Operation and Maintenance Account

The Operation and Maintenance Account is used to pay operating and maintenance costs of the District in accordance with the Annual Budget

Boone Florence Settlement

This fund contained the settlement funds related to the early termination of water contracts with the City of Florence, Kentucky and the Boone County Water District. By direction of the Public Service Commission of the Commonwealth of Kentucky, the District held these funds in a restricted account and moved the remaining balance for the final year of the settlement into an unrestricted account in 2015.

		2015		2014
Cash and Cash Equivalents	\$	<u> -</u>	\$	<u> 308,392</u>

Bond Proceeds Fund

This fund contains the bond proceeds plus investment interest earned that are available for paying the cost of construction and acquisition contracts relating to the water system as provided in the various bond ordinances.

Debt Service Reserve Account

The Debt Service Reserve Account holds an amount that will equal the aggregate debt service reserve requirement (defined as the maximum annual debt service requirement in any succeeding bond fiscal year). The account assets are:

		2015		2014
Cash and Cash Equivalents	\$	<u>11,093,547</u>	\$	<u>10,987,986</u>
FNMA and FHLB Discount Notes		7,366,809		7,366,530
Accrued Interest Receivable and CD Market Change		96,442		111,599
Total	\$	<u>18,556,798</u>	\$	<u>18,466,115</u>

Debt Service Account

The Debt Service Account accumulates monies for the purpose of paying interest on the bonds when due and payable and paying the principal of the bonds when due and payable. The account assets are:

		2015		2014
Cash and Cash Equivalents	\$	<u>16,903,629</u>	\$	<u>15,679,859</u>
Total	\$	<u>16,903,629</u>	\$	<u>15,679,859</u>

<p>NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014</p>
--

Improvement, Repair and Replacement Account

The Improvement, Repair and Replacement Account are available to make major repairs and replacements and to pay the cost of construction of additions, extensions and improvements to the water system. The account assets are.

		2015		2014
Cash		\$ 1,846,645		\$ 3,269,166
	Total	\$ 1,846,645		\$ 3,269,166

Plant Account

The Plant Account records the utility plant, related accumulated depreciation, funds available for plant additions and the long-term indebtedness of the District.

Summary of Significant Accounting Policies.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the District considers all highly liquid unrestricted debt instruments purchased with a maturity of twelve months or less to be cash equivalents.

The District is authorized by bond resolution to invest in direct obligations of the United States, or obligations guaranteed by the United States, obligations of certain federal agencies and instrumentalities, including U.S. dollar-denominated deposits in commercial banks which are insured by the Federal Deposit Insurance Corporation or fully collateralized by the foregoing, and public housing bonds or project notes issued by public housing authorities annual contribution contracts with the United States or by requisition or payment agreement with the United States.

Investment Policy

General Policy

It is the policy of the District to invest public funds in a manner that will provide the highest investment return with the maximum security of principal while meeting the daily cash flow demands of the District and conforming to all state statutes and District regulations governing the investments of public funds.

NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014
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Authorized Investment Instruments

1. Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, provided that delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian.
2. 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.
3. Obligations of any corporation of the United States government.
4. Certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, by any obligations permitted by Section 41.240(4) of the Kentucky Revised Statutes.

Limitations of Investment Transaction

With regard to the investments authorized, the following limitations shall apply:

No investment shall be purchased for the District on a margin basis or through the use of any similar leveraging technique.

Deposits and Investments

As of December 31, 2015, the District had the following investments:

Certificates of Deposit, \$1,163,010, at fair value.

Custodial Credit Risk – Deposits. For deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned. The District maintains deposits with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). As allowed by law, the depository bank should pledge securities along with FDIC Insurance at least equal to the amount on deposit at all times. As of December 31, 2015, the District's deposits are entirely insured and/or collateralized with securities held by the financial institutions on the District's behalf and the FDIC Insurance.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District had custodial credit risk at December 31, 2015 in the amount of \$1,163,010 for its investments. The related certificates are insured under the FDIC Insurance.

Credit Risk – Investments. The District's investments are subject to minimal credit risk because they are invested in Certificates of Deposit and are insured by the FDIC Insurance.

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

Supplemental Disclosure of Cash Flow Information

<u>Cash Paid For Interest</u> <u>During the Year</u>	<u>2015</u>	<u>2014</u>
Expensed	\$ 8,446,701	\$ 8,980,047
Capitalized	<u>308,920</u>	<u>285,882</u>
Total	<u>\$ 8,755,621</u>	<u>\$ 9,265,929</u>

Accounts Receivable - Customers

The District follows a quarterly cycle billing procedure with approximately one-third of the meters read and billed each month. When meter reading is delayed, estimated bills are rendered to promote consistency of water revenue. In order to accomplish a proper matching of revenues with expenses and to fairly state assets, an analysis is prepared of the final quarterly billings in the year to determine the estimated amount of water delivered but unbilled at year end.

Accounts receivable are stated at their contractual outstanding balances, net of any allowance for doubtful accounts. Accounts are considered past due if any portion of an account has not been paid in full within the contractual terms of the account. The District begins to assess its ability to collect receivables that are over 90 days past due and provides for an adequate allowance for doubtful accounts based on the District's collection history, the financial stability and recent payment history of the customer, and other pertinent factors. Based on these criteria, the District has estimated no allowance for doubtful accounts at December 31, 2015 because it expects no material losses.

Assessments Receivable

Direct assessments from property owners are recorded as a receivable by the District at the time the improvement project is completed.

Inventory

Inventory is valued at cost using the moving average method. Inventories consist of expendable supplies held for new water line installations and maintenance and are charged to expenditures on an "as used" basis.

Prior to 1978, utility plant assets were recorded as expenditures at the time of purchase and capitalized to the Plant Fund. No depreciation was provided on utility plant assets and continuing property records were not maintained.

The District obtained an independent appraisal which includes a detailed listing of District buildings, structures and contents. The appraisal serves as the basis for detailed property records that is updated on a continuous basis.

NORTHERN KENTUCKY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

Utility plant assets are stated at cost or appraised value. Interest related to the financing of projects under construction is capitalized as part of the projects' basis in connection with the various construction projects in progress. The cost of current repairs and maintenance is charged to expense, while the cost of replacements or betterments is capitalized.

Depreciation of the utility plant is computed on the straight-line method over the estimated useful lives of the assets. Useful lives range from:

Water lines and plant	20 to 75 years
Pumping equipment	20 to 35 years
Vehicles and other equipment	4 to 10 years

Miscellaneous Deferred Charges

The bond discounts, premiums, costs of issuance and gains or losses on advance refundings and defeasances are deferred and amortized over the life of the related bonds.

Construction in Progress

Capitalizable costs incurred on projects which are not in use or ready for use are held in construction in progress. When the asset is ready for use, related costs are transferred to utility plant.

Capital Contributions

These contributions represent assessments/reimbursements to recover the costs of new services and extensions of the distribution system. The District does not include the amount of costs incurred and contributed by outside contractors for installation of distribution systems which the District absorbs and provides for their operations and maintenance.

Restricted Net Position

Net position comprise the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net position are classified in the following three components: invested in capital assets, net of related debt; restricted; and unrestricted net assets. Invested in capital assets, net of related debt, consists of all capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction and improvement of those assets. Restricted net position consists of net position for which constraints are place thereon by external parties, such as lenders, grantors, contributors, laws, regulations and enabling legislation, including self-imposed legal mandates. Unrestricted net position consists of all other net assets not included in the above categories.

NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014
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Included in restricted net position at December 31,

	<u>2015</u>	<u>2014</u>
Boone Florence Settlement	\$ -	\$ 308,392
Bond Proceeds Fund	3,492,225	5,289,663
Debt Service Reserve Account	18,556,798	18,466,115
Debt Service Account	16,903,629	15,679,859
Improvement, Repair & Replacement	<u>1,846,645</u>	<u>3,269,166</u>
Total Restricted Assets	40,799,297	43,013,195
Less: Restricted Liabilities	<u>(6,229,716)</u>	<u>(5,130,235)</u>
Total Restricted Net Position	\$ <u>34,569,581</u>	\$ <u>37,882,960</u>

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County Employees Retirement System (CERS) and additions to/deductions from CERS's fiduciary net position have been determined on the same basis as they are reported by CERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Federal Taxes and Other Compliance Returns

Accordinging principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability (or asset) if the District has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken, and has concluded that as of December 31, 2015, there are not uncertain positions taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The District is subject to routine audits by taxing jurisdictions; however, there are no audits for any tax periods currently in progress. Management of the District believes it is no longer subject to income tax examinations for years prior to 2012.

NOTE 3 - ACCOUNTS RECEIVABLE

	<u>2015</u>	<u>2014</u>
Accounts receivable arising from billings of metered water sales	\$ 4,796,712	\$ 5,558,816
Accrual for estimated unbilled water revenue	5,900,000	5,900,000
Other	<u>176,416</u>	<u>88,762</u>
Total net accounts receivable	\$ <u>10,873,128</u>	\$ <u>11,547,578</u>

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

NOTE 4 - BONDED INDEBTEDNESS

Fiscal Court of Kenton County, Kentucky

The Kenton County Water District received a \$100,000 deferred payment loan at 3%. This loan was required as a local match to qualify for a \$750,000 Community Development Block Grant for Phase I of a water project in southern Kenton County. This loan will become due and payable only after sufficient customers in southern Kenton County are obtained in order to reduce the user rates, including surcharges, to approximately \$26.00 per month.

Rural Development Loan

In August 2000, the Northern Kentucky Water District closed on a loan agreement with the Department of Agriculture for the Sub District C Construction project. The amount of the loan was \$2,287,000 with an annual interest rate of 5%. The repayment of the loan is on a 40 year amortization schedule.

The following is a schedule of future debt service requirements to maturity:

Year	Principal Amount	Interest Amount	Total Debt Service
2016	\$ 42,000	\$ 92,600	\$ 134,600
2017	44,000	90,450	134,450
2018	46,000	88,200	134,200
2019	49,000	85,825	134,825
2020	51,000	83,325	134,325
2021-2025	296,000	374,650	670,650
2026-2030	377,000	290,975	667,975
2031-2035	484,000	184,000	668,000
2036-2039	484,000	49,900	533,900
Total	\$ 1,873,000	\$ 1,339,925	\$ 3,212,925

Taylor Mill Purchase Financing

In March 2004, the Water District purchased the assets of the Taylor Mill Water System for \$3,000,000. The purchase price will be paid over 14 years without interest. Payments are due as follows:

Year	Principal Amount
2016	\$ 175,000
2017	175,000
2018	50,000
Totals	\$ 400,000

NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014
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Water District Revenue Bonds, Series 2006

In September 2006, the Northern Kentucky Water District sold \$29,000,000 of its Revenue Bonds to refund the Water District Bond Anticipation Notes, Series 2005 and 2004 and in order to fund various construction projects. The bonds maturing on or after February 1, 2016 are subject to redemption, in whole or in part beginning August 1, 2016 at a redemption price of 100%.

The Water District Revenue Bonds, Series 2006, are scheduled to mature as follows:

<u>Years</u>	<u>Rates</u>	<u>Amount</u>	<u>Amount</u>	<u>Service</u>
2016	4.00%	\$ 980,000	\$ 904,488	\$ 1,884,488
2017	4.00%	1,020,000	864,488	1,884,488
2018	4.00%	970,000	824,688	1,794,688
2019	4.00%	1,010,000	785,088	1,795,088
2020	4.00%	1,320,000	737,663	2,057,663
2021-2025	4.00-4.125%	6,695,000	2,886,103	9,581,103
2026-2030	4.250%	8,230,000	1,326,811	9,556,811
2031	4.250-4.375%	1,880,000	41,125	1,921,125
Totals		\$ <u>22,105,000</u>	\$ <u>8,370,454</u>	\$ <u>30,475,454</u>

Kentucky Infrastructure Authority Loan F06-03

In January, 2007, the District entered into an agreement with the Kentucky Infrastructure Authority (KIA) for a reimbursement loan for the cost of constructing various projects to the District's water system. The full amount of allowable funds is \$4,000,000 at an interest rate of 3.0%, maturing in June, 2028. As of December 31, 2010, all funds have been received.

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total Debt Service</u>
2016	\$ 186,201	\$ 88,785	\$ 274,986
2017	191,828	82,688	274,516
2018	197,627	76,406	274,033
2019	203,600	69,956	273,556
2020	209,754	63,268	273,022
2021-2025	1,147,788	209,076	1,356,864
2026-2028	641,247	31,572	672,819
Totals	\$ <u>2,778,045</u>	\$ <u>621,751</u>	\$ <u>3,399,796</u>

NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014
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Water District Revenue Bonds, Series 2009

In January, 2009, the Northern Kentucky Water District sold \$29,290,000 of its Revenue Bonds to refund the Water District Bond Anticipation Notes, Series 2007 and in order to fund various construction projects. The bonds maturing on or after February 1, 2019 are subject to redemption, in whole or in part beginning August 1, 2019 at a redemption price of 100%.

The Water District Revenue Bonds, Series 2009, are scheduled to mature as follows:

<u>Years</u>	<u>Interest Rates</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total Debt Service</u>
2016	4.250%	\$ 815,000	\$ 1,362,169	\$ 2,177,169
2017	4.750%	850,000	1,324,663	2,174,663
2018	5.000%	895,000	1,282,101	2,177,101
2019	5.000%	940,000	1,236,226	2,176,226
2020	5.125%	990,000	1,187,357	2,177,357
2021-2025	5.250-5.750%	5,825,000	5,055,588	10,880,588
2026-2030	5.750-6.000%	7,775,000	3,104,161	10,879,161
2031-2033	6.000-6.500%	5,940,000	591,089	6,531,089
Totals		\$ <u>24,030,000</u>	\$ <u>15,143,354</u>	\$ <u>39,173,354</u>

Kentucky Infrastructure Authority Loan C08-01

In January, 2009, the District entered into an agreement with the Kentucky Infrastructure Authority (KIA) for a reimbursement loan for the cost of constructing various projects to the District's water system. The full amount of allowable funds is \$6,000,000 at an interest rate of 3.0%. As of December 31, 2010 all funds have been received.

The Kentucky Infrastructure Authority Loan C08-01 is scheduled to mature as follows:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total Debt Service</u>
2016	\$ 606,807	\$ 94,325	\$ 701,132
2017	625,264	74,639	699,903
2018	644,281	54,323	698,604
2019	663,879	33,450	697,329
2020	684,072	11,912	695,984
Totals	\$ <u>3,224,303</u>	\$ <u>268,649</u>	\$ <u>3,492,952</u>

NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014
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Kentucky Infrastructure Authority Loan C08-07

In November, 2008 the District entered into an agreement with the Kentucky Infrastructure Authority (KIA) for a reimbursement loan for the cost of constructing various projects to the District's water system.

The full amount of allowable funds is \$4,000,000 at an interest rate of 1.0%. As of December 31, 2013 all funds have been received.

The Kentucky Infrastructure Authority Loan C08-07 is scheduled to mature as follows:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total Debt Service</u>
2016	\$ 187,134	\$ 42,538	\$ 229,672
2017	189,010	40,193	229,203
2018	190,905	37,824	228,729
2019	192,819	35,431	228,250
2020	194,752	33,015	227,767
2021-2025	1,003,439	127,977	1,131,416
2026-2030	1,054,757	63,832	1,118,589
2031-2032	436,854	6,843	443,697
Totals	\$ <u>3,449,670</u>	\$ <u>387,653</u>	\$ <u>3,837,323</u>

Kentucky Infrastructure Authority Loan F09-02

In October, 2010, the District entered into an agreement with the Kentucky Infrastructure Authority (KIA) for a reimbursement loan for the cost of constructing various projects to the District's water system. The full amount of allowable funds is \$24,000,000 at an interest rate of 2.0%. As of December 31, 2013 all funds have been received.

The Kentucky Infrastructure Authority Loan F09-02 is scheduled to mature as follows:

<u>Years</u>	<u>Amount</u>	<u>Amount</u>	<u>Service</u>
2016	\$ 1,037,114	\$ 477,849	\$ 1,514,963
2017	1,057,960	454,397	1,512,357
2018	1,079,225	430,474	1,509,699
2019	1,100,917	406,071	1,506,988
2020	1,123,045	381,176	1,504,221
2021-2025	5,963,039	1,514,595	7,477,634
2026-2030	6,586,904	812,745	7,399,649
2031-2033	3,547,538	120,524	3,668,062
Totals	\$ <u>21,495,742</u>	\$ <u>4,597,831</u>	\$ <u>26,093,573</u>

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

Water District Revenue Bonds, Series 2011

In May, 2011, the Northern Kentucky Water District sold \$30,830,000 of its Revenue Bonds in order to fund various construction projects. The bonds maturing on or after February 1, 2021 are subject to redemption, in whole or in part, beginning February 1, 2021.

The Water District Revenue Bonds, Series 2011, are scheduled to mature as follows:

<u>Years</u>	<u>Interest Rates</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total Debt Service</u>
2016	3.000%	\$ 930,000	\$ 1,146,512	\$ 2,076,512
2017	3.000%	960,000	1,118,162	2,078,162
2018	3.000%	985,000	1,088,987	2,073,987
2019	3.000%	1,015,000	1,058,987	2,073,987
2020	4.000%	1,055,000	1,022,662	2,077,662
2021-2025	4.00%	5,940,000	4,432,810	10,372,810
2026-2030	4.125-4.500%	7,305,000	3,075,769	10,380,769
2031-2034	4.500-5.000%	9,190,000	1,190,100	10,380,100
Totals		\$ <u>27,380,000</u>	\$ <u>14,133,989</u>	\$ <u>41,513,989</u>

Water District Refunding Revenue Bonds, Series 2012

In June, 2012, the Northern Kentucky Water District issued \$54,840,000 of Refunding Revenue Bonds, Series 2012 for the purpose of refunding in advance of maturity the District's outstanding Revenue Bonds Series 1997, 1998, 2001A and 2002A-REF in the principal amount \$63,350,000. The bonds were sold at a premium of \$9,620,827, for total source of funds of \$64,460,827. The 2012 bonds maturing on or after February, 2022 are subject to redemption after 2022 at a redemption price of 100%.

<u>Year</u>	<u>Interest Rates</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total Debt Service</u>
2016	4.00%	\$ 1,960,000	\$ 2,413,200	\$ 4,373,200
2017	5.00%	2,530,000	2,310,750	4,840,750
2018	5.00%	3,475,000	2,160,625	5,635,625
2019	5.00%	3,650,000	1,982,500	5,632,500
2020	5.00%	4,150,000	1,787,500	5,937,500
2021-2025	5.00%	23,865,000	5,540,125	29,405,125
2026-2027	5.00%	9,810,000	461,000	10,271,000
		\$ <u>49,440,000</u>	\$ <u>16,655,700</u>	\$ <u>66,095,700</u>

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

Water District Revenue Bonds, Series 2013

In June, 2013, the Northern Kentucky Water District sold \$26,400,000 of its Revenue Bonds in order to fund various construction projects. The 2013 bonds maturing on or after February, 2023 are subject to redemption after 2023 at a redemption price of 100%.

The Water District Revenue Bonds, Series 2013, are scheduled to mature as follows:

<u>Years</u>	<u>Interest Rates</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total Debt Service</u>
2016	3.000%	\$ 645,000	\$ 1,083,050	1,728,050
2017	3.000%	665,000	1,063,400	1,728,400
2018	4.000%	685,000	1,039,725	1,724,725
2019	5.000%	720,000	1,008,026	1,728,026
2020	5.000%	755,000	971,151	1,726,151
2021-2025	5.000%	4,405,000	4,232,755	8,637,755
2026-2030	4.000-5.000%	5,560,000	3,076,430	8,636,430
2031-2035	4.125-4.500%	6,855,000	1,781,822	8,636,822
2036-2038	4.125-4.250%	4,865,000	314,911	5,179,911
		<u>\$ 25,155,000</u>	<u>\$ 14,571,270</u>	<u>\$ 39,726,270</u>

Water District Refunding Revenue Bonds, Series 2013B

In September, 2013, the Northern Kentucky Water District issued \$24,120,000 of Refunding Revenue Bonds, Series 2013B for the purpose of refunding advance of maturity the District's outstanding Revenue Bonds Series 2002B, 2003A, and 2003B in the principal amount \$25,685,000. The bonds were sold at a premium of \$1,789,625, for total source of funds of \$25,909,625. The 2013 bonds maturing on or after February, 2023 are subject to redemption after 2023 at a redemption price of 100%.

The reacquisition price exceeded the net carrying amount of the refunded debt by \$364,880. This amount is netted against the new debt and amortized over the remaining life of the new debt. The refunding reduces its total debt service over 18 years by \$1,302,804 and obtains an economic gain (difference between the present values of the old and new debt service) of \$1,081,327.

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

Year	Interest Rates	Principal Amount	Interest Amount	Total Debt Service
2016	4.00%	\$ 2,020,000	\$ 910,450	\$ 2,930,450
2017	5.00%	1,645,000	818,825	2,463,825
2018	5.00%	1,170,000	748,450	1,918,450
2019	5.00%	1,230,000	688,450	1,918,450
2020	5.00%	1,295,000	625,325	1,920,325
2021-2025	4.00-5.00%	7,490,000	2,095,225	9,585,225
2026-2028	4.00-5.00%	5,350,000	401,250	5,751,250
		<u>\$ 20,200,000</u>	<u>\$ 6,287,975</u>	<u>\$ 26,487,975</u>

Water District Refunding Revenue Bonds, Series 2014B

In December, 2014, the Northern Kentucky Water District issued \$15,805,000 of Refunding Revenue Bonds, Series 2014B for the purpose of refunding advance of maturity the District's outstanding Revenue Bonds Series 2003C and 2004 in the principal amount \$16,715,000. The bonds were sold at a premium of \$1,263,374, for total source of funds of \$17,068,374. The 2014 bonds maturing on or after August, 2023 are subject to redemption after 2023 at a redemption price of 100%.

The reacquisition price exceeded the net carrying amount of the refunded debt by \$290,040. This amount is netted against the new debt and amortized over the remaining life of the new debt. The refunding reduces its total debt service over 15 years by \$1,678,190 and obtains an economic gain (difference between the present values of the old and new debt service) of \$1,469,689.

Year	Interest Rates	Principal Amount	Interest Amount	Total Debt Service
2016	5.000%	\$ 1,850,000	\$ 580,388	\$ 2,430,388
2017	5.000%	1,940,000	485,637	2,425,637
2018	5.000%	1,880,000	390,138	2,270,138
2019	5.000%	1,980,000	293,637	2,273,637
2020	5.000%	1,505,000	206,513	1,711,513
2021-2025	3.000-5.000%	2,400,000	595,115	2,995,115
2026-2029	3.000-4.000%	2,250,000	142,833	2,392,833
		<u>\$ 13,805,000</u>	<u>\$ 2,694,261</u>	<u>\$ 16,499,261</u>

Kentucky Infrastructure Authority Loan F13-012 is not yet fully drawn and therefore there is no schedule of maturity.

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

The District is in compliance with Section 726-subsection (iii) of the 1985 General Bond Resolution (as amended November 17, 1987) which requires that the net annual income and revenues, as adjusted, be equal to at least one and twenty hundredths (1.20) times the maximum annual debt service requirement coming due in any future twelve (12) month period beginning February 1, and ending January 31 on all Bonds outstanding payable from pledged receipts.

Changes in long-term debt are as follows:

	December 31, 2014	Additions	Retirements	December 31, 2015
Bond indebtedness				
Series 2006	\$ 23,045,000	\$ -	\$ 940,000	\$ 22,105,000
Series 2009	24,810,000	-	780,000	24,030,000
Series 2011	28,280,000	-	900,000	27,380,000
Series 2012	51,315,000	-	1,875,000	49,440,000
Series 2013A	25,785,000	-	630,000	25,155,000
Series 2013B	22,120,000	-	1,920,000	20,200,000
Series 2014B	15,805,000	-	2,000,000	13,805,000
Rural Development Loan	1,913,000	-	40,000	1,873,000
Total bond indebtedness	193,073,000	-	9,085,000	183,988,000
Taylor Mill purchase note	575,000	-	175,000	400,000
KIA Loan F06-03	2,958,784	-	180,738	2,778,046
KIA Loan F08-07	3,634,945	-	185,276	3,449,669
KIA Loan C08-01	3,813,195	-	588,895	3,224,300
KIA Loan F09-02	22,512,420	-	1,016,679	21,495,741
KIA Loan F13-012	-	4,176,704	-	4,176,704
Deferred Note Payable	100,000	-	-	100,000
Total long-term debt	226,667,344	\$ 4,176,704	\$ 11,231,588	219,612,460
Less Current Portion	<u>(11,231,588)</u>			<u>(11,434,255)</u>
Total long-term debt				
Less Current Portion	\$ 215,435,756			\$ 208,178,205

NOTE 5-EMPLOYEE RETIREMENT SYSTEM

County Employees Retirement System (CERS)

District employees who work at least 100 hours per month participate in the County Employees Retirement System (CERS). Under the provisions of Kentucky Revised Statute 61.645, the Board of Trustees of Kentucky Retirement Systems (KRS) administers the CERS.

The plan issues separate financial statements, which may be obtained by request from Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, Kentucky 40601.

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

General Information about the Pension Plan

Plan Description - CERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all regular full-time members employed in non-hazardous and hazardous positions of each county, District, and school board, and any additional eligible local agencies electing to participate in CERS. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances. Prior to July 1, 2009, cost-of-living (COLA) adjustments were provided annually equal to the percentage increase in the annual average of the consumer price index for all urban consumers for the most recent calendar year, not to exceed 5%.

Effective July 1, 2009, and on July 1 of each year thereafter, the COLA is limited to 1.5% provided the recipient has been receiving a benefit for at least 12 months prior to the effective date of the COLA. If the recipient has been receiving a benefit for less than 12 months prior to the effective date of the COLA, the increase shall be reduced on a pro-rata basis for each month the recipient has not been receiving benefits in the 12 months preceding the effective date of the COLA. The Kentucky General Assembly reserves the right to suspend or reduce the cost-of-living adjustments if, in its judgment, the welfare of the Commonwealth so demands. No COLA has been granted since July 1, 2011.

Non-hazardous Benefits – For members who began contributing to CERS prior to September 1, 2008, final compensation represents the average fiscal year of earnings with the highest monthly average used when calculating your retirement benefit. Final compensation is based on the 5-high creditable compensation years with a minimum of 48 months and a minimum of five fiscal years. Final compensation is determined by dividing the total salary earned during the 5-high years by the number of months worked, then multiplying by twelve. Non-hazardous members, age 65 or older, or with 27 or more years of service are eligible to retire and receive unreduced benefits. Any non-hazardous member, age 55, with a minimum of five years of service may retire with a reduction in benefits.

For non-hazardous members who began contributing to CERS on or after September 1, 2008, any member age 57 or older, may retire with no reduction in benefits if the member's age and years of service equal 87. In addition, a member, age 65, with at least 60 months of service may retire with no reduction in benefits. A member, age 60 or older, with at least 120 months of service credit may retire at any time with a reduction of benefits.

Non-hazardous Contributions - For the year ended June 30, 2015, all plan members who began participating before September 1, 2008, were required to contribute 5% of their annual creditable compensation. Participating employers were required to contribute at an actuarially determined rate. Per Kentucky Revised Statute Section 61.565(3), normal contribution and past service contribution rates shall be determined by the Board on the basis of an annual valuation last preceding the July 1 of a new biennium. The Board may amend contribution rates as of the first day of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial bases adopted by the Board. For the year ended June 30, 2015, participating employers contributed 17.06% of each employee's creditable compensation. The actuarially determined rate set by the Board for the year ended June 30, 2015 was 17.06% of creditable compensation. Administrative costs of Kentucky Retirement System are financed through employer contributions and investment earnings.

In accordance with House Bill 1, signed by the Governor on June 27, 2008, plan members who began participating on, or after, September 1, 2008, were required to contribute a total of 6% of their annual creditable compensation. Five percent of the contribution was deposited to the member's account while

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

1% was deposited to an account created for the payment of health insurance benefits under 26 USC Section 401(h) in the Pension Fund (see Kentucky Administrative regulation 102 KAR 1:420E). Interest is paid each June 30 on members' accounts at a rate of 2.5%. If a member terminates employment and applies to take a refund, the member is entitled to a full refund of contributions and interest; however, the 1% contribution to the 401(h) account is non-refundable and is forfeited. For plan members who began participating prior to September 1, 2008, their contributions remain at 5% of their annual creditable compensation.

In accordance with Senate Bill 2 signed by the Governor on April 4, 2013, plan members who began participating on, or after, January 1, 2014, were required to participate to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own account. Non-hazardous members contribute 5% of their annual creditable compensation and 1% to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the Board based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A member's account is credited with a 4% employer pay credit. The employer pay credit represents a portion of the employer contribution.

Contributions to the non-hazardous pension plan from the District were \$1,429,517 for the year ended December 31, 2015.

Hazardous Contributions – For the year ended June 30, 2015, all plan members who began participating before September 1, 2008, were required to contribute 8% of their annual creditable compensation. The state was required to contribute at an actuarially determined rate. Per Kentucky Revised Statue Section 61.565(3), normal contribution and past service contribution rates shall be determined by the Board on the basis of an annual valuation last preceding the July 1 of a new biennium. The Board may amend contribution rates as of the first day of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial bases adopted by the Board. For the year ended June 30, 2015, participating employers contributed 34.31% of each employee's creditable compensation. The actuarially determined rate set by the Board for the year ended June 30, 2015 was 34.31% of creditable compensation. Administrative costs of KRS are financed through employer contributions and investment earnings.

In accordance with House Bill 1, signed by the Governor on June 27, 2008, plan members who began participating on, or after, September 1, 2008, were required to contribute a total of 9% of their annual creditable compensation. Eight percent of the contribution was deposited to the member's account while 1% was deposited to an account created for the payment of health insurance benefits under 26 USC Section 401(h) in the Pension Fund (see Kentucky Administrative regulation 102 KAR 1:420E). Interest is paid each June 30 on members' accounts at a rate of 2.5%. If a member terminates employment and applies to take a refund, the member is entitled to a full refund of contributions and interest; however, the 1% contribution to the 401(h) account is non-refundable and is forfeited. For plan members who began participating prior to September 1, 2008, their contributions remain at 8% of their annual creditable compensation.

<p>NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014</p>

In accordance with Senate Bill 2 signed by the Governor on April 4, 2013, plan members who began participating on, or after, January 1, 2014, were required to participate to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own account. Hazardous members contribute 8% of their annual creditable compensation and 1% to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the Board based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A member's account is credited with a 7.5% employer pay credit. The employer pay credit represents a portion of the employer contribution.

The District has no hazardous pension contributions.

Insurance Benefits

Plan Description – The Kentucky Retirement Insurance Fund (Fund) was established to provide hospital and medical insurance for members receiving benefits from KERS, CERS and SPRS. The Fund pays a prescribed contribution for the whole or partial payment of required premiums to purchase hospital and medical insurance. The Fund pays the same proportion of hospital and medical insurance premiums for the spouse and dependents of retired hazardous members killed in the line of duty.

Insurance Benefits – For members participating prior to July 1, 2003, the amount of contribution paid for hospital and medical insurance is based on the years of service and respective percentages of the maximum contribution as follows:

<u>Years of Service</u>	<u>% Paid by Insurance Fund</u>
20 or More	100%
15-19	75%
10-14	50%
4-9	25%
Less than 4	0%

As a result of House Bill 290 (2004 Kentucky General Assembly), medical insurance benefits are calculated differently for members who began participating on, or after, July 1, 2003. Once members reach a minimum vesting period of ten years, non-hazardous employees whose participation began on, or after, July 1, 2003 earn \$10 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. Hazardous employees whose participation began on, or after, July 1, 2003 earn \$15 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. Upon death of a hazardous employee, the employee's spouse receives \$10 per month for insurance benefits for each year of the deceased employee's earned hazardous service. This dollar amount is subject to adjustment annually based on the retiree cost of living adjustment (COLA), which is updated annually due to changes in the Consumer Price Index for all urban consumers. This benefit is not protected under the inviolable contract provisions of the Kentucky Revised Statute 16.652, 61.692 and 78.852. The Kentucky General Assembly reserves the right to suspend or reduce this benefit if, in its judgment, the welfare of the Commonwealth so demands.

<p>NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014</p>
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Insurance Contributions – In prior years, the employer's required medical insurance contribution rate was being increased annually by a percentage that would result in advance-funding the medical liability on an actuarially determined basis using the entry age normal cost method within a 20-year period measured from 1987. In November 1992, the Board of Trustees adopted a fixed percentage contribution rate and suspended future increases under the current medical premium funding policy until the next experience study could be performed. In May 1996, the Board of Trustees adopted a policy to increase the insurance contribution rate by the amount needed to achieve a target rate for the full entry age normal funding within 20 years.

KRS commenced self-funding of healthcare benefits for its Medicare eligible retirees on January 1, 2006. A self-funded plan is one in which KRS assumes the financial risk for providing healthcare benefits to its retirees. The self-funded plan pays for claims out-of-pocket as they are presented instead of paying a pre-determined premium to an insurance carrier for a fully-insured plan. KRS funds the risk of its self-insured program directly from its insurance assets.

On August 6, 2012, the board voted to cease self-funding of healthcare benefits for most KRS Medicare eligible retirees. The Board elected to contract with Humana Insurance Company to provide healthcare benefits to KRS' retirees through a fully-insured Medicare Advantage Plan. The Humana Medicare Advantage Plan became effective January 1, 2013.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the District reported a liability of \$14,819,690 for its proportionate share of the net pension liability for non-hazardous. The District's net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2015, the District's proportion was 0.3447 percent for non-hazardous.

For the year ended December 31, 2015, the District recognized pension expense of \$714,758 for non-hazardous and, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience.	\$ 98,525	-
Change in assumptions.	1,195,523	-
Net difference between projected and actual earnings on pension plan investments.	106,277	-
Changes in proportion and difference between contributions and proportionate share of contributions.	228,690	-
Contributions subsequent to the measurement date.	714,758	-
Total	<u>\$ 2,343,773</u>	<u>\$ -</u>

<p>NORTHERN KENTUCKY WATER DISTRICT NOTES TO FINANCIAL STATEMENTS December 31, 2015 and 2014</p>
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The \$2,343,773 reported as deferred outflows of resources relating to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Nonhazardous
2016	\$ 407,254
2017	407,254
2018	407,254
2019	407,254
2020	-
Totals	<u>1,629,016</u>

Actuarial Assumptions – The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25 percent
Salary increases	4.0 percent, average, including inflation
Investment rate of return	7.5 percent, net of pension plan investment expense, including inflation

The Mortality Table for active members is RP-2000 Combined Mortality table projected with Scale BB to 2013 multiplied by 50% for males and 30% for females. The rates of mortality healthy retired members and their beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 multiplied by 50% for males and 30% for females and setback one year for females. For disabled members, the RP-2000 Combined mortality Table projected with Scale BB to 2013 setback four years for males is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2015 valuation were based on results of an actuarial experience study for the period July 1, 2008 - June 30, 2013.

The long-term expected return on system assets is reviewed as part of the regular experience studies prepared every five years. The most recent analysis, performed for the period covering fiscal years 2008 through 2013, is outlined in a report submitted April 30, 2014. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return and net of investment expense) were developed by the investment consultant for each major asset class. These ranges were combined to produce long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which cover a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, or a fundamental change in the market that alters expected returns in future years. The

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Return
Combined equity	44%	5.40%
Combined fixed income	19%	1.50%
Real return (Diversified Inflation Strategies)	10%	3.50%
Real estate	5%	4.50%
Absolute return (Diversified Hedge funds)	10%	4.25%
Private equity	10%	8.50%
Cash equivalent	2%	-0.25%
Total	100%	

Discount Rate – The discount rate determination does not use a municipal bond rate. Projected future benefit payments for all current plan members were projected through 2017.

The projection of cash flows used to determine the discount rate assumed that local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 28 year amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase in of anticipated gains on actuarial value of assets over the first four years of the projection period.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The discount rate used to measure the total pension liability for the system was 7.5% for both, nonhazardous and hazardous. The following presents the net pension liability calculated using the discount rate of percent, as well as what the systems' net position liability would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate for non-hazardous and (6.5%) or one percentage point higher (8.5%) than the current rate for hazardous (\$ thousands):

CERS	1% Decrease 6.50%	Discount Rate 7.50%	1% Increase 8.50%
Non-hazardous	\$ 5,488,878	\$ 4,299,525	\$ 3,280,950
Hazardous	\$ 1,964,988	\$ 1,535,106	\$ 1,178,941

Pension Plan Fiduciary Net Position – Detailed information about the plan's fiduciary net position is available in the separately issued CERS financial report.

401(k) Plan and 457 Plan

The District also permits employees to participate in a voluntary 401(k) or 457 plan. There is no employer match.

NOTE 6 – OPERATING LEASES

The District is obligated under certain non-cancelable leases for equipment. The leases expire at various dates through April, 2019. Lease expense for the years ended December 31, 2014 and 2015 was \$13,950 and \$12,920.

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of December 31, 2015 are:

<u>Years Ending</u> <u>December 31,</u>	
2016	\$ 12,920
2017	12,920
2018	12,920
2019	3,230
	<u>\$ 41,990</u>

NOTE 7-CHANGES IN UTILITY PLANT IN SERVICE

The changes in utility plant in service are as follows:

	December 31, 2014	Additions	Retirements	December 31, 2015
Land and land rights	\$ 3,291,127	\$ -	\$ -	\$ 3,291,127
Structures and improvements	117,021,635	198,495	8,192	117,211,938
Lake river and other intakes	1,463,171	-	-	1,463,171
Supply mains	2,865,693	-	-	2,865,693
Power generation plant	3,491,523	-	-	3,491,523
Pumping equipment	11,385,253	120,035	32,525	11,472,763
Water treatment equipment	29,907,736	58,906	76,149	29,890,493
Distribution reservoirs and standpipes	9,567,871	-	-	9,567,871
Transmissions and distribution mains	180,256,241	6,903,613	478,496	186,681,358
Services	27,412,353	1,413,469	363,716	28,462,106
Meters and meter installations	17,761,023	755,175	105,420	18,410,778
Hydrants	8,542,052	316,187	43,656	8,814,583
Other plant and miscellaneous equipment	3,519,417	11,803	112,092	3,419,128
Office furniture and equipment	3,654,466	56,385	171,229	3,539,622
Transportation equipment	3,417,164	138,744	160,505	3,395,403
Tools, shop and garage equipment	607,330	131,208	70,299	668,239
Laboratory equipment	453,970	42,819	-	496,789
Power operated equipment	1,248,832	44,326	34,526	1,258,632
Communication equipment	6,283,210	-	5,842	6,277,368
Miscellaneous equipment	576,919	4,205	-	581,124
Utility plant acquisition adjustment	545,925	-	-	545,925
Acquisition adjustment-Newport	4,970,211	-	-	4,970,211
Total depreciable utility plant assets	438,243,122	10,195,370	1,662,647	446,775,845
Construction in progress	22,260,422	5,016,819	-	27,277,241
Total	460,503,544	15,212,189	1,662,647	474,053,086
Less. accumulated depreciation	(120,945,977)			(130,858,875)
Net utility plant in service	\$ 339,557,567			\$ 343,194,211

NORTHERN KENTUCKY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

NOTE 8 – ECONOMIC DEPENDENCY

The District receives all of its operating revenues from customers in the Kenton, Campbell, Boone and Pendleton counties of Kentucky.

NOTE 9 – CONTINGENT LIABILITIES

The District is a defendant in various lawsuits. Although the outcome of certain of these lawsuits is not presently determinable, in the opinion of the District's Management the resolution of these matters will not result in a material uninsured liability to the District.

NOTE 10 – SUBSEQUENT EVENTS

Effective in January, 2016 there was a phase in increase in rates and charges at various amounts depending on consumption.

The date to which events occurring after December 31, 2015, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is April 21, 2016, which is the date on which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

NORTHERN KENTUCKY WATER DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
For the Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>
Non-hazardous:		
Contractually required contribution	\$ 1,429,517	\$ 1,483,609
Contributions in relation to the contractually required contribution	1,429,517	1,483,609
Contribution deficiency (excess)	\$ <u><u>-</u></u>	<u><u>-</u></u>
District's covered payroll	\$ 7,972,340	\$ 7,931,952
Contributions as a percentage of covered-employee payroll	17.93%	18.70%

NORTHERN KENTUCKY WATER DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY-
NON-HAZARDOUS
For the Year Ended December 31, 2015

	June 30, 2015
Non-hazardous:	
District's proportion of the net pension liability	0.3447%
District's proportionate share of the net pension liability	\$ 14,819,690
District's covered-employee payroll (Calendar year 2015)	\$ 7,972,340
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	185.89%
Plan fiduciary net position as a percentage of the total pension liability	59.97%

NORTHERN KENTUCKY WATER DISTRICT
STATEMENT OF COMPARISON OF BUDGET TO ACTUAL
Year Ended December 31, 2015

	2015	
	Budget	Actual
OPERATING REVENUES		
Water sales	\$ 49,547,770	\$ 48,776,304
Forfeited discounts	848,138	832,463
Rents from property	553,000	567,932
Other water revenues	367,340	378,630
TOTAL OPERATING REVENUES	51,316,248	50,555,329
OPERATING EXPENSES		
Operation maintenance and administration	27,161,761	27,074,797
Depreciation	-	11,175,166
TOTAL OPERATING EXPENSES	27,161,761	38,249,963
NET OPERATING INCOME	24,154,487	12,305,366
NON-OPERATING INCOME (EXPENSES)		
Investment income	802,000	793,339
Miscellaneous non-operating income (expense)	(153,515)	(187,848)
Interest on long-term debt	(8,953,589)	(8,446,701)
Amortization of debt discount and expense	-	547,046
Gain/(loss) on disposition of assets	-	(8,410)
NET NON-OPERATING INCOME (EXPENSES)	(8,305,104)	(7,302,574)
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	15,849,383	5,002,792
CAPITAL CONTRIBUTIONS	-	956,293
CHANGE IN NET POSITION	\$ 15,849,383	\$ 5,959,085

The Budget was not amended for 2015. Depreciation and capital contributions are not budgeted. The District budget is for planning purposes and is not a required legally adopted process.

NORTHERN KENTUCKY WATER DISTRICT
STATEMENTS OF WATER OPERATING REVENUE
Years Ended December 31, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Metered sales		
Sales to residential customers	\$ 29,945,579	\$ 30,212,926
Sales to commercial customers	7,060,233	7,188,701
Sales to industrial customers	3,724,937	3,756,997
Sales to public authorities	2,348,548	2,265,395
Sales to multiple family dwellings	4,141,377	4,112,073
Sales through bulk loading stations	68,116	81,604
Total metered sales	47,288,790	47,617,696
Fire protection revenue	43,397	52,747
Sales for resale	1,444,117	1,437,713
Total sales of water	48,776,304	49,108,156
Other water revenue	1,779,025	1,756,871
TOTAL OPERATING REVENUES	\$ 50,555,329	\$ 50,865,027

NORTHERN KENTUCKY WATER DISTRICT
STATEMENTS OF COMBINED OPERATION AND MAINTENANCE EXPENSES
Years Ended December 31, 2015 and 2014

	2015	2014
OPERATION AND MAINTENANCE EXPENSES		
Salaries and wages	\$ 7,972,340	\$ 7,931,952
Employee pensions and benefits	5,753,732	4,080,952
Taxes other than income taxes	566,732	566,125
Purchased power	2,491,367	2,834,628
Chemicals	2,844,729	2,170,435
Materials and supplies	2,303,921	2,453,643
Contractual services	3,227,497	3,165,151
Transportation expenses	585,911	668,840
Insurance	507,786	654,119
Bad debt expense	363,373	417,320
Miscellaneous expense	344,025	317,636
Regulatory Commission assessment	113,384	108,778
TOTAL OPERATION AND MAINTENANCE EXPENSES	\$ 27,074,797	\$ 25,369,579

NORTHERN KENTUCKY WATER DISTRICT

SCHEDULE OF INSURANCE COVERAGES

December 31, 2015

Company	Policy Number	Description of Coverage	Amount of Coverage	Effective Period	
				From	To
Travelers Insurance	ZLP14T8065315	General Liability	\$ 1,000,000	1/1/2015	1/1/2016
	ZUP14T8066515	Umbrella	19,000,000		
	ZLP14T8065315	Public Officials	1,000,000		
	H8102721X112CO	Automobile Liability	1,000,000		
	H6302721X112TIL	Property	268,166,889		
	H6302721X112TIL	Boiler machinery	268,166,889		
	H6302721X112TIL	Employee Dishonesty	500,000		
Kentucky Employers Mutual Insurance	ZPL14P0759915	Cyber Liability	2,000,000	7/1/2015	7/1/2016
	WC 338786	Worker's Compensation	1,000,000		
Cincinnati Insurance	8877071	Fidelity Bond	Per Application	8/20/2014	12/31/15
Great American Insurance	PEL1093742	Pollution Liability	15,000,000	1/1/2013	1/1/2016

NORTHERN KENTUCKY WATER DISTRICT

RATES, RULES AND REGULATIONS

December 31, 2015

RETAIL WATER RATES

(Effective 4/13/15)

1. Monthly Service Rate

First	1,500 cubic feet	\$4.25 per 100 cubic feet
Next	163,500 cubic feet	\$3.53 per 100 cubic feet
Over	165,000 cubic feet	\$2.72 per 100 cubic feet

Sub district A shall be assessed a monthly surcharge in the amount of \$7.97

Sub district B shall be assessed a monthly surcharge in the amount of \$17.16

Sub district C shall be assessed a monthly surcharge in the amount of \$17.07

Sub district D shall be assessed a monthly surcharge in the amount of \$30.00

Sub district R shall be assessed a monthly surcharge in the amount of \$19.73

Sub district RL shall be assessed a monthly surcharge in the amount of \$35.81

Sub district E shall be assessed a monthly surcharge in the amount of \$30.00

Bromley Crs. Spgs/St. Johns, Whitaker/McDonald, Fiskburg Road (KY 17 to 1.2 mi),

Oliver Road – McCullum to Harris. Phase 2; Ky 177, Bethel Grove, Brandy Lane,

Vise's Train, Licking Sta. Road. Phase 3; Ky 177, Kenton Station (Rector to Ky 177),

and Ishmael Road (Ky 177 to 1000 ft).

Sub district RF shall be assessed a monthly surcharge in the amount of \$23.00

KY 177 to Decoursey, Porter Road, Tecumseh Lane, and Short Marshall

Sub District F shall be assessed a monthly surcharge in the amount of \$21.96

Sub District G. shall be assessed a monthly surcharge in the amount of \$25.73

Sub District H. shall be assessed a monthly surcharge in the amount of \$30.00

Sub District I. shall be assessed a monthly surcharge in the amount of \$30.00

Sub District K. shall be assessed a monthly surcharge in the amount of \$8.19

Sub District M. shall be assessed a monthly surcharge in the amount of \$30.00

2. Quarterly Rates

First	1,500 cubic feet	4,500 cubic feet	\$4.25 per 100 cubic feet
Next	163,500 cubic feet	490,500 cubic feet	\$3.53 per 100 cubic feet
Over	165,000 cubic feet	495,000 cubic feet	\$2.72 per 100 cubic feet

3. Fixed Service Charge

<u>Meter Size</u>		<u>Monthly</u>		<u>Quarterly</u>
5/8"	\$	14.20	\$	28.40
3/4"	\$	14.60	\$	29.90
1"	\$	16.00	\$	34.30
1 1/2"	\$	18.00	\$	40.50
2"	\$	22.70	\$	56.90
3"	\$	54.90	\$	177.00
4"	\$	68.80	\$	221.80
6"	\$	101.90	\$	327.80
8"	\$	137.60	\$	447.90
10" and larger	\$	183.00	\$	584.80

NORTHERN KENTUCKY WATER DISTRICT

RATES, RULES AND REGULATIONS

December 31, 2015

WHOLESALE WATER RATES

Bullock Pen Water District	\$3.26 per 1,000 gallons (or) \$2.44 per 100 cubic feet
City of Walton	\$3.26 per 1,000 gallons (or) \$2.44 per 100 cubic feet
Pendleton County	\$3.26 per 1,000 gallons (or) \$2.44 per 100 cubic feet

MISCELLANEOUS SERVICE FEES

Service Area Non-Recurring Charges:

Returned Check Charge	\$ 20.00
Water Hauling Station	\$ 5.68 per 1,000 gallons
Reconnection Fee	\$ 25.00
Overtime Charge	\$ 60.00

**NORTHERN KENTUCKY
WATER DISTRICT
MEMBERS OF THE COMMISSION AND ADMINISTRATIVE STAFF
December 31, 2015**

COMMISSIONERS

TERM EXPIRES

Douglas C. Wagner, Treasurer	August 26, 2017
Fred A. Macke, Jr., Chair	August 26, 2016
David M. Spaulding, Esq., Secretary	August 28, 2019
Clyde Cunningham, Vice-Chair	August 28, 2019
Dr. Patricia Sommerkamp	August 28, 2017
Andrew Collins	July 31, 2016

ADMINISTRATIVE STAFF

C. Ronald Lovan, PE, President/CEO

Jack Bragg, CPA., MBA, Vice President of Finance and Support Services (To 12/31/15)
Lindsey Rehtin, CPA, Acting Vice President of Finance and Support Services (Effective 1/1/16)
Amy Kramer, PE, Acting Vice President of Engineering, Water Quality and Production
(To 12/31/15, to full status, effective 1/1/16)

NORTHERN KENTUCKY WATER DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
Department of Housing and Urban Development Community Development Block Grants/Entitlement Grants Passed Through Kentucky Department of Local Government and Passed Through Kenton County Fiscal Court Kenton County Unserved Water Project 2012	14.218	12-056	\$ 100,000
Environmental Protection Agency Capitalization Grants for Drinking Water State Revolving Funds/ American Recovery and Reinvestment Act Passed Through Kentucky Infrastructure Authority Kenton and Campbell County Water Main Projects	66.468 66.468	F13-012 F14-015	\$ 2,699,885 \$ 2,130,721
U.S. Department of Agriculture, Rural Utilities Service	10 770		\$ 134,562

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance, therefore, some amounts presented in this Schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Note 2 - Outstanding Notes

Total Kentucky Infrastructure Authority loans outstanding at December 31, 2015 totaled \$35,124,460. Loans outstanding at December 31, 2014 totaled \$32,919,344, for a net increase of \$2,205,116.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MAT-
TERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**To the Board of Commissioners
Northern Kentucky Water District
Erlanger, Kentucky**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Northern Kentucky Water District, as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Northern Kentucky Water District's basic financial statements and have issued our report thereon dated April 21, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Northern Kentucky Water District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Northern Kentucky Water District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Northern Kentucky Water District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Northern Kentucky Water District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RANKIN, RANKIN & COMPANY

A handwritten signature in cursive script that reads "Rankin, Rankin + Company".

**Ft. Wright, Kentucky
April 21, 2016**

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**Board of Commissioners
Northern Kentucky Water District
Erlanger, Kentucky**

Report on Compliance for Each Major Federal Program

We have audited the Northern Kentucky Water District's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended December 31, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Northern Kentucky Water District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, that are required to be reported in accordance with the Uniform Guidance. Our opinion on each major federal program is not modified with respect to this matter.

Report on Internal Control over Compliance

Management of the Northern Kentucky Water District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

RANKIN, RANKIN & COMPANY

Rankin, Rankin & Company

**Ft. Wright, Kentucky
April 21, 2016**

NORTHERN KENTUCKY WATER DISTRICT

Schedule of Findings and Questioned Costs

Year Ended December 31, 2015

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting?	
• Material weakness(es) identified?	None
• Significant deficiency(ies) identified not considered to be material weaknesses?	None
Noncompliance material to the financial statements noted?	None

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	None
• Significant deficiency(ies) identified not considered to be material weaknesses?	None

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings that are required to be Reported in accordance with the Uniform Guidance. None

Identification of major programs:

- CFDA 66.468 Capitalization Grants for Drinking Water

Dollar threshold to distinguish between Type A and Type B Programs: \$300,000

Auditee qualified as low-risk auditee? No

Section II – Financial Statement Findings

No matters reported.

Findings and Questioned Costs –
Major Federal Award Programs Audit

No matters reported.

NORTHERN KENTUCKY WATER DISTRICT
SUMMARY SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015

PRIOR YEAR - FINANCIAL STATEMENT FINDINGS

No matters were reported.

PRIOR YEAR - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

NORTHERN KENTUCKY WATER DISTRICT

Summary of Savings and Revised Payments

Northern Kentucky Water District							
Refunding Revenue Bonds Series 2016							
Current Payments to Be Refunded				New Bond payments			Savings
Year	Series 2006	Series 2009	Payment Totals	Principal Portion	Interest Portion	Payment Totals	Annual Savings
2017	\$1,884,488	\$2,174,663	\$4,059,151	\$2,745,000	\$1,128,775	\$3,873,775	\$185,376
2018	\$1,794,688	\$2,177,100	\$3,971,788	\$2,655,000	\$1,133,735	\$3,788,735	\$183,053
2019	\$1,795,088	\$2,176,225	\$3,971,313	\$2,680,000	\$1,106,378	\$3,786,378	\$184,935
2020	\$2,057,663	\$2,177,356	\$4,235,019	\$2,985,000	\$1,068,580	\$4,053,580	\$181,439
2021	\$1,890,584	\$2,174,688	\$4,065,272	\$2,860,000	\$1,020,453	\$3,880,453	\$184,819
2022	\$1,889,847	\$2,177,825	\$4,067,672	\$2,920,000	\$965,513	\$3,885,513	\$182,159
2023	\$1,999,675	\$2,176,363	\$4,176,038	\$3,090,000	\$900,778	\$3,990,778	\$185,260
2024	\$1,897,028	\$2,174,550	\$4,071,578	\$3,065,000	\$826,930	\$3,891,930	\$179,648
2025	\$1,903,969	\$2,177,263	\$4,081,232	\$3,155,000	\$745,236	\$3,900,236	\$180,996
2026	\$1,907,288	\$2,175,356	\$4,082,644	\$3,245,000	\$654,803	\$3,899,803	\$182,841
2027	\$1,906,944	\$2,177,025	\$4,083,969	\$3,345,000	\$556,739	\$3,901,739	\$182,230
2028	\$1,908,731	\$2,176,725	\$4,085,456	\$3,455,000	\$447,856	\$3,902,856	\$182,600
2029	\$1,917,331	\$2,175,875	\$4,093,206	\$3,585,000	\$329,040	\$3,914,040	\$179,166
2030	\$1,916,513	\$2,174,175	\$4,090,688	\$3,705,000	\$203,258	\$3,908,258	\$182,430
2031	\$1,921,125	\$2,176,175	\$4,097,300	\$3,845,000	\$69,210	\$3,914,210	\$183,090
2032	\$0	\$2,176,338	\$2,176,338	\$0	\$0	\$0	\$2,176,338
2033	\$0	\$2,178,575	\$2,178,575	\$0	\$0	\$0	\$2,178,575
Totals	\$28,590,962	\$36,996,277	\$65,587,239	\$47,335,000	\$11,157,284	\$58,492,284	\$7,094,955
Gross Savings Amt.		\$7,094,955		Combined Prior Interest Rate			5.451%
				Series 2016 True Int. Cost			3.115%
				Interest Rate Reduction			2.336%

**NORTHERN KENTUCKY WATER
DISTRICT**

Notice of Intent to Issue Securities

Northern Kentucky Water District

May 11, 2016

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

Re: Northern Kentucky Water District
Notice of Intent to Issue Refunding Securities

Dear Ms. Dunahoo:

Pursuant to the regulations of the Kentucky Public Service Commission, specifically 807 KAR 5:001: Section 18(1)(g), please be advised that the Northern Kentucky Water District (the "District") hereby notifies the State Local Debt Officer that the District intends on issuing securities in the form of a revenue bond for the purpose of refunding two existing revenue bonds in order to achieve substantial interest cost savings for the District.

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

Very truly yours,

The Northern Kentucky Water District



By: Lindsey Rechten

NORTHERN KENTUCKY WATER
DISTRICT

Affidavit

AFFIDAVIT

Commonwealth of Kentucky


County of Kenton

Affiant, Lindsey Rechten, after being first sworn, deposes and says that she is the Vice-President of Finance and Support Services of Northern Kentucky Water District; that she is authorized to submit this Petition on behalf of Northern Kentucky Water District, and that the information contained in the Petition is true and correct to the best of her knowledge and belief except as to those matters that are based on information provided to her and as to those she believe to be true and correct.



Signature of Officer

This instrument was produced, signed, and declared by Lindsey Rechten to be her act and deed the 27 day of July 2016



Notary Public
Registration Number 486788

My Commission expires: May 6, 2017

