

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

IN THE MATTER OF:

**THE APPLICATION OF THE TODD COUNTY )  
WATER DISTRICT TO ISSUE SECURITIES IN )  
THE APPROXIMATE PRINCIPAL AMOUNT OF )  
\$2,581,000 FOR THE PURPOSE OF REFUNDING ) CASE NO. 2019 - 000434  
CERTAIN OUTSTANDING OBLIGATIONS OF )  
THE DISTRICT PURSUANT TO THE )  
PROVISIONS OF KRS 278.300 AND 807 KAR 5:001 )**

**\*\*      \*\*\*      \*\*\*\*\*      \*\*\*\*\*      \*\*\*\*\*      \*\*\*      \*\***

**APPLICATION**

The Applicant, Todd County Water District (the "District"), files this Application pursuant to KRS 278.300, 807 KAR 5:001, and all other applicable laws and regulations, and requests that the Kentucky Public Service Commission (the "Commission") enter an Order authorizing the District to issue certain securities in the approximate principal amount of \$2,581,000 (subject to adjustment of up to 10%), for the purpose of refunding certain outstanding waterworks revenue bonds of the District. In support of this Application, and in compliance with the rules and regulations of the Commission, the District states as follows:

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

all records and proceedings of the Commission with reference to the District are incorporated in this Application by reference. The District does not have any Articles of Incorporation due to the fact that it is a statutory entity.

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

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

Todd County Water District  
c/o Ms. Carla Moody, Office Manager  
2201 New Highway 68 W  
Elkton, Kentucky 42220  
Telephone: (270) 265-2229  
Fax: (270) 265-2035  
email: [tcwd00@gmail.com](mailto:tcwd00@gmail.com)

4. A general description of the District's water system property, together with a statement of the original cost, is contained in the District's Annual Report for 2018 which is on file with the Commission. The Annual Report is incorporated herein by reference.

5. The District proposes to borrow funds from KRWFC pursuant to an Assistance Agreement (the "KRWFC Loan"), in the estimated principal amount of \$2,581,000 (subject to adjustment of up to 10%) for the purpose of (a) refunding certain outstanding revenue bonds of the District designated as (i) Todd County Water District Waterworks Revenue Bonds, Series 2005, dated August 9, 2006, in the original principal amount of \$1,100,000, bearing interest at the rate of 4.125% per annum (the "2005 Bonds") currently held by the United States Department of Agriculture, acting through Rural Development ("RD"); and (ii) Todd County Water District Waterworks Revenue Bonds, Series 2008, dated September 16, 2009, in the original principal

amount of \$1,800,000, bearing interest at the rate of 4.125% per annum (the "2008 Bonds") currently held by RD, (hereinafter, the 2005 Bonds and the 2008 Bonds are collectively referred to as the "Prior Bonds"); and (b) paying the costs of issuance of the KRWFC Loan.

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

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

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

9. It is anticipated that the proposed refunding of the Prior Bonds will result in a net present value benefit of approximately \$261,230.27. These savings are shown on the Debt Service Comparison, which is attached hereto and incorporated herein by reference as **Exhibit "C"**.

10. The final principal amount of the KRWFC Loan will be adjusted based upon final interest rates which will be known on or about the date of sale of the proposed KRWFC Loan. Final financial figures will be submitted to the Commission in a timely manner. The Applicant will not issue the securities if interest rates in the bond market shift to a point where the Applicant will not achieve any debt service savings.

11. The Debt Service Schedules of the outstanding Prior Bonds are set forth in **Exhibit "D"**.

12. The District represents that the KRWFC Loan is in the public interest and is intended to accomplish the purpose of strengthening the financial condition of the District by producing substantial debt service savings. This is a lawful object within the corporate purposes of the District's utility operations. The KRWFC Loan is necessary, appropriate for, and consistent with the proper performance by the District of its service to the public and will not impair its ability to perform that service.

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

14. The detailed Statement of Revenues, Expenses and Changes in Fund Net Position, Statement of Net Position, and Statement of Cash Flows for the twelve month period ending on December 31, 2018 are attached hereto and incorporated herein by reference as **Exhibit "E"** respectively.

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

- (i) Section 12(1)(b): The District states that it had less than \$5,000,000 in gross annual revenue in the immediate past calendar year and that no material changes to the District's financial condition have occurred since the end of the twelve (12) month period contained in the District's most recent annual report on file with the Commission.

- (ii) Section 12(2)(a), (b) and (c) Stock: The District does not have any authorized, issued or outstanding stock as of the date hereof.
  - (iii) Section 12(2)(d) Mortgages: The District does not have any outstanding mortgages as of the date hereof.
  - (iv) Section 12(2)(e), (f) and (g) Indebtedness: The information concerning the outstanding indebtedness of the District is contained in the 2018 Annual Report on file with this Commission.
  - (v) Section 12(2)(h) Dividends: The District has no outstanding stock and therefore pays no dividends.
  - (vi) Section 12(2)(i) Financial Statements: See paragraph #14 above.
16. Pursuant to 807 KAR 5:001, Section 18, the District hereby responds as follows:
- (i) Section 18(1)(a): The District has complied with the requirements of 807 KAR 5:001, Section 14.
  - (ii) Section 18(1)(b): A general description of the District's property, its field of operation and a statement of original cost of said property and the cost to the District is contained in the District's 2018 Annual Report on file with this Commission.
  - (iii) Section 18(1)(c): The District is not issuing any stock as part of this financing. The information concerning the proposed KRWFC Loan is contained in this Application. The KRWFC Loan will be secured by and payable from the gross revenues of the District's water system.

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

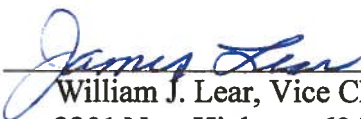
17. No rate adjustment will be necessary.

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

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

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

Todd County Water District

By   
William J. Lear, Vice Chairman  
2201 New Highway 68 W  
Elkton, Kentucky 42220  
Phone: (270) 265-2229  
Fax: (270) 265-2035  
Email: [tcwd00@gmail.com](mailto:tcwd00@gmail.com)

Rubin & Hays

By   
W. Randall Jones  
Kentucky Home Trust Building  
450 South Third Street  
Louisville, Kentucky 40202  
Phone: (502) 569-7534  
Email: [wrjones@rubinhays.com](mailto:wrjones@rubinhays.com)  
Counsel for Todd County Water District

STATE OF KENTUCKY            )  
  ) SS  
COUNTY OF TODD            )

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

IN TESTIMONY WHEREOF, witness the signature of the undersigned on the 3<sup>rd</sup> day of December, 2019.

  
\_\_\_\_\_  
William J. Lear, Vice Chairman

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by William J. Lear, Vice Chairman of the Todd County Water District, on this the 3<sup>rd</sup> day of December, 2019.

My Commission expires: October 11<sup>th</sup>, 2021 .

  
\_\_\_\_\_  
NOTARY PUBLIC



# **EXHIBIT A**

## Debt Service Schedule

Preliminary

**\$2,581,000**

Todd County Water District  
RD - Refunding of USDA Loans  
(As of 11/26/19)

## Debt Service Schedule

Part 1 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
01/15/2020	-	-	-	-	-
07/01/2020	-	-	36,225.12	36,225.12	-
12/31/2020	-	-	-	-	36,225.12
01/01/2021	63,000.00	2.600%	39,280.25	102,280.25	-
07/01/2021	-	-	38,461.25	38,461.25	-
12/31/2021	-	-	-	-	140,741.50
01/01/2022	62,000.00	2.600%	38,461.25	100,461.25	-
07/01/2022	-	-	37,655.25	37,655.25	-
12/31/2022	-	-	-	-	138,116.50
01/01/2023	63,000.00	2.800%	37,655.25	100,655.25	-
07/01/2023	-	-	36,773.25	36,773.25	-
12/31/2023	-	-	-	-	137,428.50
01/01/2024	66,000.00	2.800%	36,773.25	102,773.25	-
07/01/2024	-	-	35,849.25	35,849.25	-
12/31/2024	-	-	-	-	138,622.50
01/01/2025	68,000.00	2.800%	35,849.25	103,849.25	-
07/01/2025	-	-	34,897.25	34,897.25	-
12/31/2025	-	-	-	-	138,746.50
01/01/2026	70,000.00	2.750%	34,897.25	104,897.25	-
07/01/2026	-	-	33,934.75	33,934.75	-
12/31/2026	-	-	-	-	138,832.00
01/01/2027	70,000.00	3.300%	33,934.75	103,934.75	-
07/01/2027	-	-	32,779.75	32,779.75	-
12/31/2027	-	-	-	-	136,714.50
01/01/2028	72,000.00	3.300%	32,779.75	104,779.75	-
07/01/2028	-	-	31,591.75	31,591.75	-
12/31/2028	-	-	-	-	136,371.50
01/01/2029	75,000.00	3.150%	31,591.75	106,591.75	-
07/01/2029	-	-	30,410.50	30,410.50	-
12/31/2029	-	-	-	-	137,002.25
01/01/2030	79,000.00	3.100%	30,410.50	109,410.50	-
07/01/2030	-	-	29,186.00	29,186.00	-
12/31/2030	-	-	-	-	138,596.50
01/01/2031	81,000.00	3.100%	29,186.00	110,186.00	-
07/01/2031	-	-	27,930.50	27,930.50	-
12/31/2031	-	-	-	-	138,116.50
01/01/2032	83,000.00	3.050%	27,930.50	110,930.50	-
07/01/2032	-	-	26,664.75	26,664.75	-
12/31/2032	-	-	-	-	137,595.25
01/01/2033	86,000.00	3.000%	26,664.75	112,664.75	-
07/01/2033	-	-	25,374.75	25,374.75	-
12/31/2033	-	-	-	-	138,039.50
01/01/2034	88,000.00	2.900%	25,374.75	113,374.75	-

Ref of Todd County Wtr Di | Issue Summary

Raymond James

Preliminary

**\$2,581,000**

Todd County Water District  
RD - Refunding of USDA Loans  
(As of 11/26/19)

## Debt Service Schedule

Part 2 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/01/2034	-	-	24,098.75	24,098.75	-
12/31/2034	-	-	-	-	137,473.50
01/01/2035	91,000.00	2.900%	24,098.75	115,098.75	-
07/01/2035	-	-	22,779.25	22,779.25	-
12/31/2035	-	-	-	-	137,878.00
01/01/2036	93,000.00	2.950%	22,779.25	115,779.25	-
07/01/2036	-	-	21,407.50	21,407.50	-
12/31/2036	-	-	-	-	137,186.75
01/01/2037	96,000.00	2.950%	21,407.50	117,407.50	-
07/01/2037	-	-	19,991.50	19,991.50	-
12/31/2037	-	-	-	-	137,399.00
01/01/2038	99,000.00	2.950%	19,991.50	118,991.50	-
07/01/2038	-	-	18,531.25	18,531.25	-
12/31/2038	-	-	-	-	137,522.75
01/01/2039	102,000.00	3.000%	18,531.25	120,531.25	-
07/01/2039	-	-	17,001.25	17,001.25	-
12/31/2039	-	-	-	-	137,532.50
01/01/2040	105,000.00	3.050%	17,001.25	122,001.25	-
07/01/2040	-	-	15,400.00	15,400.00	-
12/31/2040	-	-	-	-	137,401.25
01/01/2041	108,000.00	3.050%	15,400.00	123,400.00	-
07/01/2041	-	-	13,753.00	13,753.00	-
12/31/2041	-	-	-	-	137,153.00
01/01/2042	112,000.00	3.150%	13,753.00	125,753.00	-
07/01/2042	-	-	11,989.00	11,989.00	-
12/31/2042	-	-	-	-	137,742.00
01/01/2043	115,000.00	3.150%	11,989.00	126,989.00	-
07/01/2043	-	-	10,177.75	10,177.75	-
12/31/2043	-	-	-	-	137,166.75
01/01/2044	119,000.00	3.200%	10,177.75	129,177.75	-
07/01/2044	-	-	8,273.75	8,273.75	-
12/31/2044	-	-	-	-	137,451.50
01/01/2045	122,000.00	3.200%	8,273.75	130,273.75	-
07/01/2045	-	-	6,321.75	6,321.75	-
12/31/2045	-	-	-	-	136,595.50
01/01/2046	127,000.00	3.200%	6,321.75	133,321.75	-
07/01/2046	-	-	4,289.75	4,289.75	-
12/31/2046	-	-	-	-	137,611.50
01/01/2047	131,000.00	3.200%	4,289.75	135,289.75	-
07/01/2047	-	-	2,193.75	2,193.75	-
12/31/2047	-	-	-	-	137,483.50
01/01/2048	135,000.00	3.250%	2,193.75	137,193.75	-
12/31/2048	-	-	-	-	137,193.75
<b>Total</b>	<b>\$2,581,000.00</b>	<b>-</b>	<b>\$1,310,939.87</b>	<b>\$3,891,939.87</b>	<b>-</b>

Ref of Todd County Wtr Di | Issue Summary

Raymond James

Preliminary

**\$2,581,000**

Todd County Water District  
RD - Refunding of USDA Loans  
(As of 11/26/19)

## Debt Service Schedule

Part 3 of 3

### Yield Statistics

Bond Year Dollars	\$42,274.63
Average Life	16.379 Years
Average Coupon	3.1010087%
Net Interest Cost (NIC)	3.1774626%
True Interest Cost (TIC)	3.1970444%
Bond Yield for Arbitrage Purposes	3.0730100%
All Inclusive Cost (AIC)	3.3237019%

### IRS Form 8038

Net Interest Cost	3.1075471%
Weighted Average Maturity	16.225 Years

# **EXHIBIT B**

## Sources and Uses of Funds

Preliminary

**\$2,581,000**

Todd County Water District  
RD - Refunding of USDA Loans  
(As of 11/26/19)

## Total Issue Sources And Uses

Dated 01/15/2020 | Delivered 01/15/2020

	Ref of 2008	Ref of 2009	Issue Summary
<b>Sources Of Funds</b>			
Par Amount of Bonds	\$969,000.00	\$1,612,000.00	\$2,581,000.00
Reoffering Premium	2,406.72	3,987.67	6,394.39
<b>Total Sources</b>	<b>\$971,406.72</b>	<b>\$1,615,987.67</b>	<b>\$2,587,394.39</b>
<b>Uses Of Funds</b>			
Total Underwriter's Discount (1.500%)	14,535.00	24,180.00	38,715.00
Costs of Issuance	14,535.00	24,180.00	38,715.00
Deposit to Current Refunding Fund	941,507.92	1,567,510.52	2,509,018.44
Rounding Amount	828.80	117.15	945.95
<b>Total Uses</b>	<b>\$971,406.72</b>	<b>\$1,615,987.67</b>	<b>\$2,587,394.39</b>

Ref of Todd County Wtr Di | Issue Summary

Raymond James

# **EXHIBIT C**

## Debt Service Comparison

Preliminary

**\$2,581,000**

Todd County Water District  
RD - Refunding of USDA Loans  
(As of 11/26/19)

## Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
12/31/2020	36,225.12	35,279.17	51,665.63	16,386.46
12/31/2021	140,741.50	140,741.50	149,361.88	8,620.38
12/31/2022	138,116.50	138,116.50	149,381.88	11,265.38
12/31/2023	137,428.50	137,428.50	149,319.39	11,890.89
12/31/2024	138,622.50	138,622.50	150,153.76	11,531.26
12/31/2025	138,746.50	138,746.50	149,885.00	11,138.50
12/31/2026	138,832.00	138,832.00	150,513.13	11,681.13
12/31/2027	136,714.50	136,714.50	149,058.76	12,344.26
12/31/2028	136,371.50	136,371.50	148,542.51	12,171.01
12/31/2029	137,002.25	137,002.25	148,923.14	11,920.89
12/31/2030	138,596.50	138,596.50	150,159.39	11,562.89
12/31/2031	138,116.50	138,116.50	149,271.88	11,155.38
12/31/2032	137,595.25	137,595.25	149,281.26	11,686.01
12/31/2033	138,039.50	138,039.50	149,166.89	11,127.39
12/31/2034	137,473.50	137,473.50	148,928.76	11,455.26
12/31/2035	137,878.00	137,878.00	148,566.88	10,688.88
12/31/2036	137,186.75	137,186.75	149,060.63	11,873.88
12/31/2037	137,399.00	137,399.00	148,410.01	11,011.01
12/31/2038	137,522.75	137,522.75	149,594.38	12,071.63
12/31/2039	137,532.50	137,532.50	148,613.75	11,081.25
12/31/2040	137,401.25	137,401.25	148,488.75	11,087.50
12/31/2041	137,153.00	137,153.00	148,198.76	11,045.76
12/31/2042	137,742.00	137,742.00	148,723.14	10,981.14
12/31/2043	137,166.75	137,166.75	149,041.26	11,874.51
12/31/2044	137,451.50	137,451.50	148,173.76	10,722.26
12/31/2045	136,595.50	136,595.50	148,120.64	11,525.14
12/31/2046	137,611.50	137,611.50	148,840.64	11,229.14
12/31/2047	137,483.50	137,483.50	148,333.76	10,850.26
12/31/2048	137,193.75	137,193.75	147,620.63	10,426.88
12/31/2049	-	-	91,856.25	91,856.25
<b>Total</b>	<b>\$3,891,939.87</b>	<b>\$3,890,993.92</b>	<b>\$4,315,256.50</b>	<b>\$424,262.58</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	260,284.32
Net PV Cashflow Savings @ 3.073%(Bond Yield)	260,284.32
Contingency or Rounding Amount	945.95
Net Present Value Benefit	\$261,230.27
Net PV Benefit / \$2,505,000 Refunded Principal	10.428%
Net PV Benefit / \$2,581,000 Refunding Principal	10.121%

### Refunding Bond Information

Refunding Dated Date	1/15/2020
Refunding Delivery Date	1/15/2020

Ref of Todd County Wtr Di | Issue Summary

Raymond James



# **EXHIBIT D**

## Prior Bonds Debt Service

Preliminary

**\$1,100,000**

Todd County Water District

RD - 2008

(Bonds to be Refunded)

### Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
01/15/2020	940,000.00	1,507.92	941,507.92	-	-	-	-
07/01/2020	-	-	-	-	-	19,387.50	19,387.50
01/01/2021	-	-	-	18,000.00	4.125%	19,387.50	37,387.50
07/01/2021	-	-	-	-	-	19,016.25	19,016.25
01/01/2022	-	-	-	19,000.00	4.125%	19,016.25	38,016.25
07/01/2022	-	-	-	-	-	18,624.38	18,624.38
01/01/2023	-	-	-	20,000.00	4.125%	18,624.38	38,624.38
07/01/2023	-	-	-	-	-	18,211.88	18,211.88
01/01/2024	-	-	-	21,000.00	4.125%	18,211.88	39,211.88
07/01/2024	-	-	-	-	-	17,778.75	17,778.75
01/01/2025	-	-	-	22,000.00	4.125%	17,778.75	39,778.75
07/01/2025	-	-	-	-	-	17,325.00	17,325.00
01/01/2026	-	-	-	23,000.00	4.125%	17,325.00	40,325.00
07/01/2026	-	-	-	-	-	16,850.63	16,850.63
01/01/2027	-	-	-	23,000.00	4.125%	16,850.63	39,850.63
07/01/2027	-	-	-	-	-	16,376.25	16,376.25
01/01/2028	-	-	-	24,000.00	4.125%	16,376.25	40,376.25
07/01/2028	-	-	-	-	-	15,881.25	15,881.25
01/01/2029	-	-	-	25,000.00	4.125%	15,881.25	40,881.25
07/01/2029	-	-	-	-	-	15,365.63	15,365.63
01/01/2030	-	-	-	27,000.00	4.125%	15,365.63	42,365.63
07/01/2030	-	-	-	-	-	14,808.75	14,808.75
01/01/2031	-	-	-	28,000.00	4.125%	14,808.75	42,808.75
07/01/2031	-	-	-	-	-	14,231.25	14,231.25
01/01/2032	-	-	-	29,000.00	4.125%	14,231.25	43,231.25
07/01/2032	-	-	-	-	-	13,633.13	13,633.13
01/01/2033	-	-	-	30,000.00	4.125%	13,633.13	43,633.13
07/01/2033	-	-	-	-	-	13,014.38	13,014.38
01/01/2034	-	-	-	31,000.00	4.125%	13,014.38	44,014.38
07/01/2034	-	-	-	-	-	12,375.00	12,375.00
01/01/2035	-	-	-	32,000.00	4.125%	12,375.00	44,375.00
07/01/2035	-	-	-	-	-	11,715.00	11,715.00
01/01/2036	-	-	-	34,000.00	4.125%	11,715.00	45,715.00
07/01/2036	-	-	-	-	-	11,013.75	11,013.75
01/01/2037	-	-	-	35,000.00	4.125%	11,013.75	46,013.75
07/01/2037	-	-	-	-	-	10,291.88	10,291.88
01/01/2038	-	-	-	37,000.00	4.125%	10,291.88	47,291.88
07/01/2038	-	-	-	-	-	9,528.75	9,528.75
01/01/2039	-	-	-	38,000.00	4.125%	9,528.75	47,528.75
07/01/2039	-	-	-	-	-	8,745.00	8,745.00
01/01/2040	-	-	-	40,000.00	4.125%	8,745.00	48,745.00
07/01/2040	-	-	-	-	-	7,920.00	7,920.00
01/01/2041	-	-	-	41,000.00	4.125%	7,920.00	48,920.00
07/01/2041	-	-	-	-	-	7,074.38	7,074.38
01/01/2042	-	-	-	43,000.00	4.125%	7,074.38	50,074.38
07/01/2042	-	-	-	-	-	6,187.50	6,187.50
01/01/2043	-	-	-	45,000.00	4.125%	6,187.50	51,187.50
07/01/2043	-	-	-	-	-	5,259.38	5,259.38
01/01/2044	-	-	-	47,000.00	4.125%	5,259.38	52,259.38
07/01/2044	-	-	-	-	-	4,290.00	4,290.00
01/01/2045	-	-	-	49,000.00	4.125%	4,290.00	53,290.00
07/01/2045	-	-	-	-	-	3,279.38	3,279.38
01/01/2046	-	-	-	51,000.00	4.125%	3,279.38	54,279.38
07/01/2046	-	-	-	-	-	2,227.50	2,227.50
01/01/2047	-	-	-	53,000.00	4.125%	2,227.50	55,227.50
07/01/2047	-	-	-	-	-	1,134.38	1,134.38
01/01/2048	-	-	-	55,000.00	4.125%	1,134.38	56,134.38
<b>Total</b>	<b>\$940,000.00</b>	<b>\$1,507.92</b>	<b>\$941,507.92</b>	<b>\$940,000.00</b>	<b>-</b>	<b>\$663,093.86</b>	<b>\$1,603,093.86</b>

#### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	1/15/2020
Average Life	17.062 Years
Average Coupon	4.1250007%
Weighted Average Maturity (Par Basis)	17.062 Years
Weighted Average Maturity (Original Price Basis)	17.062 Years

#### Refunding Bond Information

Refunding Dated Date	1/15/2020
Refunding Delivery Date	1/15/2020

Todd County Wtr Dist - 20 | SINGLE PURPOSE

Raymond James

Preliminary

**\$1,800,000**

Todd County Water District

RD - 2009

(Bonds to be Refunded)

### Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
01/15/2020	1,565,000.00	2,510.52	1,567,510.52	-	-	-	-
07/01/2020	-	-	-	-	-	32,278.13	32,278.13
01/01/2021	-	-	-	29,000.00	4.125%	32,278.13	61,278.13
07/01/2021	-	-	-	-	-	31,680.00	31,680.00
01/01/2022	-	-	-	30,000.00	4.125%	31,680.00	61,680.00
07/01/2022	-	-	-	-	-	31,061.25	31,061.25
01/01/2023	-	-	-	31,000.00	4.125%	31,061.25	62,061.25
07/01/2023	-	-	-	-	-	30,421.88	30,421.88
01/01/2024	-	-	-	33,000.00	4.125%	30,421.88	63,421.88
07/01/2024	-	-	-	-	-	29,741.25	29,741.25
01/01/2025	-	-	-	34,000.00	4.125%	29,741.25	63,741.25
07/01/2025	-	-	-	-	-	29,040.00	29,040.00
01/01/2026	-	-	-	36,000.00	4.125%	29,040.00	65,040.00
07/01/2026	-	-	-	-	-	28,297.50	28,297.50
01/01/2027	-	-	-	37,000.00	4.125%	28,297.50	65,297.50
07/01/2027	-	-	-	-	-	27,534.38	27,534.38
01/01/2028	-	-	-	38,000.00	4.125%	27,534.38	65,534.38
07/01/2028	-	-	-	-	-	26,750.63	26,750.63
01/01/2029	-	-	-	40,000.00	4.125%	26,750.63	66,750.63
07/01/2029	-	-	-	-	-	25,925.63	25,925.63
01/01/2030	-	-	-	42,000.00	4.125%	25,925.63	67,925.63
07/01/2030	-	-	-	-	-	25,059.38	25,059.38
01/01/2031	-	-	-	43,000.00	4.125%	25,059.38	68,059.38
07/01/2031	-	-	-	-	-	24,172.50	24,172.50
01/01/2032	-	-	-	45,000.00	4.125%	24,172.50	69,172.50
07/01/2032	-	-	-	-	-	23,244.38	23,244.38
01/01/2033	-	-	-	47,000.00	4.125%	23,244.38	70,244.38
07/01/2033	-	-	-	-	-	22,275.00	22,275.00
01/01/2034	-	-	-	49,000.00	4.125%	22,275.00	71,275.00
07/01/2034	-	-	-	-	-	21,264.38	21,264.38
01/01/2035	-	-	-	51,000.00	4.125%	21,264.38	72,264.38
07/01/2035	-	-	-	-	-	20,212.50	20,212.50
01/01/2036	-	-	-	53,000.00	4.125%	20,212.50	73,212.50
07/01/2036	-	-	-	-	-	19,119.38	19,119.38
01/01/2037	-	-	-	55,000.00	4.125%	19,119.38	74,119.38
07/01/2037	-	-	-	-	-	17,985.00	17,985.00
01/01/2038	-	-	-	58,000.00	4.125%	17,985.00	75,985.00
07/01/2038	-	-	-	-	-	16,788.75	16,788.75
01/01/2039	-	-	-	60,000.00	4.125%	16,788.75	76,788.75
07/01/2039	-	-	-	-	-	15,551.25	15,551.25
01/01/2040	-	-	-	62,000.00	4.125%	15,551.25	77,551.25
07/01/2040	-	-	-	-	-	14,272.50	14,272.50
01/01/2041	-	-	-	65,000.00	4.125%	14,272.50	79,272.50
07/01/2041	-	-	-	-	-	12,931.88	12,931.88
01/01/2042	-	-	-	68,000.00	4.125%	12,931.88	80,931.88
07/01/2042	-	-	-	-	-	11,529.38	11,529.38
01/01/2043	-	-	-	71,000.00	4.125%	11,529.38	82,529.38
07/01/2043	-	-	-	-	-	10,065.00	10,065.00
01/01/2044	-	-	-	73,000.00	4.125%	10,065.00	83,065.00
07/01/2044	-	-	-	-	-	8,559.38	8,559.38
01/01/2045	-	-	-	76,000.00	4.125%	8,559.38	84,559.38
07/01/2045	-	-	-	-	-	6,991.88	6,991.88
01/01/2046	-	-	-	80,000.00	4.125%	6,991.88	86,991.88
07/01/2046	-	-	-	-	-	5,341.88	5,341.88
01/01/2047	-	-	-	83,000.00	4.125%	5,341.88	88,341.88
07/01/2047	-	-	-	-	-	3,630.00	3,630.00
01/01/2048	-	-	-	86,000.00	4.125%	3,630.00	89,630.00
07/01/2048	-	-	-	-	-	1,856.25	1,856.25
01/01/2049	-	-	-	90,000.00	4.125%	1,856.25	91,856.25
<b>Total</b>	<b>\$1,565,000.00</b>	<b>\$2,510.52</b>	<b>\$1,567,510.52</b>	<b>\$1,565,000.00</b>	<b>-</b>	<b>\$1,147,162.64</b>	<b>\$2,712,162.64</b>

#### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	1/15/2020
Average Life	17.731 Years
Average Coupon	4.1250005%
Weighted Average Maturity (Par Basis)	17.731 Years
Weighted Average Maturity (Original Price Basis)	17.731 Years

#### Refunding Bond Information

Refunding Dated Date	1/15/2020
Refunding Delivery Date	1/15/2020
Todd County Wtr Dist - 20   SINGLE PURPOSE	

Raymond James

# **EXHIBIT E**

## Financial Statements

Todd County Water District  
A Component Unit of Todd County, Kentucky  
Statements of Net Position

<i>December 31,</i>	<b>2018</b>
<b>Assets</b>	
<b>Current assets</b>	
Cash	\$ 369,496
Short-term investments	1,271,721
Accounts receivable — billed	205,341
Accounts receivable — unbilled	71,170
Supplies	62,800
Prepaid expenses	23,639
Total current assets	2,004,167
Cash — restricted	647,950
Investments	90,000
<b>Utility plant</b>	
Utility plant in service	19,605,253
Less: accumulated depreciation	(8,851,827)
Net utility plant	10,753,426
Total assets	13,495,543
<b>Deferred outflows of resources</b>	
Deferred amount on debt refundings	12,038
Pension related	219,941
OPEB related	62,770
Total deferred outflows of resources	294,749

See accompanying notes to the financial statements.

Todd County Water District  
A Component Unit of Todd County, Kentucky  
Statements of Net Position

<i>December 31,</i>	<b>2018</b>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Accounts payable	128,419
Accrued liabilities	2,095
Accrued interest payable	157,256
Short term notes payable	2,276,536
Current portion of notes payable	173,000
<b>Total current liabilities</b>	<b>2,737,306</b>
<b>Long-term liabilities</b>	
Long-term debt, net of current portion	4,903,000
Net pension liability	855,871
Net OPEB liability	249,508
<b>Total long-term liabilities</b>	<b>6,008,379</b>
<b>Total liabilities</b>	<b>8,745,685</b>
<b>Deferred Inflows of Resources</b>	
Pension related	62,589
OPEB related	47,356
<b>Total deferred inflows of resources</b>	<b>109,945</b>
<b>Net Position</b>	
Net investment in capital assets	3,486,474
Restricted	330,863
Unrestricted	1,117,325
<b>Total net position</b>	<b>\$ 4,934,662</b>

See accompanying notes to the financial statements.

Todd County Water District  
A Component Unit of Todd County, Kentucky  
Statements of Revenues, Expenses and Changes in Net Position

<i>Year Ended December 31,</i>	<b>2018</b>
<b>Operating Revenues</b>	
Water revenue	\$ 2,392,330
Late charges	32,274
Other	41,296
<b>Total operating revenues</b>	<b>2,465,900</b>
 <b>Operating Expenses</b>	
Payroll	341,694
Retirement	212,664
Health insurance	26,352
Payroll taxes	25,334
Purchased water	900,212
Transmission and distribution	62,017
Contract services	20,073
Utilities	25,621
Telephone	3,238
Dues and subscriptions	5,422
Professional fees	22,363
Insurance	33,665
Commissioners' fees	18,000
Taxes and licenses	4,306
Office supplies and postage	36,111
Depreciation	511,153
Travel	23,345
Bad debts	19,469
Miscellaneous	7,042
<b>Total operating expenses</b>	<b>2,298,081</b>
<b>Operating income</b>	<b>167,819</b>

See accompanying notes to the financial statements.

Todd County Water District  
A Component Unit of Todd County, Kentucky  
Statements of Revenues, Expenses and Changes in Net Position

<i>Year Ended December 31,</i>	<b>2018</b>
<hr/>	
<b>Non-Operating Revenues (Expenses)</b>	
Interest income	4,653
Interest expense	(178,026)
<hr/>	
<b>Total non-operating expenses</b>	<b>(173,373)</b>
<hr/>	
Loss before capital contributions	(5,554)
<hr/>	
Capital contributions	30,518
<hr/>	
Change in net position	24,964
<hr/>	
Net position — beginning of year	5,119,502
Effect of adoption of GASB 75	(209,804)
<hr/>	
Net position — end of year	\$ 4,934,662
<hr/> <hr/>	

See accompanying notes to the financial statements.



Todd County Water District  
A Component Unit of Todd County, Kentucky  
Statements of Cash Flows

<i>Year Ended December 31,</i>	<b>2018</b>
<b>Cash Flows from Operating Activities</b>	
Cash received from customers	\$ 2,463,317
Cash payments to suppliers for goods and services	(1,099,695)
Cash paid to employees	(596,983)
<hr/>	
Net cash flows provided by operating activities	766,639
<hr/>	
<b>Cash Flows from Capital and Related Financing Activities</b>	
Interest paid on debt	(186,402)
Purchase of capital assets	(909,333)
Proceeds from short-term debt	840,307
Principal payments on long-term debt	(165,500)
Capital contributions	30,518
<hr/>	
Net cash flows used in capital and related financing activities	(390,410)
<hr/>	
<b>Cash Flows from Investing Activities</b>	
Interest income	4,653
Purchase of investments	(253,317)
<hr/>	
Net cash flows used in investing activities	(248,664)
<hr/>	
Net increase in cash	127,565
Cash - beginning of year	889,881
<hr/>	
Cash - end of year	\$ 1,017,446
<hr/>	

See accompanying notes to the financial statements.

Todd County Water District  
A Component Unit of Todd County, Kentucky  
Statements of Cash Flows

<i>Year Ended December 31,</i>	<b>2018</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
Operating income	\$ 167,819
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>	
Depreciation	511,153
Pension expense in excess of pension contributions	113,713
OPEB expense in excess of OPEB contributions	24,290
<b>Change in:</b>	
Accounts receivable	(2,583)
Supplies	(827)
Prepayments	(1,644)
Accounts payable	(40,331)
Other current liabilities	(4,951)
<b>Net cash provided by operating activities</b>	<b>\$ 766,639</b>

**Noncash activities from capital and related financing activities**

▪ The District capitalized accrued interest as a component of construction in progress	\$ 65,059
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See accompanying notes to the financial statements.

# **EXHIBIT F**

Notification to State Local Debt Officer

Kentucky Home Trust Building, 450 South Third Street, Louisville, Kentucky 40202-1410  
Telephone (502) 569-7525 Telefax (502) 569-7555 www.rubinhays.com

CHARLES S. MUSSON  
W. RANDALL JONES  
CHRISTIAN L. JUCKETT  
NICHOLAS J. LOCOCO

November 10, 2019

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

Re: Todd County Water District  
Notice of Intent to Issue Securities

Dear Commissioner 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 Todd County Water District (the "District") hereby notifies the State Local Debt Officer that the District intends on issuing securities in the form of a loan from the Kentucky Rural Water Finance Corporation ("KRWFC") for the purpose of refinancing certain outstanding indebtedness of the District in order to achieve substantial interest cost savings for the District.

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

Very truly yours,

Rubin & Hays

By



W. Randall Jones

WRJ:jlm  
Enclosures