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**APPLICATION FOR RATE ADJUSTMENT
BEFORE THE PUBLIC SERVICE COMMISSION**

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

(Name of Utility)

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

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

(Telephone Number)

BASIC INFORMATION

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

(Name)

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

(Address - City, State, Zip)

(Telephone Number)

(Email Address)

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

YES NO N/A

- | | | | | | |
|----|----|--|--|--|-----|
| 1. | a. | In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue. | | | |
| | b. | Applicant operates two or more divisions that provide different types of utility service. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue from the division for which a rate adjustment is sought. | | | |
| 2. | a. | Applicant has filed an annual report with the Public Service Commission for the past year. | | | |
| | b. | Applicant has filed an annual report with the Public Service Commission for the two previous years. | | | |
| 3. | | Applicant's records are kept separate from other commonly-owned enterprises. | | | N/A |

YES NO N/A

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

YES NO N/A

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

YES NO N/A

16. a. Applicant is not required to file state and federal tax returns.
- b. Applicant is required to file state and federal tax returns.
- c. Applicant's most recent state and federal tax returns are attached to this Application.
(Attach a copy of returns.)
17. Approximately \$0 (Insert dollar amount or percentage of total utility plant) of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions.
18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires to complete such form.

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

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

Signed

Earl Sandusky Jr.

Officer of the Company/Authorized Representative

Title

Chairman

Date

10/12/2021

COMMONWEALTH OF KENTUCKY

COUNTY OF Marion

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

Cheryl Sullivan

Notary Public

My commission expires: 07/27/2024

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

Customer Notice of Proposed Rate Adjustment

“Reasons for Application” Attachment”

Current and Proposed Rates” Attachment

“Statement of Adjusted Operations” Attachment

“Revenue Requirements Calculation” Attachment

Attachment Billing Analysis” Attachment

Depreciation Schedules

Outstanding Debt Instruments (i.e., Bond Resolutions, Mortgages, Promissory Notes, Amortization Schedules.)

State Tax Return

Federal Tax Return

Statement of Disclosure of Related Party Transactions - ARF Form 3

EXHIBITS TO APPLICATION

Exhibit	Description
A	Attachment SR – Reasons for Application
B	Attachment CPR – Current and Proposed Rates
C	Attachment SAO – Statement of Adjusted Operations
C.1	2020 and 2021 Salaries and Wages
C.2	Overtime 2020 and 2021
C.3	Retirement 2020 and 2021
C.4	Health Insurance 2020 and 2021
D	Attachment RR-DC – Revenue Calculation Form – Debt Coverage
D.1	5 Year Debt Payments
E	Attachment BA-DB - Billing Analysis
E.1	Billing Analysis – 2020 Usage at Existing Rates
E.2	Billing Analysis – 2020 Usage at Proposed Rates
F	Depreciation Schedule
G	Outstanding Debt Instruments - Bond Resolutions/Evidence of Indebtedness
G.1	Bond Resolution - Rural Development 91-17
G.2	Assistance Agreement - Kentucky Infrastructure Authority B12-06
G.3	Assistance Agreement - Kentucky Infrastructure Authority B18-10
G.4	Loan Agreement – Citizens National Bank of Lebanon
G.5	Commitment Letter – Farmers National Bank (Pending PSC Case No. 2021-00303)
H	Debt Amortization Schedules
I	ARF Form 3 – Disclosure Forms
J	Resolution of the Board of Commissioners for the Marion County Water District Authorizing an Application to the Kentucky Public Service Commission for Authority to Adjust Rates for Water Service
K	Compliance with Notice Provisions of 807 KAR 5:076

EXHIBITS

EXHIBIT A

REASONS FOR APPLICATION

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

The Marion County Water District ("the District") is requesting an 25.32 percent rate increase for its water customers. The rate increase will generate approximately \$783,405 in additional annual revenue. The District needs the rate increase for the following reasons:

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

EXHIBIT B

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

<u>CURRENT RATE SCHEDULE</u>		<u>PROPOSED RATE SCHEDULE</u>	
<u>Customer Charge (Minimum Bill)</u>		<u>Customer Charge (Minimum Bill)</u>	
5/8" x 3/4" Meters	\$ 7.45	5/8" x 3/4" Meters	\$ 9.34
1" Meters	\$ 16.20	1" Meters	\$ 20.30
2" Meters	\$ 25.68	2" Meters	\$ 32.18
3" Meters	\$ 40.73	3" Meters	\$ 51.04
4" Meters	\$ 64.60	4" Meters	\$ 80.96
6" Meters	\$ 162.59	6" Meters	\$ 203.76
<u>Water Charge</u>		<u>Water Charge</u>	
All Usage, Per Gallon	\$ 0.00688	All Usage, Per Gallon	\$ 0.00862

EXHIBIT C

SCHEDULE OF ADJUSTED OPERATIONS - WATER UTILITY

TYE 12/31/20 20

	Test Year	Adjustment	Ref.	Pro Forma
<u>Operating Revenues</u>				
Sales of Water				
Unmetered Water Sales				0.00
Metered Water Sales	2,978,895.00	114,719.00	A	3,093,614.00
Bulk Loading Stations				0.00
Fire Protection Revenue				0.00
Sales for Resale				0.00
Total Sales of Water	2,978,895.00	114,719.00		3,093,614.00
Other Water Revenues				
Forfeited Discounts	10,192.00	54,907.00	B	65,099.00
Miscellaneous Service Revenues	26,688.00	11,590.00	B	38,278.00
Rents from Water Property	5,250.00			5,250.00
Other Water Revenues	1,241.00			1,241.00
Total Other Water Revenues	43,371.00	66,497.00		109,868.00
Total Operating Revenues	3,022,266.00	181,216.00		3,203,482.00
<u>Operating Expenses</u>				
Operation and Maintenance Expenses				
Salaries and Wages - Employees	360,443.00	33,951.00	C	394,394.00
Salaries and Wages - Officers	55,803.00			55,803.00
Employee Pensions and Benefits	306,291.00	-147,246.00	D	159,045.00
Purchased Water	1,918,514.00	-13,966.00	E	1,904,548.00
Purchased Power	35,242.00	-1,646.00	E	33,596.00
Fuel for Power Production				0.00
Chemicals				0.00
Materials and Supplies	186,203.00			186,203.00
Contractual Services	33,154.00	9,000.00	F	42,154.00
Water Testing				0.00
Rents				0.00
Transportation Expenses	20,995.00			20,995.00
Insurance	33,953.00			33,953.00
Regulatory Commission Expenses				0.00
Bad Debt Expense	3,178.00			3,178.00

Miscellaneous Expenses	33,605.00			33,605.00
Total Operation and Maintenance Expenses	2,987,381.00	-119,907.00		2,867,474.00
Depreciation Expense	496,808.00			496,808.00
Amortization Expense				0.00
Taxes Other Than Income	39,480.00	3,395.00	G	42,875.00
Income Tax Expense				0.00
Total Operating Expenses	3,523,669.00	-116,512.00		3,407,157.00
Utility Operating Income	-501,403.00	297,728.00		-203,675.00

References

A.) The Current Billing Analysis results in Pro Forma metered sales revenue of \$3,090,764. This reflects a full year at the increased retail rates that were effective in August 2021 and indicates an addition to reported Metered Sales of \$114,719 is required.

B.) In spring of 2020, the Governor issued an Executive Order that prohibited utilities from charging Late Fees and Disconnections on past due accounts. This Order has now been rescinded and MCWD has resumed collection Late Fees and Disconnections. To determine an appropriate and representative level of revenue from such fees, an average of Forfeited Discounts and Miscellaneous Service Revenues for 2017, 2018, and 2019 was used. Forfeited Discounts were \$61,329, \$55,538, and \$78,430.00, with an average of \$65,099. Miscellaneous Service Revenues were \$39,892, \$35,794, and \$39,148.00, with an average of \$38,278.

C.) Since 2020 there have been merit based increases in wage rates, a retired employee was replaced, and a new employee was added. These changes result in an annual wage increases (including overtime) of \$33,951. A spreadsheet showing all employee positions and corresponding 2020 and 2021 salaries and increases is filed with this application.

D.) Employer's contribution to employee's retirement plan increased on 7/1/2021. The percentage increased from 24.06% to 26.95%. Additional retirement contribution due to this increase and current wage levels is projected to be \$19,117.61

The PSC previously limited employer's contribution to employee health insurance expense to the current Bureau of Labor Statistics (BLS) Average Employer Contribution Rate for Health Insurance (78% Single Coverage; 66% Family Coverage). Applying BLS average requires an adjustment of (\$13,066.42) based on projected 2021 year wages. Small premium increases in 2021 and 2022 will result in an increase of \$3,537.50. This decreases the total health insurance adjustment of (\$9,528.92).

Due to GASB reporting requirements for retirement plan liabilities, an expense of \$114,782.27 associated with the District's pension plan was included with Employee Pensions and Benefits Expense. Similarly, an expense of \$42,052 associated with the District's other post-employment benefits was included with Employee Pensions and Benefits Expense. Because this was not an actual payment to CERS, \$156,834.27 is deducted.

Total Adjustments to Employee Benefits:

Retirement Increase: \$19,117.61

Health Insurance Adjustment: (\$9,528.92)

GASB Reporting Adjustments: (\$156,834.27)

Net Change in Benefits: (\$147,245.58)

Spreadsheets showing the calculations for retirement and health insurance is filed with the application.

E.) On September 15, 2020, the District's primary water supplier implemented a major increase in the wholesale rate it charges. The increase resulted in \$112,000 in annual water supply cost. To normalize this increase for an entire year, an addition of \$79,333 to Purchased Water expense is required.

The District's test year water loss was 19.67 percent. The PSC maximum allowable loss for rate-making purposes is 15.0 percent. Therefore, the expenses for Purchased Water and Power related to water purchased and pumped above the 15 percent limit are not allowed in the rate base and must be deducted.

Total Adjustments to Purchased Water:

2020 Purchased Water Cost: \$1,918,514

Wholesale Increase Adjustment: \$79,333

Adjusted Purchased Water Cost: \$1,997,847

Non-allowed portion (4.67%): (\$93,299)

Net Purchased Water Adjustment: (\$13,966)

F.) The District has entered into an agreement with United Systems in the amount of \$18,000 annually for Computer Hardware and Technology Process Management. The agreement was effective on July 1, 2020. Therefore an adjustment of \$9,000 is required.

References

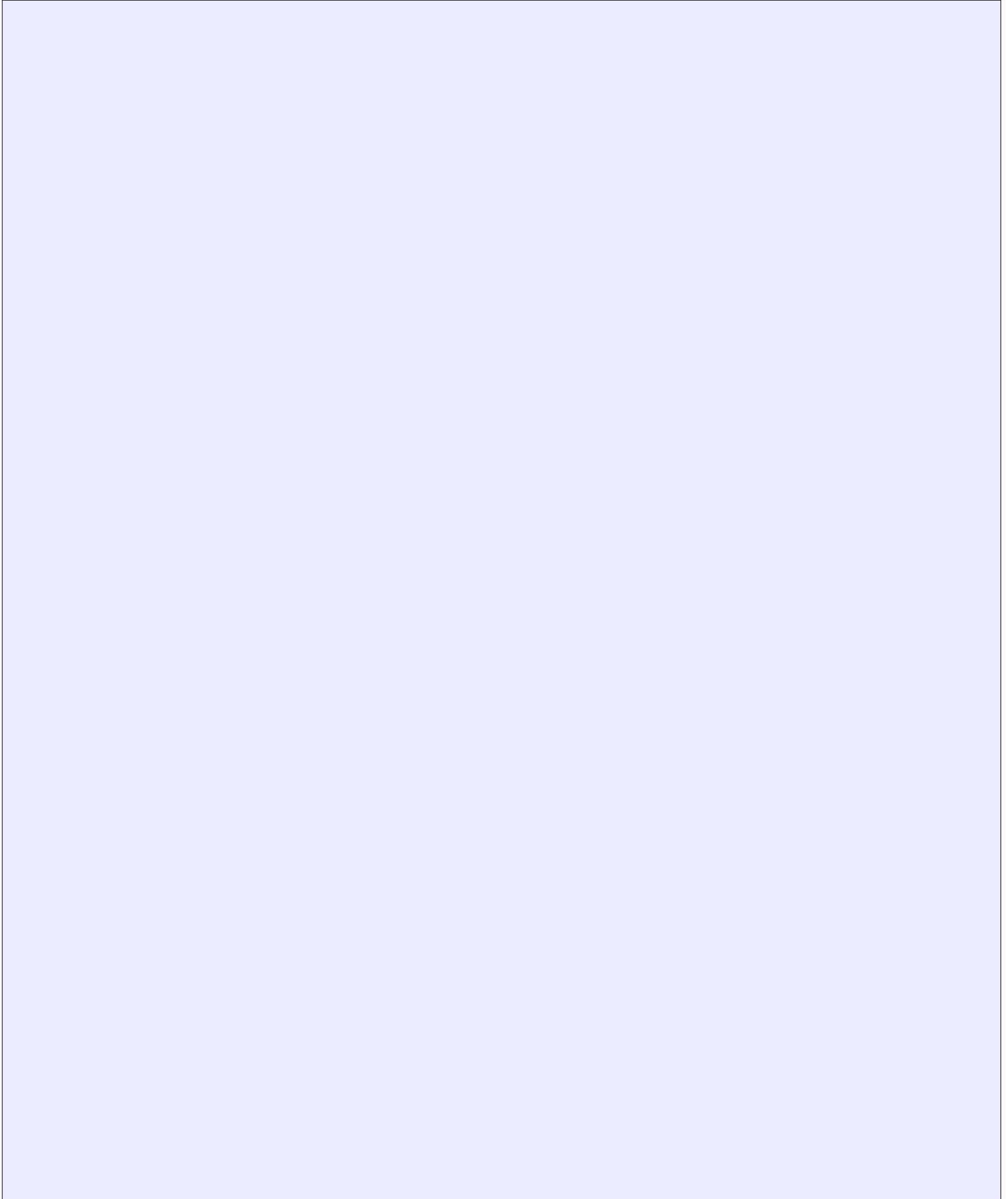


EXHIBIT C.1

**Marion County Water District
Salaries by Position**

Position	2020 Salary	2021 Salary	Increase	Percent	2020 Regular Hours	Total Salary 2020	Total Salary 2021	2020 Overtime Pay
General Manager (Hired 2020)	\$ 43.27	\$ 45.22	\$ 1.95	5%	1,592	\$ 68,885.84	\$ 94,057.60	\$ -
General Manager (Retired 2020)	\$ 38.46	\$ -	\$ -	-	1,840	\$ 70,766.40	\$ -	\$ 230.76
Office Manager	\$ 18.35	\$ 21.75	\$ 3.40	19%	2,120	\$ 38,902.00	\$ 45,240.00	\$ -
Accountant/Clerk	\$ 25.04	\$ 27.00	\$ 1.96	8%	2,120	\$ 53,084.80	\$ 56,160.00	\$ 911.25
Customer Service Representative	\$ 14.70	\$ 17.25	\$ 2.55	17%	2,120	\$ 31,164.00	\$ 35,880.00	\$ -
Customer Service Representative (Part-Time)	\$ 12.00	\$ 12.40	\$ 0.40	3%	456	\$ 5,472.00	\$ 5,654.40	\$ 18.60
Drinking Water Operator - Class III	\$ 18.40	\$ 21.20	\$ 2.80	15%	2,120	\$ 39,008.00	\$ 44,096.00	\$ 6,232.80
Drinking Water Operator - Class III	\$ 15.75	\$ 19.80	\$ 4.05	26%	2,120	\$ 33,390.00	\$ 41,184.00	\$ 7,024.05
Drinking Water Operator - Class III (Position added 2021)	\$ -	\$ 19.60	\$ -	-	-	\$ -	\$ 40,768.00	\$ -
Drinking Water Operator - Class II	\$ 15.10	\$ 17.40	\$ 2.30	15%	2,118	\$ 31,981.80	\$ 36,192.00	\$ 7,229.70
Drinking Water Operator - Class I	\$ 14.30	\$ 15.30	\$ 1.00	7%	2,088	\$ 29,858.40	\$ 31,824.00	\$ 3,706.43
Commissioner - Chair	\$ 1,650.00	\$ 1,650.00	\$ -	-		\$ 1,650.00	\$ 1,650.00	\$ -
Commissioner - Secretary	\$ 1,650.00	\$ 1,650.00	\$ -	-		\$ 1,650.00	\$ 1,650.00	\$ -
Commissioner	\$ 1,800.00	\$ 1,650.00	\$ -	-		\$ 1,800.00	\$ 1,650.00	\$ -
Commissioner	\$ 1,650.00	\$ 1,650.00	\$ -	-		\$ 1,650.00	\$ 1,650.00	\$ -
Commissioner	\$ 1,500.00	\$ 1,650.00	\$ -	-		\$ 1,500.00	\$ 1,650.00	\$ -
						\$ 409,263.24	\$ 439,306.00	\$ 25,353.59
					Increase 2020 to 2021		\$ 30,042.76	

EXHIBIT C.2

**Marion County Water District
Overtime**

Position	2020			2021		
	Salary	Hours	Total	Rate	Hours	Total
General Manager (Retired 2020)	\$ 38.46	4	\$ 230.76	\$ -	-	\$ -
Accountant/Clerk	\$ 25.04	22.5	\$ 845.10	\$ 27.00	20	\$ 810.00
Customer Service Representative	\$ 12.00	1	\$ 18.00	\$ 12.40	-	\$ -
Drinking Water Operator - Class III	\$ 18.40	196	\$ 5,409.60	\$ 21.20	200	\$ 6,360.00
Drinking Water Operator - Class III	\$ 15.75	236.5	\$ 5,587.31	\$ 19.80	240	\$ 7,128.00
Drinking Water Operator - Class II	\$ 15.10	277	\$ 6,274.05	\$ 17.40	280	\$ 7,308.00
Drinking Water Operator - Class I	\$ 14.30	161.5	\$ 3,464.18	\$ 15.30	180	\$ 4,131.00
		898.5	\$ 21,829.00		920	\$ 25,737.00
				Increase 2020 to 2021		\$ 3,908.00

EXHIBIT C.3

**Marion County Water District
Retirement**

Position	2020			2021		
	Salary	Contribution %	Total	Salary	Contribution %	Total
General Manager (Hired 2020)	\$ 68,885.84	24.06%	\$ 16,573.93	\$ 94,057.60	26.95%	\$ 25,348.52
General Manager (Retired 2020)	\$ 70,766.40	24.06%	17,026.40	\$ -	-	-
Office Manager	\$ 38,902.00	24.06%	9,359.82	\$ 45,240.00	26.95%	12,192.18
Accountant/Clerk	\$ 53,084.80	24.06%	12,772.20	\$ 56,160.00	26.95%	15,135.12
Customer Service Representative	\$ 31,164.00	24.06%	7,498.06	\$ 35,880.00	26.95%	9,669.66
Drinking Water Operator - Class III	\$ 39,008.00	24.06%	\$ 9,385.32	\$ 44,096.00	26.95%	\$ 11,883.87
Drinking Water Operator - Class III	\$ 33,390.00	24.06%	\$ 8,033.63	\$ 41,184.00	26.95%	\$ 11,099.09
Drinking Water Operator - Class III (Position added 2021)	\$ -	-	\$ -	\$ 40,768.00	26.95%	\$ 10,986.98
Drinking Water Operator - Class II	\$ 31,981.80	24.06%	\$ 7,694.82	\$ 36,192.00	26.95%	\$ 9,753.74
Drinking Water Operator - Class I	\$ 29,858.40	24.06%	\$ 7,183.93	\$ 31,824.00	26.95%	\$ 8,576.57
	\$ 397,041.24		\$ 95,528.12	\$ 425,401.60		\$ 114,645.73
				Increase 2020 to 2021		\$ 19,117.61

EXHIBIT C.4

**Marion County Water District
Health Insurance**

2020

Plan	Total Monthly Premium	Employer %	Employees in Plan	MCWD Annual Total
LivingWell CDHP - Single	\$ 710.94	92.8%	1	\$ 7,917.03
LivingWell PPO - Single	\$ 731.82	88.4%	1	\$ 7,763.15
LivingWell PPO - Single (Tobacco)	\$ 731.82	82.9%	1	\$ 7,280.15
LivingWell CDHP - Parent Plus	\$ 982.30	86.7%	4	\$ 40,879.40
				\$ 63,839.72

2022

Plan	Total Monthly Premium	Employer %	Employees in Plan	MCWD Annual Total
LivingWell CDHP - Single	\$ 750.30	92.8%	1	\$ 8,355.34
LivingWell PPO - Single	\$ 772.16	88.4%	1	\$ 8,191.07
LivingWell PPO - Single (Tobacco)	\$ 772.16	83.1%	1	\$ 7,699.98
LivingWell CDHP - Parent Plus	\$ 1,036.40	86.7%	4	\$ 43,130.82
				\$ 67,377.22

Increase 2020 to 2022 \$ 3,537.50

2022 (Allowable)

Plan	Total Monthly Premium	Employer %	Employees in Plan	MCWD Annual Total
LivingWell CDHP - Single	\$ 750.30	78.0%	1	\$ 7,022.81
LivingWell PPO - Single	\$ 772.16	78.0%	1	\$ 7,227.42
LivingWell PPO - Single (Tobacco)	\$ 772.16	78.0%	1	\$ 7,227.42
LivingWell CDHP - Parent Plus	\$ 1,036.40	66.0%	4	\$ 32,833.15
				\$ 54,310.80

2022 Health Insurance \$ 67,377.22

2022 Allowable Cost \$ 54,310.80

Difference \$ (13,066.42)

Increase 2020 to 2022 \$ 3,537.50

Total Adjustment \$ (9,528.92)

EXHIBIT D

REVENUE REQUIREMENT CALCULATION - DEBT COVERAGE METHOD

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

Pro forma Operating Expenses	\$3,407,157.00
Plus: Average Annual Debt Principal and Interest Payments*	344,255.00
Debt Coverage Requirement**	68,851.00
Total Revenue Requirement	3,820,263.00
Less: Other Operating Revenue	
Non-operating Revenue	43,478.00
Interest Income	13,278.00
Revenue Required from Rates	3,877,019.00
Less: Revenue from Sales at Present Rates	-3,093,614.00
Required Revenue Increase	\$783,405.00

Required Revenue Increase stated as a Percentage of Revenue at Present Rates	25.32%
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* This should be a 3 year average calculated using the debt principal and interest payments for the three years following the test year.

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

EXHIBIT D.1

**EXHIBIT D.1
5 YEAR DEBT SERVICE SCHEDULE
MARION COUNTY WATER DISTRICT
CY 2022 - 2026**

Existing Long-Term Debt

C.Y.	USDA RD 91-17		KIA B12-06			KIA B18-10			Citizens National Bank		TOTALS
	Principal	Interest	Principal	Interest	Fees	Principal	Interest	Fees	Principal	Interest	
2022	\$ 25,000	\$ 40,056	\$ 26,337	\$ 6,266	\$ 716	\$ 41,112	\$ 15,390	\$ 1,759	\$ 46,770	\$ 15,932	\$ 219,338
2023	\$ 26,000	\$ 39,227	\$ 26,800	\$ 5,803	\$ 663	\$ 41,834	\$ 14,667	\$ 1,676	\$ 48,433	\$ 14,299	\$ 219,404
2024	\$ 27,000	\$ 38,366	\$ 27,271	\$ 5,332	\$ 609	\$ 42,570	\$ 13,932	\$ 1,592	\$ 50,156	\$ 12,576	\$ 219,405
2025	\$ 28,000	\$ 37,473	\$ 27,750	\$ 4,853	\$ 555	\$ 43,318	\$ 13,184	\$ 1,507	\$ 51,940	\$ 10,792	\$ 219,372
2026	\$ 29,000	\$ 36,546	\$ 28,238	\$ 4,365	\$ 499	\$ 44,079	\$ 12,422	\$ 1,420	\$ 53,787	\$ 8,945	\$ 219,302
TOTALS	\$ 135,000	\$ 191,668	\$ 136,397	\$ 26,620	\$ 3,042	\$ 212,913	\$ 69,596	\$ 7,954	\$ 251,087	\$ 62,545	\$ 1,096,821

5 Year Average - Principal, Interest & Fees \$ 219,364

5 Year Average - Debt Service Coverage \$ 43,873

Proposed Long-Term Debt (Pending PSC Case No. 2021-00303)

C.Y.	USDA RD 91-17		KIA B12-06			KIA B18-10			2021 Refinance Farmers National Bank		2021-2023 Meter Project Farmers National Bank		TOTALS
	Principal	Interest	Principal	Interest	Fees	Principal	Interest	Fees	Principal	Interest	Principal	Interest	
2022	\$ 25,000	\$ 40,056	\$ 26,337	\$ 6,266	\$ 716	\$ 41,112	\$ 15,390	\$ 1,759	\$ 44,552	\$ 9,789	\$ -	\$ -	\$ 210,977
2023	\$ 26,000	\$ 39,227	\$ 26,800	\$ 5,803	\$ 663	\$ 41,834	\$ 14,667	\$ 1,676	\$ 45,515	\$ 8,826	\$ 108,475	\$ 24,293	\$ 343,780
2024	\$ 27,000	\$ 38,366	\$ 27,271	\$ 5,332	\$ 609	\$ 42,570	\$ 13,932	\$ 1,592	\$ 46,476	\$ 7,865	\$ 147,309	\$ 30,564	\$ 388,886
2025	\$ 28,000	\$ 37,473	\$ 27,750	\$ 4,853	\$ 555	\$ 43,318	\$ 13,184	\$ 1,507	\$ 47,503	\$ 6,838	\$ 150,579	\$ 27,293	\$ 388,852
2026	\$ 29,000	\$ 36,546	\$ 28,238	\$ 4,365	\$ 499	\$ 44,079	\$ 12,422	\$ 1,420	\$ 48,530	\$ 5,811	\$ 153,834	\$ 24,039	\$ 388,783
TOTALS	\$ 135,000	\$ 191,668	\$ 136,397	\$ 26,620	\$ 3,042	\$ 212,913	\$ 69,596	\$ 7,954	\$ 232,576	\$ 39,128	\$ 560,196	\$ 106,188	\$ 1,721,277

5 Year Average - Principal, Interest & Fees \$ 344,255

5 Year Average - Debt Service Coverage \$ 68,851

EXHIBIT E

EXHIBIT E.1

CURRENT BILLING ANALYSIS - 2020 USAGE & EXISTING RATES
Marion County Water District

SUMMARY

	No. of Bills	Gals. Sold	Revenue
5/8" X 3/4" Meters	72,779	284,986,646	\$ 2,502,912
1" Meters	369	8,757,046	66,226
2" Meters	289	71,207,177	497,327
3" Meters	48	2,859,160	21,626
4" Meters	36	464,752	5,523
6" Meters	0	0	0
Totals	73,521	368,274,781	\$ 3,093,614
		Less Billing Adjustments	
		Pro Forma Sales Revenue	\$ 3,093,614

5/8" X 3/4" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	2,653	-	-	-	-
ALL OVER	0	70,126	284,986,646	-	284,986,646	284,986,646
		72,779	284,986,646	-	284,986,646	284,986,646

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	72,779	- \$ 7.45	\$ 542,204
ALL OVER	0	284,986,646	0.00688	1,960,708
	72,779	284,986,646		\$ 2,502,912

1" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	4	-	-	-	-
ALL OVER	0	365	8,757,046	-	8,757,046	8,757,046
		369	8,757,046	-	8,757,046	8,757,046

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	369	- \$ 16.20	\$ 5,978
ALL OVER	0	8,757,046	0.00688	60,248
	369	8,757,046		\$ 66,226

2" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	2	-	-	-	-
ALL OVER	0	287	71,207,177	-	71,207,177	71,207,177
		289	71,207,177	-	71,207,177	71,207,177

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	289	- \$ 25.68	\$ 7,422
ALL OVER	0	71,207,177	0.00688	489,905
	289	71,207,177		\$ 497,327

3" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	0	-	-	-	-
ALL OVER	0	48	2,859,160	-	2,859,160	2,859,160
		48	2,859,160	-	2,859,160	2,859,160

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	48	- \$ 40.73	\$ 1,955
ALL OVER	0	2,859,160	0.00688	19,671
	48	2,859,160		\$ 21,626

4" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	0	-	-	-	-
ALL OVER	0	36	464,752	-	464,752	464,752
		36	464,752	-	464,752	464,752

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	36	- \$ 64.60	\$ 2,326
ALL OVER	0	464,752	0.00688	3,197
	36	464,752		\$ 5,523

6" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	0	-	-	-	-
ALL OVER	0	0	0	-	0	0
		0	0	-	0	0

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	0	- \$ 162.59	\$ 0
ALL OVER	0	0	0.00688	0
	0	0		\$ 0

EXHIBIT E.2

**PROPOSED BILLING ANALYSIS - 2020 USAGE & PROPOSED RATES
Marion County Water District**

SUMMARY

	No. of Bills	Gals. Sold	Revenue
5/8" X 3/4" Meters	72,779	284,986,646	\$ 3,136,341
1" Meters	369	8,757,046	82,976
2" Meters	289	71,207,177	623,106
3" Meters	48	2,859,160	27,096
4" Meters	36	464,752	6,921
6" Meters	0	0	0
Totals	73,521	368,274,781	\$ 3,876,440
Pro Forma Sales Revenue			\$ 3,876,440

5/8" X 3/4" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	2,653	-	-	-	-
ALL OVER	0	70,126	284,986,646	-	284,986,646	284,986,646
		72,779	284,986,646	-	284,986,646	284,986,646

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	72,779	- \$ 9.34	\$ 679,756
ALL OVER	0	284,986,646	0.00862	2,456,585
	72,779	284,986,646		\$ 3,136,341

1" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	4	-	-	-	-
ALL OVER	0	365	8,757,046	-	8,757,046	8,757,046
		369	8,757,046	-	8,757,046	8,757,046

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	369	- \$ 20.30	\$ 7,491
ALL OVER	0	8,757,046	0.00862	75,486
	369	8,757,046		\$ 82,976

2" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	2	-	-	-	-
ALL OVER	0	287	71,207,177	-	71,207,177	71,207,177
		289	71,207,177	-	71,207,177	71,207,177

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	289	- \$ 32.18	\$ 9,300
ALL OVER	0	71,207,177	0.00862	613,806
	289	71,207,177		\$ 623,106

3" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	0	-	-	-	-
ALL OVER	0	48	2,859,160	-	2,859,160	2,859,160
		48	2,859,160	-	2,859,160	2,859,160

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	48	- \$ 51.04	\$ 2,450
ALL OVER	0	2,859,160	0.00862	24,646
	48	2,859,160		\$ 27,096

4" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	0	-	-	-	-
ALL OVER	0	36	464,752	-	464,752	464,752
		36	464,752	-	464,752	464,752

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	36	- \$ 80.96	\$ 2,915
ALL OVER	0	464,752	0.00862	4,006
	36	464,752		\$ 6,921

6" METERS

	USAGE	BILLS	GALLONS	FIRST 0 GAL	ALL OVER 0 GAL	TOTAL
FIRST	0	0	-	-	-	-
ALL OVER	0	0	0	-	0	0
		0	0	-	0	0

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	0	- \$ 203.76	\$ 0
ALL OVER	0	0	0.00862	0
	0	0		\$ 0

EXHIBIT F

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: BUILDING												
3		NEW BUILDING	6/30/79	46,796.00	0.00	0.00	46,796.00	0.00	46,796.00	0.00	S/L	33.30
4		NEW BUILDING	6/30/80	419.00	0.00	0.00	419.00	0.00	419.00	0.00	S/L	33.30
5		NEW BUILDING	6/30/86	9,375.00	0.00	0.00	9,375.00	0.00	9,375.00	0.00	S/L	33.30
6		NEW BUILDING	12/01/90	1,270.00	0.00	0.00	1,105.38	38.14	1,143.52	126.48	S/L	33.30
7		NEW BUILDING ADDITIONS	9/01/93	5,504.00	0.00	0.00	4,348.93	165.29	4,514.22	989.78	S/L	33.30
152		BUILDING	7/15/96	967.00	0.00	0.00	682.68	29.04	711.72	255.28	S/L	33.30
212		BUILDING ADD-ON	7/01/01	23,812.00	0.00	0.00	13,229.36	715.08	13,944.44	9,867.56	S/L	33.30
226		BUILDING ADD-ON	7/01/02	2,317.20	0.00	0.00	1,218.03	69.59	1,287.62	1,029.58	S/L	33.30
244		SHOP ADDITION	7/01/03	1,498.81	0.00	0.00	742.66	45.01	787.67	711.14	S/L	33.30
254		BUILDING RENOVATION	6/30/04	10,570.85	0.00	0.00	10,570.85	0.00	10,570.85	0.00	S/L	33.30
260		BLACKTOP RESURFACE	5/12/04	1,080.00	0.00	0.00	1,080.00	0.00	1,080.00	0.00	S/L	15.00
262		BUILDING RENOVATION	2/28/05	237.81	0.00	0.00	237.81	0.00	237.81	0.00	S/L	33.30
283		RECC BUILDING	1/17/07	130,820.00	0.00	0.00	50,743.51	3,928.53	54,672.04	76,147.96	S/L	33.30
284		SECURITY-RECC NEW BUILDIN	3/05/07	1,350.00	0.00	0.00	1,350.00	0.00	1,350.00	0.00	S/L	10.00
285		GARAGE DOORS FOR BLDG	3/15/07	2,095.00	0.00	0.00	2,095.00	0.00	2,095.00	0.00	S/L	15.00
298		BLACKTOP	4/02/08	10,062.00	0.00	0.00	10,062.00	0.00	10,062.00	0.00	S/L	15.00
299		OVERHEAD DOOR	6/30/08	1,470.00	0.00	0.00	1,421.00	49.00	1,470.00	0.00	S/L	15.00
328		NEW SHOP BLDG ROOF	12/02/10	9,562.20	0.00	0.00	5,790.44	637.48	6,427.92	3,134.28	S/L	15.00
370		HEAT PUMP (TIME WARNER RI	4/30/15	4,300.00	0.00	0.00	1,337.79	286.67	1,624.46	2,675.54	S/L	15.00
377		SECURITY SYSTEM & CAMERA	11/21/16	1,664.99	0.00	0.00	513.37	166.50	679.87	985.12	S/L	10.00
402		HVAC/FURNACE FOR OFFICE E	12/12/18	10,600.00	0.00	0.00	765.56	706.67	1,472.23	9,127.77	S/L	15.00
		BUILDING		<u>275,771.86</u>	<u>0.00</u> ^c	<u>0.00</u>	<u>163,884.37</u>	<u>6,837.00</u>	<u>170,721.37</u>	<u>105,050.49</u>		
Group: COMMUNICATION EQUIPMENT												
186		TELEMETER EQUIPMENT	12/31/98	16,500.00	0.00	0.00	16,500.00	0.00	16,500.00	0.00	S/L	10.00
187		COMMUNICATIONS EQUIP - TA	7/31/99	3,610.00	0.00	0.00	3,610.00	0.00	3,610.00	0.00	S/L	10.00
188		COMMUNICATIONS EQUIP - TA	11/15/99	6,078.00	0.00	0.00	6,078.00	0.00	6,078.00	0.00	S/L	10.00
236		COMMUNICATION EQUIPMEN	7/01/02	2,800.00	0.00	0.00	2,800.00	0.00	2,800.00	0.00	S/L	10.00
238		PHONE SYSTEM	7/01/02	20,500.00	0.00	0.00	20,500.00	0.00	20,500.00	0.00	S/L	10.00
239		PHONE SYSTEM-CALDWELL C	7/01/02	2,749.17	0.00	0.00	2,749.17	0.00	2,749.17	0.00	S/L	10.00
252		TELEMETER EQUIPMENT	3/31/04	1,191.42	0.00	0.00	1,191.42	0.00	1,191.42	0.00	S/L	10.00
291		COMMUNICATION EQUIPMEN	4/04/07	511.94	0.00	0.00	511.94	0.00	511.94	0.00	S/L	10.00
309		NARROWS RD TANK-COMM. E	1/31/09	34,411.99	0.00	0.00	34,411.99	0.00	34,411.99	0.00	S/L	10.00
336		COMM. EQUIPMENT	3/31/11	460.00	0.00	0.00	402.50	46.00	448.50	11.50	S/L	10.00
337		COMMUNICATION SYSTEM (R	8/31/11	33,263.00	0.00	0.00	27,719.17	3,326.30	31,045.47	2,217.53	S/L	10.00
350		COMMUNICATION EQUIPMEN	6/30/12	1,492.45	0.00	0.00	1,119.37	149.25	1,268.62	223.83	S/L	10.00
386		PHONE SYSTEM UPGRADE	2/29/16	1,200.00	0.00	0.00	460.00	120.00	580.00	620.00	S/L	10.00
387		COMMUNICATION EQUIPMEN	9/30/16	474.00	0.00	0.00	154.05	47.40	201.45	272.55	S/L	10.00
400		RCS COMMUNICATION EQUIP	3/31/17	3,746.00	0.00	0.00	1,030.15	374.60	1,404.75	2,341.25	S/L	10.00
424		COMMUNICATION EQUIPMEN	6/30/19	303,182.64	0.00	0.00	15,159.13	30,318.26	45,477.39	257,705.25	S/L	10.00
434		COMMUNICATION EQUIPMEN	8/04/20	8,429.00	0.00 ^c	0.00	0.00	351.21	351.21	8,077.79	S/L	10.00
		COMMUNICATION EQUIPMENT		<u>440,599.61</u>	<u>0.00</u> ^c	<u>0.00</u>	<u>134,396.89</u>	<u>34,733.02</u>	<u>169,129.91</u>	<u>271,469.70</u>		
Group: DIST. RESERVOIRS & STANDP												
17		DIST RES & STANDPIPE	6/30/70	49,170.00	0.00	0.00	49,166.80	3.20	49,170.00	0.00	S/L	50.00

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: DIST. RESERVOIRS & STANDP (continued)												
19		DIST RES & STANDPIPE	6/30/76	246.00	0.00	0.00	216.64	4.92	221.56	24.44	S/L	50.00
20		DIST RES & STANDPIPE	6/30/84	644.00	0.00	0.00	457.96	12.88	470.84	173.16	S/L	50.00
21		B'VILLE DIST RES	6/30/85	1,767.00	0.00	0.00	1,133.78	35.34	1,169.12	597.88	S/L	50.00
23		B'VILLE DIST RES	6/30/87	42,475.00	0.00	0.00	27,612.50	849.50	28,462.00	14,013.00	S/L	50.00
24		B'VILLE DIST RES	6/30/89	29,631.00	0.00	0.00	18,374.54	592.62	18,967.16	10,663.84	S/L	50.00
25		DIST RES PAINTING	6/30/91	18,885.00	0.00	0.00	18,885.00	0.00	18,885.00	0.00	S/L	20.00
27		DIST RES PAINTING	5/01/93	11,000.00	0.00	0.00	11,000.00	0.00	11,000.00	0.00	S/L	20.00
150		DIST RES & STANDPIPE	12/31/95	12,275.00	0.00	0.00	5,895.50	245.50	6,141.00	6,134.00	S/L	50.00
154		DIST REC & STANDPIPE	10/15/96	169,745.00	0.00	0.00	78,932.30	3,394.90	82,327.20	87,417.80	S/L	50.00
162		DIST RESERV & STANDPIPES	6/01/97	9,502.00	0.00	0.00	4,180.68	190.04	4,370.72	5,131.28	S/L	50.00
189		DIST RESERV & STANDPIPES	6/30/99	1,054.00	0.00	0.00	421.36	21.08	442.44	611.56	S/L	50.00
204		DIST RES & STANDPIPES	5/15/00	33,400.00	0.00	0.00	13,137.00	668.00	13,805.00	19,595.00	S/L	50.00
214		DIST RES & STANDPIPES	7/01/01	248,448.00	0.00	0.00	91,925.32	4,968.96	96,894.28	151,553.72	S/L	50.00
228		DIST RESERVOIRS	7/01/02	278,070.43	0.00	0.00	97,324.97	5,561.41	102,886.38	175,184.05	S/L	50.00
245		PAINT TANK	7/31/03	39,112.50	0.00	0.00	32,104.93	1,955.63	34,060.56	5,051.94	S/L	20.00
255		DIST RESERVOIRS	6/30/04	355,805.91	0.00	0.00	110,299.86	7,116.12	117,415.98	238,389.93	S/L	50.00
263		DISTR. RES & STANDUP PIPES	6/15/05	4,869.17	0.00	0.00	2,089.66	97.38	2,187.04	2,682.13	S/L	50.00
286		HOLY CROSS WATER TANK	12/21/07	75,200.00	0.00	0.00	18,048.00	1,504.00	19,552.00	55,648.00	S/L	50.00
297		HOLY CROSS TANK	1/29/08	16,360.00	0.00	0.00	3,899.13	327.20	4,226.33	12,133.67	S/L	50.00
300		RILEY STORAGE TANK PAINTI	12/03/08	75,926.00	0.00	0.00	42,075.66	3,796.30	45,871.96	30,054.04	S/L	20.00
301		NARROWS ROAD TANK	12/02/08	597,737.02	0.00	0.00	132,498.37	11,954.74	144,453.11	453,283.91	S/L	50.00
340		FENCING - ST. CHARLES TANK	12/31/12	4,861.00	0.00	0.00	3,749.93	324.07	4,074.00	787.00	S/L	15.00
341		TANK PAINTING - ST. CHARLES	10/24/12	58,234.00	0.00	0.00	27,822.93	3,882.27	31,705.20	26,528.80	S/L	15.00
413		FENCING OF TANK AREA	10/31/18	8,463.00	0.00	0.00	658.23	564.20	1,222.43	7,240.57	S/L	15.00
DIST. RESERVOIRS & STANDP				2,142,881.03	0.00c	0.00	791,911.05	48,070.26	839,981.31	1,302,899.72		

Group: HYDRANTS

66		HYDRANTS	6/30/70	757.00	0.00	0.00	740.38	15.14	755.52	1.48	S/L	50.00
67	d	HYDRANTS	6/30/75	2,015.00	0.00	0.00	1,791.10	36.94	1,828.04	186.96	S/L	50.00
68		HYDRANTS	6/30/76	7.00	0.00	0.00	5.38	0.14	5.52	1.48	S/L	50.00
69		HYDRANTS	6/30/78	2,588.00	0.00	0.00	2,123.92	51.76	2,175.68	412.32	S/L	50.00
70		HYDRANTS	6/30/85	35.00	0.00	0.00	26.90	0.70	27.60	7.40	S/L	50.00
71		HYDRANTS	12/01/86	6,210.00	0.00	0.00	4,102.40	124.20	4,226.60	1,983.40	S/L	50.00
72		HYDRANTS	6/30/86	268.00	0.00	0.00	166.12	5.36	171.48	96.52	S/L	50.00
148		HYDRANTS	2/07/95	1,825.00	0.00	0.00	912.50	36.50	949.00	876.00	S/L	50.00
158		HYDRANTS	7/01/96	1,041.00	0.00	0.00	489.94	20.82	510.76	530.24	S/L	50.00
176		HYDRANTS	4/07/98	800.00	0.00	0.00	348.00	16.00	364.00	436.00	S/L	50.00
193		HYDRANTS	2/28/99	4,717.00	0.00	0.00	1,885.78	94.34	1,980.12	2,736.88	S/L	50.00
207		HYDRANTS	3/06/00	1,845.00	0.00	0.00	732.30	36.90	769.20	1,075.80	S/L	50.00
218		HYDRANTS	7/01/01	17,134.00	0.00	0.00	6,339.56	342.68	6,682.24	10,451.76	S/L	50.00
232		HYDRANTS	7/01/02	3,328.81	0.00	0.00	1,164.86	66.58	1,231.44	2,097.37	S/L	50.00
259		HYDRANTS	6/30/04	2,152.99	0.00	0.00	667.43	43.06	710.49	1,442.50	S/L	50.00
267		HYDRANTS	5/31/05	905.00	0.00	0.00	263.96	18.10	282.06	622.94	S/L	50.00
273		HYDRANTS	11/30/06	543.34	0.00	0.00	142.22	10.87	153.09	390.25	S/L	50.00
274		HYDRANTS	12/04/06	1,740.46	0.00	0.00	455.43	34.81	490.24	1,250.22	S/L	50.00
288		HYDRANTS	5/08/07	5,400.00	0.00	0.00	1,368.00	108.00	1,476.00	3,924.00	S/L	50.00
289		HYDRANTS	7/11/07	3,274.40	0.00	0.00	818.62	65.49	884.11	2,390.29	S/L	50.00

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: HYDRANTS (continued)												
290		HYDRANTS	8/06/07	50.08	0.00	0.00	12.42	1.00	13.42	36.66	S/L	50.00
310		HYDRANTS	3/12/09	2,400.00	0.00	0.00	520.00	48.00	568.00	1,832.00	S/L	50.00
323		HYDRANTS	4/30/10	11,797.67	0.00	0.00	2,280.85	235.95	2,516.80	9,280.87	S/L	50.00
338		HYDRANTS	11/30/11	2,541.00	0.00	0.00	1,444.14	50.82	1,494.96	1,046.04	S/L	50.00
357		HYDRANT	11/30/14	1,050.00	0.00	0.00	281.75	21.00	302.75	747.25	S/L	50.00
367		HYDRANT	7/31/13	1,381.04	0.00	0.00	554.70	27.62	582.32	798.72	S/L	50.00
383		HYDRANTS	9/30/16	750.00	0.00	0.00	63.75	15.00	78.75	671.25	S/L	50.00
396		HYDRANTS	6/30/17	6,983.72	0.00	0.00	349.18	139.67	488.85	6,494.87	S/L	50.00
418		HYDRANTS	6/30/19	1,830.64	0.00	0.00	18.31	36.61	54.92	1,775.72	S/L	50.00
432		HYDRANTS	6/30/20	5,251.72	0.00c	0.00	0.00	52.52	52.52	5,199.20	S/L	50.00
		HYDRANTS		90,622.87	0.00c	0.00	30,069.90	1,756.58	31,826.48	58,796.39		
		*Less: Dispositions and Transfers		2,015.00	0.00	0.00	1,791.10	0.00	1,828.04	186.96		
		Net HYDRANTS		<u>88,607.87</u>	<u>0.00c</u>	<u>0.00</u>	<u>28,278.80</u>	<u>1,756.58</u>	<u>29,998.44</u>	<u>58,609.43</u>		
Group: LABORATORY EQUIPMENT												
128		LAB EQUIPMENT	6/30/87	57.00	0.00	0.00	57.00	0.00	57.00	0.00	S/L	10.00
129		LAB EQUIPMENT	6/30/88	4,101.00	0.00	0.00	4,101.00	0.00	4,101.00	0.00	S/L	10.00
130		LAB EQUIPMENT	6/30/99	460.78	0.00	0.00	460.78	0.00	460.78	0.00	S/L	10.00
		LABORATORY EQUIPMENT		<u>4,618.78</u>	<u>0.00c</u>	<u>0.00</u>	<u>4,618.78</u>	<u>0.00</u>	<u>4,618.78</u>	<u>0.00</u>		
Group: LAND & LAND RIGHTS												
1		LAND & LAND RIGHTS	1/01/78	4,531.00	0.00	0.00	0.00	0.00	0.00	4,531.00	Land	0.00
151		LAND	3/15/96	2,526.00	0.00	0.00	0.00	0.00	0.00	2,526.00	Land	0.00
161		LAND	7/01/97	264.00	0.00	0.00	0.00	0.00	0.00	264.00	Land	0.00
171		LAND	7/08/98	24.00	0.00	0.00	0.00	0.00	0.00	24.00	Land	0.00
194		LAND	2/28/99	120.00	0.00	0.00	0.00	0.00	0.00	120.00	Land	0.00
202		LAND & LAND RIGHTS	6/30/00	60.00	0.00	0.00	0.00	0.00	0.00	60.00	Land	0.00
211		LAND-GAP KNOB	10/31/01	4,562.00	0.00	0.00	0.00	0.00	0.00	4,562.00	Land	0.00
225		LAND-MAKERS MARK	7/01/02	3,108.06	0.00	0.00	0.00	0.00	0.00	3,108.06	Land	0.00
243		EASEMENTS	7/01/03	1,180.00	0.00	0.00	0.00	0.00	0.00	1,180.00	Land	0.00
253		LAND	6/30/04	14.00	0.00	0.00	0.00	0.00	0.00	14.00	Land	0.00
281		LAND EASEMENT	12/31/06	64.00	0.00	0.00	0.00	0.00	0.00	64.00	Land	0.00
318		EASEMENT	3/31/10	17.00	0.00	0.00	0.00	0.00	0.00	17.00	Land	0.00
330		LAND - EASEMENT	3/09/11	85.00	0.00	0.00	0.00	0.00	0.00	85.00	Land	0.00
331		LAND - MARY VIVIAN CAMBRON	12/31/11	11,250.00	0.00	0.00	0.00	0.00	0.00	11,250.00	Land	0.00
339		LAND IMPROV. - V. CAMBRON	3/31/12	7,446.00	0.00	0.00	0.00	0.00	0.00	7,446.00	Land	0.00
342		EASEMENT	1/05/12	37.00	0.00	0.00	0.00	0.00	0.00	37.00	Land	0.00
351		EASEMENT	5/22/12	20.00	0.00	0.00	0.00	0.00	0.00	20.00	Land	0.00
353		EASEMENTS	7/31/14	6,845.00	0.00	0.00	0.00	0.00	0.00	6,845.00	Land	0.00
361		EASEMENTS KY 49 - STATE RE	12/31/13	14,734.00	0.00	0.00	0.00	0.00	0.00	14,734.00	Land	0.00
362		EASEMENTS	12/31/13	273.00	0.00	0.00	0.00	0.00	0.00	273.00	Land	0.00
369		EASEMENTS	4/13/15	517.00	0.00	0.00	0.00	0.00	0.00	517.00	Land	0.00
376		EASEMENTS	8/31/16	5,111.00	0.00	0.00	0.00	0.00	0.00	5,111.00	Land	0.00
390		LAND - EASEMENTS	6/30/17	34.00	0.00	0.00	0.00	0.00	0.00	34.00	Land	0.00
412		LAND EASEMENTS	6/30/18	12,746.50	0.00	0.00	0.00	0.00	0.00	12,746.50	Land	0.00

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: LAND & LAND RIGHTS (continued)												
414		LAND	9/30/19	8,985.00	0.00	0.00	0.00	0.00	0.00	8,985.00	Land	0.00
435		EASEMENTS	6/30/20	350.00	0.00c	0.00	0.00	0.00	0.00	350.00	Land	0.00
LAND & LAND RIGHTS				<u>84,903.56</u>	<u>0.00c</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>84,903.56</u>		
Group: LAND GENERAL PLANT												
2		LAND - GEN PLANT	1/01/79	4,400.00	0.00	0.00	0.00	0.00	0.00	4,400.00	Land	0.00
296		LAND - RECC BUILDING	1/17/07	20,000.00	0.00	0.00	0.00	0.00	0.00	20,000.00	Land	0.00
LAND GENERAL PLANT				<u>24,400.00</u>	<u>0.00c</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>24,400.00</u>		
Group: METERS AND METER INSTALLA												
58		METERS	6/30/90	153,445.00	0.00	0.00	131,400.30	3,068.90	134,469.20	18,975.80	S/L	50.00
59		METERS	6/30/91	9,288.00	0.00	0.00	5,294.92	185.76	5,480.68	3,807.32	S/L	50.00
60		METERS	6/30/92	21,089.00	0.00	0.00	11,811.26	421.78	12,233.04	8,855.96	S/L	50.00
61		METERS	6/30/93	104,772.00	0.00	0.00	55,525.48	2,095.44	57,620.92	47,151.08	S/L	50.00
62		METERS	6/30/94	31,920.00	0.00	0.00	16,275.80	638.40	16,914.20	15,005.80	S/L	50.00
63		METER INSTALLATION	6/30/90	290,336.00	0.00	0.00	210,301.24	5,806.72	216,107.96	74,228.04	S/L	50.00
64		METER INSTALLATION	6/30/91	6,089.00	0.00	0.00	3,533.26	121.78	3,655.04	2,433.96	S/L	50.00
65		METER INSTALLATION	6/30/92	6,140.00	0.00	0.00	3,439.60	122.80	3,562.40	2,577.60	S/L	50.00
143		METER INSTALLATIONS	6/30/95	26,501.00	0.00	0.00	12,985.34	530.02	13,515.36	12,985.64	S/L	50.00
157		METER INSTALLATION	7/01/96	70,972.00	0.00	0.00	33,354.48	1,419.44	34,773.92	36,198.08	S/L	50.00
165		METER INSTALLATION	7/01/97	31,977.00	0.00	0.00	14,072.18	639.54	14,711.72	17,265.28	S/L	50.00
175		METER INSTALLATION	7/01/98	112,361.00	0.00	0.00	48,314.74	2,247.22	50,561.96	61,799.04	S/L	50.00
195		METER INSTALLATION	7/01/99	53,891.00	0.00	0.00	21,556.94	1,077.82	22,634.76	31,256.24	S/L	50.00
206		METER INSTALLATION	7/01/00	31,901.00	0.00	0.00	12,441.34	638.02	13,079.36	18,821.64	S/L	50.00
217		METERS & METER INSTALLAT	7/01/01	63,940.00	0.00	0.00	23,657.60	1,278.80	24,936.40	39,003.60	S/L	50.00
231		METERS & METER INSTALLAT	7/01/02	26,123.13	0.00	0.00	9,229.82	522.46	9,752.28	16,370.85	S/L	50.00
248		METERS & METER INSTALLAT	7/01/03	28,090.71	0.00	0.00	9,269.87	561.81	9,831.68	18,259.03	S/L	50.00
258		METERS & METER INSTALL	6/30/04	36,504.33	0.00	0.00	11,316.39	730.09	12,046.48	24,457.85	S/L	50.00
266		METERS & INSTALLATION	6/30/05	53,570.16	0.00	0.00	15,535.30	1,071.40	16,606.70	36,963.46	S/L	50.00
272		METERS & INSTALLATION	6/30/06	26,296.27	0.00	0.00	7,100.05	525.93	7,625.98	18,670.29	S/L	50.00
287		METERS & INSTALLATION	6/30/07	45,347.94	0.00	0.00	11,337.00	906.96	12,243.96	33,103.98	S/L	50.00
305		METER INSTALLATION	6/30/08	30,448.91	0.00	0.00	7,003.27	608.98	7,612.25	22,836.66	S/L	50.00
313		ELECTRONIC METERS	6/30/09	216,328.52	0.00	0.00	110,327.59	10,816.43	121,144.02	95,184.50	S/L	20.00
322		ELECTRONIC METERS	6/30/10	152,483.57	0.00	0.00	72,429.71	7,624.18	80,053.89	72,429.68	S/L	20.00
333		ELECTRONIC METERS	9/30/11	186,370.90	0.00	0.00	76,878.04	9,318.55	86,196.59	100,174.31	S/L	20.00
345		METERS & INSTALLATION	6/30/12	228,564.31	0.00	0.00	85,711.65	11,428.22	97,139.87	131,424.44	S/L	20.00
356		METERS & METER INSTALLAT	6/30/14	130,018.53	0.00	0.00	34,901.30	6,500.93	41,402.23	88,616.30	S/L	20.00
366		METERS & INSTALLATION	6/30/13	191,493.63	0.00	0.00	62,235.42	9,574.68	71,810.10	119,683.53	S/L	20.00
372		METERS & METER INSTALLAT	6/30/15	75,689.74	0.00	0.00	17,030.20	3,784.49	20,814.69	54,875.05	S/L	20.00
382		METERS & METER INSTALLAT	6/30/16	151,384.16	0.00	0.00	26,492.23	7,569.21	34,061.44	117,322.72	S/L	20.00
395		METERS & METER INSALLATIC	6/30/17	140,220.53	0.00	0.00	17,527.57	7,011.03	24,538.60	115,681.93	S/L	20.00
407		METERS & METER INSTALLAT	6/30/18	33,158.36	0.00	0.00	1,989.50	1,657.92	3,647.42	29,510.94	S/L	20.00
417		METERS & METER INSTALLAT	6/30/19	96,638.85	0.00	0.00	2,415.97	4,831.94	7,247.91	89,390.94	S/L	20.00
431		METERS & METER INSTALLAT	6/30/20	101,512.61	0.00c	0.00	0.00	2,537.82	2,537.82	98,974.79	S/L	20.00

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Group: METERS AND METER INSTALLA (continued)												
METERS AND METER INSTALLA				<u>2,964,867.16</u>	<u>0.00c</u>	<u>0.00</u>	<u>1,182,695.36</u>	<u>107,875.47</u>	<u>1,290,570.83</u>	<u>1,674,296.33</u>		
Group: OFFICE FURNITURE & FIXTUR												
96		CHAIRS	11/15/93	375.00	0.00	0.00	375.00	0.00	375.00	0.00	S/L	10.00
177		OFFICE FURNITURE	7/01/98	540.00	0.00	0.00	540.00	0.00	540.00	0.00	S/L	10.00
191		FURNITURE	9/30/99	2,563.00	0.00	0.00	2,563.00	0.00	2,563.00	0.00	S/L	10.00
192		IMPROVEMENTS	5/31/99	1,646.00	0.00	0.00	1,646.00	0.00	1,646.00	0.00	S/L	10.00
208		FURNITURE	10/01/00	2,360.00	0.00	0.00	2,360.00	0.00	2,360.00	0.00	S/L	10.00
219		OFFICE FURNITURE	7/01/01	1,300.00	0.00	0.00	1,300.00	0.00	1,300.00	0.00	S/L	10.00
233		OFFICE FURNITURE	7/01/02	2,057.44	0.00	0.00	2,057.44	0.00	2,057.44	0.00	S/L	10.00
242		OFFICE FURNITURE	6/30/03	600.00	0.00	0.00	600.00	0.00	600.00	0.00	S/L	10.00
250		BILLING SOFTWARE	5/31/04	10,967.00	0.00	0.00	10,967.00	0.00	10,967.00	0.00	S/L	10.00
251		EXECUTIVE CHAIR	10/08/04	299.98	0.00	0.00	299.98	0.00	299.98	0.00	S/L	10.00
268		CONFERENCE ROOM CHAIRS	6/30/05	5,510.00	0.00	0.00	5,510.00	0.00	5,510.00	0.00	S/L	10.00
275		OFFICE FURNITURE	3/06/06	2,995.00	0.00	0.00	2,995.00	0.00	2,995.00	0.00	S/L	10.00
276		OFFICE FURNITURE	4/06/06	383.60	0.00	0.00	383.60	0.00	383.60	0.00	S/L	10.00
277		OFFICE FURNITURE	5/02/06	219.99	0.00	0.00	219.99	0.00	219.99	0.00	S/L	10.00
278		OFFICE FURNITURE	6/05/06	600.00	0.00	0.00	600.00	0.00	600.00	0.00	S/L	10.00
308		DESK	5/08/08	894.00	0.00	0.00	894.00	0.00	894.00	0.00	S/L	10.00
317	d	MAS 90 SOFTWARE & INSTALL	6/01/09	3,267.10	0.00	0.00	3,267.10	0.00	3,267.10	0.00	S/L	5.00
334	d	2 OFFICE COMPUTERS	8/31/11	3,826.25	0.00	0.00	3,188.54	191.31	3,379.85	446.40	S/L	10.00
346		SOFTWARE	2/29/12	574.79	0.00	0.00	574.79	0.00	574.79	0.00	S/L	5.00
347		SOFTWARE	11/30/12	1,040.04	0.00	0.00	1,040.04	0.00	1,040.04	0.00	S/L	5.00
359		LEXMARK PRINTER NS810	11/30/14	1,705.50	0.00	0.00	1,705.50	0.00	1,705.50	0.00	S/L	5.00
373		SAVIN MP224SP COPIER	8/31/15	4,000.00	0.00	0.00	1,733.33	400.00	2,133.33	1,866.67	S/L	10.00
374		OFFICE EQUIPMENT	11/04/15	723.74	0.00	0.00	385.98	72.37	458.35	265.39	S/L	10.00
397		CREDIT CARD MACHINES	3/31/17	458.00	0.00	0.00	251.90	91.60	343.50	114.50	S/L	5.00
398		OFFICE EQUIPMENT	4/30/17	839.97	0.00	0.00	447.98	167.99	615.97	224.00	S/L	5.00
399		NEW OFFICE FLOORING	12/01/17	3,878.00	0.00	0.00	807.92	387.80	1,195.72	2,682.28	S/L	10.00
408		OFFICE EQUIPMENT	3/31/18	420.00	0.00	0.00	73.50	42.00	115.50	304.50	S/L	10.00
409		2 RUGGED-TYPE LAPTOPS	4/10/18	4,551.66	0.00	0.00	1,593.08	910.33	2,503.41	2,048.25	S/L	5.00
410		OFFICER SERVER	8/06/18	4,186.00	0.00	0.00	1,186.03	837.20	2,023.23	2,162.77	S/L	5.00
411		COMPUTER EQUIPMENT	4/30/18	2,985.00	0.00	0.00	995.00	597.00	1,592.00	1,393.00	S/L	5.00
419		OFFICE FURNITURE & FIXTUR	6/30/19	6,890.00	0.00	0.00	689.00	1,378.00	2,067.00	4,823.00	S/L	5.00
425		2 OFFICE COMPUTERS	8/31/11	3,826.25	0.00	0.00	3,188.54	382.63	3,571.17	255.08	S/L	10.00
OFFICE FURNITURE & FIXTUR				<u>76,483.31</u>	<u>0.00c</u>	<u>0.00</u>	<u>54,439.24</u>	<u>5,458.23</u>	<u>59,897.47</u>	<u>16,585.84</u>		
*Less: Dispositions and Transfers				<u>7,093.35</u>	<u>0.00</u>	<u>0.00</u>	<u>6,455.64</u>	<u>0.00</u>	<u>6,646.95</u>	<u>446.40</u>		
Net OFFICE FURNITURE & FIXTUR				<u>69,389.96</u>	<u>0.00c</u>	<u>0.00</u>	<u>47,983.60</u>	<u>5,458.23</u>	<u>53,250.52</u>	<u>16,139.44</u>		
Group: POWER OPERATED EQUIPMENT												
132		BUCKET	8/06/92	850.00	0.00	0.00	850.00	0.00	850.00	0.00	S/L	10.00
149		MACHINERY	3/23/95	7,600.00	0.00	0.00	7,600.00	0.00	7,600.00	0.00	S/L	10.00
196		MACHINERY	4/30/99	1,280.00	0.00	0.00	1,280.00	0.00	1,280.00	0.00	S/L	10.00
222		POWER OPERATED EQUIPMEN	7/01/01	1,056.00	0.00	0.00	1,056.00	0.00	1,056.00	0.00	S/L	10.00
249		BACKHOE ROCKHAMMER	11/18/04	10,900.00	0.00	0.00	10,900.00	0.00	10,900.00	0.00	S/L	10.00

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: POWER OPERATED EQUIPMENT (continued)												
324		KUBOTA TRACTOR	10/31/10	1,995.00	0.00	0.00	1,828.75	166.25	1,995.00	0.00	S/L	10.00
326		TRACTOR	9/30/10	21,333.00	0.00	0.00	19,733.03	1,599.97	21,333.00	0.00	S/L	10.00
327		EQUIPMENT	11/30/10	1,369.00	0.00	0.00	1,243.51	125.49	1,369.00	0.00	S/L	10.00
335		EQUIPMENT	4/30/11	2,537.40	0.00	0.00	2,199.08	253.74	2,452.82	84.58	S/L	10.00
349		POWER EQUIPMENT	3/09/12	4,332.09	0.00	0.00	3,393.48	433.21	3,826.69	505.40	S/L	10.00
375		USED FORK LIFT	9/30/15	7,800.00	0.00	0.00	3,315.00	780.00	4,095.00	3,705.00	S/L	10.00
422		BACKHOE	1/04/19	85,325.00	0.00	0.00	8,532.50	8,532.50	17,065.00	68,260.00	S/L	10.00
426		61" Tug Tiger Mower	12/18/20	11,000.00	0.00c	0.00	0.00	0.00	0.00	11,000.00	S/L	10.00
427		35G Mini Excavator	3/23/20	47,000.00	0.00c	0.00	0.00	3,525.00	3,525.00	43,475.00	S/L	10.00
		POWER OPERATED EQUIPMENT		<u>204,377.49</u>	<u>0.00c</u>	<u>0.00</u>	<u>61,931.35</u>	<u>15,416.16</u>	<u>77,347.51</u>	<u>127,029.98</u>		
Group: PUMPING EQUIPMENT												
8		PUMPING STATION	6/30/78	22,292.00	0.00	0.00	22,292.00	0.00	22,292.00	0.00	S/L	20.00
9		PUMPING STATION	6/30/79	1,429.00	0.00	0.00	1,429.00	0.00	1,429.00	0.00	S/L	20.00
10		PUMPING STATION	6/30/80	4,667.00	0.00	0.00	4,667.00	0.00	4,667.00	0.00	S/L	20.00
11		PUMPING STATION	6/30/82	116.00	0.00	0.00	116.00	0.00	116.00	0.00	S/L	20.00
12		PUMPING STATION-ST. ROSE	6/30/84	96,316.00	0.00	0.00	96,316.00	0.00	96,316.00	0.00	S/L	20.00
13		PUMPING STATION-BOOSTER	9/01/85	375.00	0.00	0.00	375.00	0.00	375.00	0.00	S/L	20.00
14		PUMPING STATION-FROGTOW	9/01/86	3,937.00	0.00	0.00	3,937.00	0.00	3,937.00	0.00	S/L	20.00
15		PUMPING STATION-ADD'N	6/30/92	5,689.00	0.00	0.00	5,689.00	0.00	5,689.00	0.00	S/L	20.00
16		PUMPING STATION ADD'N	6/30/94	8,335.00	0.00	0.00	8,335.00	0.00	8,335.00	0.00	S/L	20.00
153		PUMPING EQUIPMENT	2/15/96	1,135.00	0.00	0.00	1,135.00	0.00	1,135.00	0.00	S/L	20.00
172		PUMPING EQUIPMENT	7/01/98	32,108.00	0.00	0.00	23,438.12	1,605.40	25,043.52	7,064.48	S/L	20.00
197		PUMPING EQUIPMENT	7/01/99	4,778.00	0.00	0.00	3,345.92	238.90	3,584.82	1,193.18	S/L	20.00
203		PUMPING EQUIPMENT	10/01/00	8,690.00	0.00	0.00	5,952.60	434.50	6,387.10	2,302.90	S/L	20.00
213		PUMPING EQUIPMENT	7/01/01	25.00	0.00	0.00	17.00	1.25	18.25	6.75	S/L	20.00
227		PUMPING EQUIPMENT	7/01/02	3,627.07	0.00	0.00	2,357.28	181.35	2,538.63	1,088.44	S/L	20.00
329		PORTABLE GENERATORS	12/30/10	50,779.29	0.00	0.00	22,850.64	2,538.96	25,389.60	25,389.69	S/L	20.00
352		EXTRA MOTOR - PUMPING EQ	8/31/12	2,744.53	0.00	0.00	1,600.97	137.23	1,738.20	1,006.33	S/L	20.00
378		DANVILLE HWY PUMP STATIO	4/22/16	235,536.45	0.00	0.00	43,181.68	11,776.82	54,958.50	180,577.95	S/L	20.00
391		OCTAVE METER FOR WATER L	2/28/17	3,550.00	0.00	0.00	502.92	177.50	680.42	2,869.58	S/L	20.00
392		PUMPING EQUIPMENT	2/28/17	2,369.25	0.00	0.00	335.64	118.46	454.10	1,915.15	S/L	20.00
403		ST ROSE RD PUMP STATION UI	7/31/18	208,182.83	0.00	0.00	14,746.28	10,409.14	25,155.42	183,027.41	S/L	20.00
428		HOLY CROSS PUMP STATION	11/30/20	284,607.89	0.00c	0.00	0.00	1,185.87	1,185.87	283,422.02	S/L	20.00
		PUMPING EQUIPMENT		<u>981,289.31</u>	<u>0.00c</u>	<u>0.00</u>	<u>262,620.05</u>	<u>28,805.38</u>	<u>291,425.43</u>	<u>689,863.88</u>		
Group: SERVICE LINES												
53		SERVICE	6/30/90	300,570.00	0.00	0.00	219,014.68	4,809.12	223,823.80	76,746.20	S/L	62.50
54		SERVICE	6/30/91	6,372.00	0.00	0.00	2,900.52	101.95	3,002.47	3,369.53	S/L	62.50
55		SERVICE	6/30/92	7,923.00	0.00	0.00	4,306.06	126.77	4,432.83	3,490.17	S/L	62.50
56		SERVICE	6/30/93	65,383.00	0.00	0.00	33,609.10	1,046.13	34,655.23	30,727.77	S/L	62.50
57		SERVICE	6/30/94	10,405.00	0.00	0.00	5,139.22	166.48	5,305.70	5,099.30	S/L	62.50
142		SERVICE	6/30/95	8,746.00	0.00	0.00	4,145.72	139.94	4,285.66	4,460.34	S/L	62.50
156		SERVICE LINES	7/01/96	25,516.00	0.00	0.00	11,582.20	408.26	11,990.46	13,525.54	S/L	62.50
164		SERVICE	7/01/97	5,200.00	0.00	0.00	1,996.80	83.20	2,080.00	3,120.00	S/L	62.50
174		SERVICE	7/01/98	35,219.00	0.00	0.00	14,578.94	563.50	15,142.44	20,076.56	S/L	62.50

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: SERVICE LINES (continued)												
198		SERVICE	7/01/99	10,286.00	0.00	0.00	3,950.68	164.58	4,115.26	6,170.74	S/L	62.50
210		SERVICE	7/01/99	7,850.00	0.00	0.00	3,014.40	125.60	3,140.00	4,710.00	S/L	62.50
216		SERVICES	7/01/01	5,295.00	0.00	0.00	1,874.58	84.72	1,959.30	3,335.70	S/L	62.50
230		SERVICES	7/01/02	127.01	0.00	0.00	127.01	0.00	127.01	0.00	S/L	62.50
247		SERVICE LINES	7/01/03	3,650.83	0.00	0.00	1,146.39	58.41	1,204.80	2,446.03	S/L	62.50
257		SERVICES	6/30/04	809.87	0.00	0.00	238.14	12.96	251.10	558.77	S/L	62.50
265		SERVICE	6/30/05	740.50	0.00	0.00	202.91	11.85	214.76	525.74	S/L	62.50
282		SERVICE LINES	6/30/06	551.59	0.00	0.00	148.91	11.03	159.94	391.65	S/L	50.00
304		SERVICE LINES	6/30/08	3,208.11	0.00	0.00	927.13	51.33	978.46	2,229.65	S/L	62.50
316		SERVICE LINES	6/30/09	4,739.96	0.00	0.00	1,132.86	75.84	1,208.70	3,531.26	S/L	62.50
321		SERVICE LINES	6/30/10	3,770.85	0.00	0.00	759.81	60.33	820.14	2,950.71	S/L	62.50
344		SERVICE LINES	6/30/12	2,538.91	0.00	0.00	384.63	40.62	425.25	2,113.66	S/L	62.50
365		SERVICE LINES	6/30/13	12,433.87	0.00	0.00	1,572.88	198.94	1,771.82	10,662.05	S/L	62.50
381		SERVICE LINES	6/30/16	2,520.00	0.00	0.00	141.12	40.32	181.44	2,338.56	S/L	62.50
394		SERVICE LINES	6/30/17	4,865.91	0.00	0.00	194.63	77.85	272.48	4,593.43	S/L	62.50
406		SERVICE LINES	6/30/18	6,137.47	0.00	0.00	147.30	98.20	245.50	5,891.97	S/L	62.50
416		SERVICE LINES	6/30/19	1,190.30	0.00	0.00	9.52	19.04	28.56	1,161.74	S/L	62.50
430		SERVICE LINES	6/30/20	21,319.12	0.00c	0.00	0.00	1,065.96	1,065.96	20,253.16	S/L	10.00
		SERVICE LINES		<u>557,369.30</u>	<u>0.00c</u>	<u>0.00</u>	<u>313,246.14</u>	<u>9,642.93</u>	<u>322,889.07</u>	<u>234,480.23</u>		
Group: TOOLS, SHOP, & GARAGE EQ												
119		GATE VALVE LOCATOR	11/15/89	823.00	0.00	0.00	823.00	0.00	823.00	0.00	S/L	10.00
123		LEAK DETECTOR	7/22/92	1,668.00	0.00	0.00	1,668.00	0.00	1,668.00	0.00	S/L	10.00
169		EQUIPMENT	8/15/97	1,525.00	0.00	0.00	1,525.00	0.00	1,525.00	0.00	S/L	10.00
180		TOOL BOXES	10/21/98	617.00	0.00	0.00	617.00	0.00	617.00	0.00	S/L	10.00
181		LAWN TRACTOR	4/23/98	950.00	0.00	0.00	950.00	0.00	950.00	0.00	S/L	10.00
182		STEEL SAW	8/06/98	896.00	0.00	0.00	896.00	0.00	896.00	0.00	S/L	10.00
183		ARC WELDER	9/12/98	1,000.00	0.00	0.00	1,000.00	0.00	1,000.00	0.00	S/L	10.00
184		TOOLS	10/12/98	250.00	0.00	0.00	250.00	0.00	250.00	0.00	S/L	10.00
200		TOOLS	7/01/99	620.00	0.00	0.00	620.00	0.00	620.00	0.00	S/L	10.00
221		TOOLS	7/01/01	939.00	0.00	0.00	939.00	0.00	939.00	0.00	S/L	10.00
234		TOOLS, SHOP, & GARAGE EQUI	7/01/02	1,084.61	0.00	0.00	1,084.61	0.00	1,084.61	0.00	S/L	10.00
270		TOOLS SHOP	9/30/05	1,076.00	0.00	0.00	1,076.00	0.00	1,076.00	0.00	S/L	10.00
280		SHOP TOOLS	12/04/06	749.00	0.00	0.00	749.00	0.00	749.00	0.00	S/L	10.00
311		TOOLS	2/13/09	499.95	0.00	0.00	499.95	0.00	499.95	0.00	S/L	10.00
312		TOOLS	12/31/09	478.20	0.00	0.00	478.20	0.00	478.20	0.00	S/L	10.00
385		TOOLS	7/31/16	271.92	0.00	0.00	92.90	27.19	120.09	151.83	S/L	10.00
421		TOOLS, SHOP & GARAGE EQUI	6/30/19	785.00	0.00	0.00	78.50	157.00	235.50	549.50	S/L	5.00
		TOOLS, SHOP, & GARAGE EQ		<u>14,232.68</u>	<u>0.00c</u>	<u>0.00</u>	<u>13,347.16</u>	<u>184.19</u>	<u>13,531.35</u>	<u>701.33</u>		
Group: TRANSMISSION & DIST. MAIN												
28		T & D MAINS	6/30/70	266,480.00	0.00	0.00	262,216.52	4,263.48	266,480.00	0.00	S/L	62.50
29		T & D MAINS	6/30/73	709.00	0.00	0.00	639.70	11.34	651.04	57.96	S/L	62.50
30		T & D MAINS	6/30/75	4,319.00	0.00	0.00	3,771.34	69.10	3,840.44	478.56	S/L	62.50
31		T & D MAINS	6/30/75	664,860.00	0.00	0.00	581,085.64	10,637.76	591,723.40	73,136.60	S/L	62.50
32		T & D MAINS	6/30/76	10,620.00	0.00	0.00	9,172.88	169.92	9,342.80	1,277.20	S/L	62.50

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: TRANSMISSION & DIST. MAIN (continued)												
33		T & D MAINS	6/30/78	5,816.00	0.00	0.00	4,673.40	93.06	4,766.46	1,049.54	S/L	62.50
34		T & D MAINS	6/30/78	202,864.00	0.00	0.00	163,099.92	3,245.82	166,345.74	36,518.26	S/L	62.50
35		T & D MAINS	6/30/79	11,825.00	0.00	0.00	8,208.30	189.20	8,397.50	3,427.50	S/L	62.50
36		T & D MAINS	6/30/80	5,814.00	0.00	0.00	3,917.72	93.02	4,010.74	1,803.26	S/L	62.50
37		T & D MAINS	6/30/81	24,571.00	0.00	0.00	18,769.02	393.14	19,162.16	5,408.84	S/L	62.50
38		T & D MAINS	6/30/82	3,696.00	0.00	0.00	2,750.52	59.14	2,809.66	886.34	S/L	62.50
39		T & D MAINS - ST MARY	6/30/84	378,763.00	0.00	0.00	262,859.22	6,060.21	268,919.43	109,843.57	S/L	62.50
40		T & D MAINS	6/30/84	8,865.00	0.00	0.00	6,150.26	141.84	6,292.10	2,572.90	S/L	62.50
41		T & D MAINS	6/30/85	24,007.00	0.00	0.00	16,179.26	384.11	16,563.37	7,443.63	S/L	62.50
42		T & D MAINS	12/01/85	337,532.00	0.00	0.00	217,936.36	5,400.51	223,336.87	114,195.13	S/L	62.50
43		T & D MAINS	6/30/86	22,126.00	0.00	0.00	14,473.84	354.02	14,827.86	7,298.14	S/L	62.50
44		T & D MAINS	6/30/87	25,774.00	0.00	0.00	16,336.76	412.38	16,749.14	9,024.86	S/L	62.50
45		T & D MAINS EXTENSION	6/30/87	25,269.00	0.00	0.00	16,045.14	404.30	16,449.44	8,819.56	S/L	62.50
46		T & D MAINS EXTENSION	6/30/88	14,540.00	0.00	0.00	8,928.96	232.64	9,161.60	5,378.40	S/L	62.50
47		T & D MAINS	6/30/89	21,253.00	0.00	0.00	12,623.98	340.05	12,964.03	8,288.97	S/L	62.50
48		T & D MAINS	6/30/90	896,263.00	0.00	0.00	514,453.22	14,340.21	528,793.43	367,469.57	S/L	62.50
49		T & D MAINS	6/30/91	199,293.16	0.00	0.00	112,394.42	3,188.69	115,583.11	83,710.05	S/L	62.50
50		T & D MAINS	6/30/92	14,176.00	0.00	0.00	7,716.04	226.82	7,942.86	6,233.14	S/L	62.50
51		T & D MAINS	6/30/93	1,320,717.00	0.00	0.00	678,846.30	21,131.47	699,977.77	620,739.23	S/L	62.50
52		T & D MAINS	6/30/94	49,774.00	0.00	0.00	44,344.76	1,436.38	45,781.14	43,992.86	S/L	62.50
141		T & D MAINS	6/30/95	56,889.00	0.00	0.00	26,967.02	910.22	27,877.24	29,011.76	S/L	62.50
155		T & D MAINS	12/15/96	509,758.00	0.00	0.00	227,181.60	8,156.13	235,337.73	274,420.27	S/L	62.50
163		T & D MAINS	7/01/97	143,889.00	0.00	0.00	61,010.02	2,302.22	63,312.24	80,576.76	S/L	62.50
173		T & D MAINS	7/01/98	694,028.00	0.00	0.00	287,329.08	11,104.45	298,433.53	395,594.47	S/L	62.50
199		T & D MAINS	7/01/99	175,107.00	0.00	0.00	67,240.66	2,801.71	70,042.37	105,064.63	S/L	62.50
205		T & D MAINS	7/01/00	296,649.00	0.00	0.00	110,946.26	4,746.38	115,692.64	180,956.36	S/L	62.50
215		T & D MAINS	7/01/01	802,674.00	0.00	0.00	284,146.36	12,842.78	296,989.14	505,684.86	S/L	62.50
229		T & D MAINS	7/01/02	221,388.29	0.00	0.00	72,060.85	3,542.21	75,603.06	145,785.23	S/L	62.50
246		T & D MAINS	7/01/03	95,937.25	0.00	0.00	30,124.37	1,535.00	31,659.37	64,277.88	S/L	62.50
256		T & D MAINS	6/30/04	114,281.55	0.00	0.00	33,598.75	1,828.50	35,427.25	78,854.30	S/L	62.50
264		T&D MAINS	6/30/05	125,895.64	0.00	0.00	34,495.38	2,014.33	36,509.71	89,385.93	S/L	62.50
271		T&D MAINS	6/30/06	19,343.20	0.00	0.00	4,913.13	309.49	5,222.62	14,120.58	S/L	62.50
292		T & D MAINS	5/31/07	415,384.84	0.00	0.00	97,892.40	6,646.16	104,538.56	310,846.28	S/L	62.50
293		T & D MAINS	6/30/07	200,397.63	0.00	0.00	46,893.02	3,206.36	50,099.38	150,298.25	S/L	62.50
294		T & D MAINS	8/30/07	37,776.47	0.00	0.00	8,713.76	604.42	9,318.18	28,458.29	S/L	62.50
295		T & D MAINS	6/30/07	2,640.48	0.00	0.00	617.88	42.25	660.13	1,980.35	S/L	62.50
302		T&D MAINS - CALV. RD/LEE HI	1/29/08	41,404.01	0.00	0.00	12,828.32	662.46	13,490.78	27,913.23	S/L	62.50
303		T&D MAINS - DRY FORK, FARR	7/20/08	122,550.56	0.00	0.00	34,906.47	1,960.81	36,867.28	85,683.28	S/L	62.50
306		T&D MAINS	6/30/08	14,625.55	0.00	0.00	4,226.80	234.01	4,460.81	10,164.74	S/L	62.50
307		T&D MAINS - NARROWS ROAD	12/02/08	58,635.80	0.00	0.00	15,724.19	938.17	16,662.36	41,973.44	S/L	62.50
314		T&D MAINS	10/07/09	200,244.68	0.00	0.00	45,355.42	3,203.91	48,559.33	151,685.35	S/L	62.50
315		T&D MAINS	6/30/09	16,757.14	0.00	0.00	4,004.95	268.11	4,273.06	12,484.08	S/L	62.50
319		T&D MAINS - LORETTO LINE	6/30/10	1,224,981.77	0.00	0.00	246,833.81	19,599.71	266,433.52	958,548.25	S/L	62.50
320		T&D MAINS - HWY 527 PHASE 1	11/30/10	269,796.82	0.00	0.00	51,553.68	4,316.75	55,870.43	213,926.39	S/L	62.50
332		T&D MAINS - LEB. BYPASS	8/04/11	968,701.82	0.00	0.00	168,957.76	15,499.23	184,456.99	784,244.83	S/L	62.50
343		T&D MAINS	6/30/12	43,963.08	0.00	0.00	6,660.42	703.41	7,363.83	36,599.25	S/L	62.50
354		T&D MAINS-NARROWS ROAD	5/21/14	197,100.52	0.00	0.00	20,416.33	3,153.61	23,569.94	173,530.58	S/L	62.50
355		T&D MAINS	6/30/14	3,6305.69	0.00	0.00	3,685.02	580.89	4,265.91	32,039.78	S/L	62.50
363		T&D MAINS - HWY 84	10/15/13	469,296.37	0.00	0.00	56,432.88	7,508.74	63,941.62	405,354.75	S/L	62.50

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: TRANSMISSION & DIST. MAIN (continued)												
364		T&D MAINS	6/30/13	7,827.02	0.00	0.00	990.12	125.23	1,115.35	6,711.67	S/L	62.50
371		TRANSMISSION & DIST MAINS	6/30/15	68,635.40	0.00	0.00	5,250.62	1,098.17	6,348.79	62,286.61	S/L	62.50
379		T&D MAINS - RIVER CROSSING	3/31/16	30,000.00	0.00	0.00	1,800.00	480.00	2,280.00	27,720.00	S/L	62.50
380		T&D MAINS	6/30/16	28,161.90	0.00	0.00	1,577.07	450.59	2,027.66	26,134.24	S/L	62.50
388		T&D MAINS - BURKES SPRING	11/15/16	23,509.00	0.00	0.00	1,191.11	376.14	1,567.25	21,941.75	S/L	62.50
389		2 RIVER CROSSINGS	6/30/91	12,720.84	0.00	0.00	12,720.84	0.00	12,720.84	0.00	S/L	62.50
393		T&D MAINS - 3" LINE EXTENSION	6/30/17	26,728.29	0.00	0.00	1,069.13	427.65	1,496.78	25,231.51	S/L	62.50
404		MAKERS MARK - BURKES SPRING	12/15/18	253,703.20	0.00	0.00	4,397.52	4,059.25	8,456.77	245,246.43	S/L	62.50
405		T & D MAINS	6/30/18	53,388.61	0.00	0.00	1,281.33	854.22	2,135.55	51,253.06	S/L	62.50
415		T&D MAINS	6/30/19	581,660.30	0.00	0.00	4,653.28	9,306.56	13,959.84	567,700.46	S/L	62.50
429		T&D MAINS KIA 2018 PROJECT	6/30/20	802,013.20	0.00c	0.00	0.00	6,416.62	6,416.62	795,596.58	S/L	62.50
TRANSMISSION & DIST. MAIN				<u>14,044,677.08</u>	<u>0.00c</u>	<u>0.00</u>	<u>5,088,241.09</u>	<u>218,095.46</u>	<u>5,306,336.55</u>	<u>8,738,340.53</u>		
Group: TRANSPORTATION EQUIPMENT												
98		TRAILER	7/14/87	2,500.00	0.00	0.00	2,500.00	0.00	2,500.00	0.00	S/L	10.00
168		TRUCK	4/15/97	38,214.00	0.00	0.00	38,214.00	0.00	38,214.00	0.00	S/L	10.00
178		98 DODGE	7/20/98	17,000.00	0.00	0.00	17,000.00	0.00	17,000.00	0.00	S/L	10.00
220		DODGE TRUCK	7/01/01	42,283.45	0.00	0.00	42,283.45	0.00	42,283.45	0.00	S/L	10.00
325		2010 FORD TRUCK	11/30/10	20,209.10	0.00	0.00	20,209.10	0.00	20,209.10	0.00	S/L	7.00
348		2012 CHEVY PICKUP	4/30/12	24,770.00	0.00	0.00	24,770.00	0.00	24,770.00	0.00	S/L	7.00
358		2015 FORD F450 SUPER DUTY T	5/29/14	48,411.00	0.00	0.00	38,613.55	6,915.86	45,529.41	2,881.59	S/L	7.00
368		TRAILER	5/31/13	18,636.25	0.00	0.00	17,526.94	1,109.31	18,636.25	0.00	S/L	7.00
384		CHEVY SILVERADO	5/27/16	26,181.00	0.00	0.00	13,402.17	3,740.14	17,142.31	9,038.69	S/L	7.00
401		2017 CHEVY SILVERADO PICKUP	2/21/17	26,919.00	0.00	0.00	10,895.78	3,845.57	14,741.35	12,177.65	S/L	7.00
420		2019 DODGE RAM 1500	6/30/19	24,648.00	0.00	0.00	1,760.57	3,521.14	5,281.71	19,366.29	S/L	7.00
423		TRANSPORTATION EQUIPMENT	6/30/19	1,238.50	0.00	0.00	123.85	247.70	371.55	866.95	S/L	5.00
433		TRAILOR TO TRANSPORT EQUIPMENT	3/31/20	5,170.00	0.00c	0.00	0.00	553.93	553.93	4,616.07	S/L	7.00
TRANSPORTATION EQUIPMENT				<u>296,180.30</u>	<u>0.00c</u>	<u>0.00</u>	<u>227,299.41</u>	<u>19,933.65</u>	<u>247,233.06</u>	<u>48,947.24</u>		
Group: WATER TREATMENT EQUIPMENT												
209		WATER TREATMENT EQUIPMENT	8/31/00	1,199.00	0.00	0.00	1,199.00	0.00	1,199.00	0.00	S/L	10.00
224		WATER TREATMENT EQUIPMENT	7/01/01	1,308.00	0.00	0.00	1,308.00	0.00	1,308.00	0.00	S/L	10.00
237		WATER TREATMENT EQUIPMENT	7/01/02	731.79	0.00	0.00	731.79	0.00	731.79	0.00	S/L	10.00
WATER TREATMENT EQUIPMENT				<u>3,238.79</u>	<u>0.00c</u>	<u>0.00</u>	<u>3,238.79</u>	<u>0.00</u>	<u>3,238.79</u>	<u>0.00</u>		
Grand Total				<u>22,206,513.13</u>	<u>0.00c</u>	<u>0.00</u>	<u>8,331,939.58</u>	<u>496,808.33</u>	<u>8,828,747.91</u>	<u>13,377,765.22</u>		
Less: Dispositions and Transfers				<u>9,108.35</u>	<u>0.00</u>	<u>0.00</u>	<u>8,246.74</u>	<u>0.00</u>	<u>8,474.99</u>	<u>633.36</u>		
Net Grand Total				<u>22,197,404.78</u>	<u>0.00c</u>	<u>0.00</u>	<u>8,323,692.84</u>	<u>496,808.33</u>	<u>8,820,272.92</u>	<u>13,377,131.86</u>		

EXHIBIT G

EXHIBIT G.1

R-1

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY

**MARION COUNTY
WATER DISTRICT**



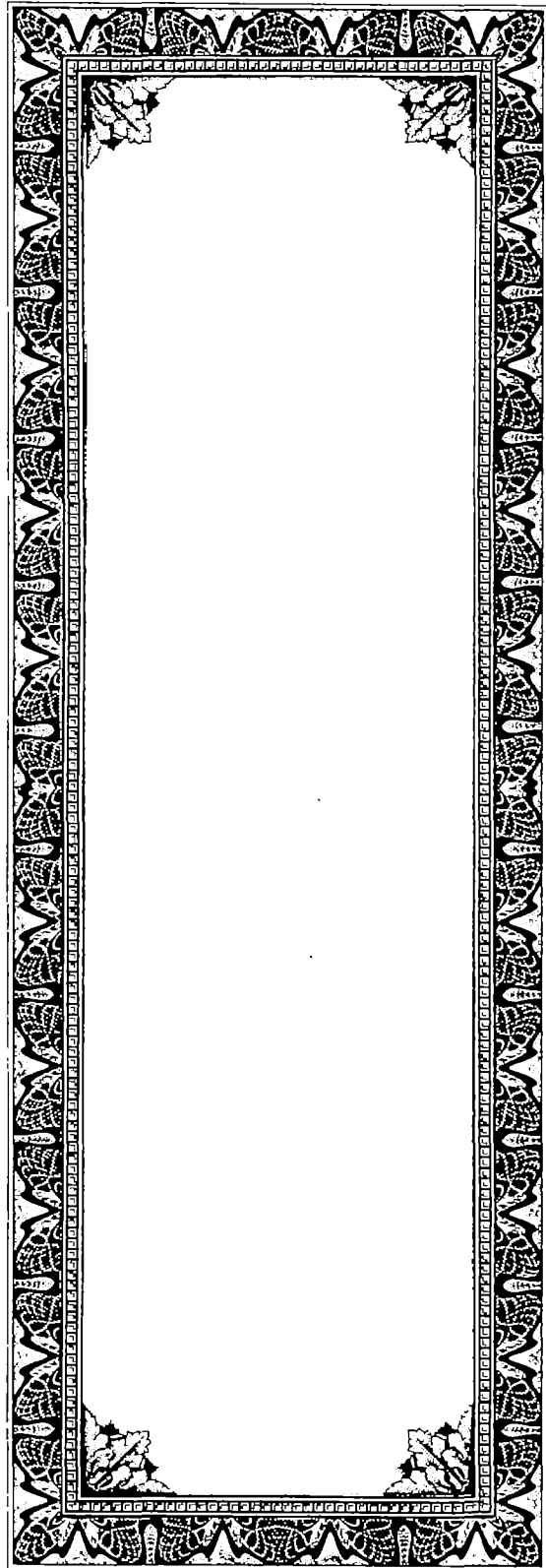
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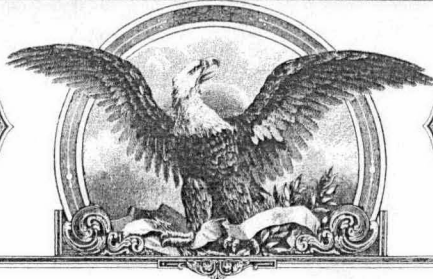
3.250%

WATER SYSTEM
REVENUE BOND,
TAXABLE SERIES 2009
(BUILD AMERICA BONDS –
DIRECT PAYMENT TO ISSUER)
INTEREST PAYABLE
ANNUALLY ON

JANUARY 1

PRINCIPAL AND INTEREST PAYABLE
AS SPECIFIED HEREIN





UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY

MARION COUNTY WATER DISTRICT

WATER SYSTEM REVENUE BOND, TAXABLE SERIES 2009 (BUILD AMERICA BONDS – DIRECT PAYMENT TO ISSUER)

KNOW ALL MEN BY THESE PRESENTS: That Marion County Water District (the "District"), acting by and through its Commission, a public body corporate created and existing pursuant to Chapter 74 of the Kentucky Revised Statutes and situated in Marion, Nelson and Washington Counties, Kentucky, for value received, hereby promises to pay to the registered holder hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of

ONE MILLION FOUR HUNDRED THIRTY-THREE THOUSAND DOLLARS (\$1,433,000)

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

Year	Principal	Year	Principal	Year	Principal
2013	\$18,000	2026	\$29,000	2039	\$46,000
2014	19,000	2027	30,000	2040	47,000
2015	19,000	2028	31,000	2041	49,000
2016	20,000	2029	32,000	2042	51,000
2017	21,000	2030	33,000	2043	53,000
2018	22,000	2031	34,000	2044	55,000
	22,000		36,000	2045	
	23,000		37,000	2046	
	24,000		38,000	2047	
	25,000	2035	40,000	2048	
	26,000		41,000	2049	
	27,000	2037	43,000	2050	65,000
2024	27,000	2038	44,000		
2025	28,000				

A statutory mortgage lien upon the System and appurtenant facilities, together with all future additions and improvements thereto, and extensions thereof, is created by Section 106.080 of the Kentucky Revised Statutes and by the aforesaid Resolution for the benefit and protection of the holder of this Bond, and the same shall remain in effect until payment in full of the principal of and interest on this Bond.

This Bond does not in any manner constitute an indebtedness of the District within the meaning of the Statutes and Constitution of Kentucky, and the District is not and shall not be obligated to pay this Bond or the interest hereon except from said special fund. The District, acting by and through its Commission, covenants that it will fix, and if necessary adjust, the interest rate, such as to collect for the interest on the principal of this Bond, as may be issued from time to time, as well as the costs of operation and maintenance of the System.

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

The District, at its option, shall have the right to prepay, on any interest payment date on and after July 1, 2019, in the inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser portion thereof in multiples of One Thousand Dollars (\$1,000) as the District may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any prepayment premium. Notice of such prepayment shall be given by registered mail to the registered holder of the Bond at least thirty (30) days prior to the date fixed for prepayment. Provided, however, that so long as the United States of America, Department of Agriculture, is the registered holder of this Bond, this Bond may be prepaid at any time in whole or in part, at par or face value and without notice or prepayment premium.

Upon default in the payment of any principal or interest payment on this Bond or upon failure by the District to comply with any other provisions of this Bond or with the provisions of the Resolution authorizing the issuance of this Bond, the registered holder may, at his option, institute proceedings to enforce all rights and remedies provided by law or by said Resolution.

This Bond is exempt from *ad valorem* taxation in the Commonwealth of Kentucky.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, being the total authorized amount of Bonds of the issue which this Bond represents, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the Marion County Water District, in the Commonwealth of Kentucky, by its Commission, has caused this Bond to be executed by the Chairman of its Commission, attested by the Secretary, and its corporate seal to be hereunto affixed, on the date of this Bond, which is

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, without deduction for exchange or collection charges and in like coin or currency, at the rate of 3.250% per annum, semiannually on the first days of January and July in each year hereafter until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable to the registered holder hereof at the address shown on the registration books of the District or, so long as the United States of America, Department of Agriculture is the registered holder of this Bond, at the office or address as may be designated by said Department of Agriculture from time to time.

This Bond is the Bond in fully registered form representing a duly authorized issue of Bonds in the principal amount of \$1,433,000 issued by the District pursuant to the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 74 and 106 of the Kentucky Revised Statutes, and pursuant to a duly adopted Resolution of the District, for the purpose of paying the costs (to the extent not otherwise provided to be paid) of the construction and installation of major extensions and additions to the District's municipal water distribution system (the "System"), together with appurtenant facilities, and incidental expenses.

This Bond and the issue which it represents, together with such additional bonds ranking on a parity therewith as have heretofore been issued and are outstanding and as may hereafter be issued and outstanding from time to time in accordance with the conditions and restrictions set forth in the Resolution authorizing the issuance of this Bond, are payable from and secured by a pledge of a fixed portion of the income and revenues to be derived from the operation of the System, which fixed portion shall be sufficient to pay the principal of and interest on this Bond and the issue which it represents, and any outstanding party bonds, as and when the same shall become due and payable, and which shall be set aside as a special fund for that purpose and identified as the "Water Revenue Bond and Interest Sinking Fund"; provided that payment of this Bond from such income and revenues is subject to the priority of the District's loan repayment obligation under an Assistance Agreement with the Kentucky Infrastructure Authority dated as of March 1, 2008.

Attest:

MARION COUNTY WATER DISTRICT

- BOND-AUTHORIZING RESOLUTION -

A RESOLUTION OF THE COMMISSION OF MARION COUNTY WATER DISTRICT, MARION, NELSON AND WASHINGTON COUNTIES, KENTUCKY, PROVIDING FOR THE CONSTRUCTION AND INSTALLATION OF MAJOR IMPROVEMENTS AND ADDITIONS TO THE DISTRICT'S MUNICIPAL WATER DISTRIBUTION SYSTEM; AUTHORIZING THE ISSUANCE OF THE DISTRICT'S \$1,433,000 WATER SYSTEM REVENUE BONDS, SERIES 2009, TO PAY THE COSTS THEREOF (TO THE EXTENT NOT OTHERWISE PROVIDED TO BE PAID); CONFIRMING, RATIFYING AND CONTINUING PRE-EXISTING PROVISIONS PREVIOUSLY ADOPTED BY THE DISTRICT RELATING TO THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE INCOME AND REVENUES OF THE MUNICIPAL WATER DISTRIBUTION SYSTEM; SETTING FORTH CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM THE INCOME AND REVENUES OF THE SYSTEM AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF THE BONDS HEREIN AUTHORIZED.

Adopted October 20, 2009

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A RESOLUTION OF THE COMMISSION OF MARION COUNTY WATER DISTRICT, MARION, NELSON AND WASHINGTON COUNTIES, KENTUCKY, PROVIDING FOR THE CONSTRUCTION AND INSTALLATION OF MAJOR IMPROVEMENTS AND ADDITIONS TO THE DISTRICT'S MUNICIPAL WATER DISTRIBUTION SYSTEM; AUTHORIZING THE ISSUANCE OF THE DISTRICT'S \$1,433,000 WATER SYSTEM REVENUE BONDS, SERIES 2009, TO PAY THE COSTS THEREOF (TO THE EXTENT NOT OTHERWISE PROVIDED TO BE PAID); CONFIRMING, RATIFYING AND CONTINUING PRE-EXISTING PROVISIONS PREVIOUSLY ADOPTED BY THE DISTRICT RELATING TO THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE INCOME AND REVENUES OF THE MUNICIPAL WATER DISTRIBUTION SYSTEM; SETTING FORTH CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM THE INCOME AND REVENUES OF THE SYSTEM AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF THE BONDS HEREIN AUTHORIZED.

WHEREAS, upon petition and hearing, and upon proper public notice according to the provisions of Chapter 74 of the Kentucky Revised Statutes ("KRS"), an Order and Judgment was duly entered by the County Court of Marion County, Kentucky, on June 5, 1961, determining necessity for and creating and establishing the Marion County Water District (the "District"), defining the geographical area thereof, and appointing Commissioners, the same thereupon constituting and being a public body corporate with all powers and authority as provided in KRS Chapter 74; and thereafter (a) the District, by virtue of an Order of the County Court of Nelson County, Kentucky, duly entered under date of November 20, 1974, pursuant to proper proceedings brought in said Court as provided in KRS Chapter 74, annexed additional territory in Nelson County, Kentucky, and (b) the District acquired additional territory in Marion County when the Northeast Marion County Water District was merged into the District pursuant to a certain Agreement between the parties dated May 9, 1977; and

WHEREAS, the District is at this time a *de jure* Water District situated wholly in Marion, Nelson and Washington Counties, Kentucky; and

WHEREAS, by Resolutions of the Commission of the District adopted on September 13, 1989 (the "1989 Resolution"), August 20, 1992 (the "1992A Resolution"), March 9, 1993 (the "1993 Resolution"), January 19, 1996 (the "1996 Resolution") March 19, 1998 (the "1998 Resolution") and June 28, 2000 (the "2000 Resolution"), the District authorized and issued, respectively, its Water System Revenue Bonds, Series of 1989 (the "1989 Bonds"), Water System Revenue Bonds, Series of 1992A (the "1992A Bonds"), Water System Revenue Bonds, Series of 1993 (the "1993 Bonds"), Water System Revenue Bonds, Series of 1996 (the "1996 Bonds") and Water System Revenue Bonds, Series of 1998 (the "1998 Bonds"), and Water

System Revenue Bonds, Series of 2000 (the "2000 Bonds"), for the purpose of providing funds for the construction and installation of major additions and extensions its water distribution system (the "System"); and

WHEREAS, the 1989 Bonds, 1992A Bonds, 1993 Bonds, 1996 Bonds, 1998 Bonds and 2000 Bonds (collectively, the "Prior Bonds") rank on a parity one with the other; and

WHEREAS, pursuant to the provisions of the 1989 Resolution, 1992A Resolution, 1993 Resolution, 1996 Resolution, 1998 Resolution and 2000 Resolution (collectively, the "Prior Resolutions"), the necessary waiver and consent of the United States Department of Agriculture, Rural Development ("USDA"), as the holder of the Prior Bonds, have been obtained so that the Water System Revenue Bonds, Series 2009, herein authorized, may now be authorized and issued on a basis of parity with the Prior Bonds, but subject to the priority of the District's loan repayment obligation under an Assistance Agreement with the Kentucky Infrastructure Authority dated as of March 1, 2008 (the "KIA Obligation"); and

WHEREAS, in proceedings before the Public Service Commission of Kentucky, the District has obtained the right and authority to construct and operate major extensions and additions to the System (the "Project"), and plans and specifications have heretofore been prepared by Monarch Engineering, Inc., Lawrenceburg, Kentucky, and approved by the District's Commission and all State and other supervisory authorities having jurisdiction thereof; and it is the opinion of the Commission of the District that it is feasible to undertake the construction and installation of the Project at this time; and

WHEREAS, it has been determined upon the basis of public bids for construction duly solicited in the manner required by law, and upon the basis of other costs and estimates, that the aggregate of all costs and expenses in connection with the Project will be \$2,633,000, and to provide a portion of such funds the District has received from the United States Department of Agriculture, Rural Development ("USDA") an offer to make a loan to the District in the amount of \$1,433,000, which will be supplemented by a USDA Grant in the amount of \$615,000 and a 2008 Kentucky General Assembly Grant in the amount of \$585,000; and

WHEREAS, it is now appropriate for the District to provide for borrowing the sum of \$1,433,000 through issuance and sale of its Water System Revenue Bonds, Series 2009 (the "2009 Bonds") according to authority of Kentucky Revised Statutes ("KRS") Chapters 74 and 106 and the provisions of the Prior Resolutions permitting the issuance of parity bonds; and

WHEREAS, the 2009 Bonds shall be payable as to both principal and interest solely (except as to capitalized interest) from the income and revenues to be derived from the operation of the System, as extended from time to time, and shall not constitute an indebtedness of the District within the meaning of debt-limiting provisions of the Constitution of Kentucky;

NOW, THEREFORE, THE COMMISSION OF MARION COUNTY WATER DISTRICT, MARION, NELSON AND WASHINGTON COUNTIES, KENTUCKY, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1

AFFIRMATION OF PREAMBLE RECITALS;
AUTHORIZATION OF THE PROJECT;
DECLARATION OF NECESSITY

All statements and recitals set forth in the preamble of this Resolution, including the terms defined therein, are hereby affirmed and adopted as a part of this Resolution.

It is hereby further determined and declared to be necessary in the interests of the general welfare of the citizens and inhabitants of the District that the District undertake at this time the construction and installation of major additions and extensions (the "Project") to the District's municipal water distribution system (the "System"), all substantially according to the plans, specifications and designs prepared for the District by Monarch Engineering, Inc., Lawrenceburg, Kentucky (the "Engineers") and on file with the District. Immediate undertaking of such construction and installation is hereby authorized.

SECTION 2

PROJECT TO BE MUNICIPALLY
OWNED AND OPERATED

The construction and installation of the Project is undertaken by the District for public purposes and the same shall constitute and be a part of the System, and so long as any of the 2009 Bonds hereinafter authorized, or bonds issued on a parity therewith, shall remain outstanding and unpaid as to principal or interest, the System shall continue to be municipally owned, controlled, operated and maintained by the District for the security and source of payment of the 2009 Bonds and all other parity bonds outstanding heretofore or hereafter issued. The Project is to be constructed, installed and acquired and the System is to be operated pursuant to the provisions of KRS Chapters 74 and 106, now in full force and effect.

SECTION 3

2009 BOND ISSUE AUTHORIZED;
CERTAIN TERMS AND DETAILS

For the purpose of providing funds to defray the costs of the Project (to the extent not otherwise provided to be paid), including all necessary and proper appurtenances, and expenses incident thereto and incident to the issuance of the 2009 Bonds, there are hereby authorized to be issued the District's \$1,433,000 Water System Revenue Bonds, Series 2009 (the "2009 Bonds"), with reservation of right on the part of the District to issue additional bonds in the future, payable from the income and revenues of the System, subject to the conditions and restrictions hereinafter reaffirmed, readopted and set forth. The 2009 Bonds hereby authorized shall be offered at public sale as provided in Section 4 hereof and shall be issuable in the form of a single fully registered bond as provided in Section 5 hereof.

The 2009 Bonds shall be dated as of the date of delivery to the original purchaser thereof; shall mature as to principal in installments on January 1 in each of the years 2011 to 2050, inclusive, as set forth in the schedule appearing below; and shall bear interest from their date until payment of principal, such interest to the respective principal maturity dates to be payable semiannually on January 1 and July 1 of each year, and such interest to be at such rate as shall be established by a supplemental resolution upon the basis of competitive sale of the 2009 Bonds as hereinafter provided. The installments of principal of the 2009 Bonds, in fully registered form as aforesaid, shall be as set forth in the following schedule:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
2013	\$ 18,000	2026	\$ 29,000	2039	\$ 46,000
2014	19,000	2027	30,000	2040	47,000
2015	19,000	2028	31,000	2041	49,000
2016	20,000	2029	32,000	2042	51,000
2017	21,000	2030	33,000	2043	53,000
2018	22,000	2031	34,000	2044	55,000
2019	22,000	2032	36,000	2045	57,000
2020	23,000	2033	37,000	2046	59,000
2021	24,000	2034	38,000	2047	61,000
2022	25,000	2035	40,000	2048	63,000
2023	26,000	2036	41,000	2049	65,000
2024	27,000	2037	43,000	2050	65,000
2025	28,000	2038	44,000		

provided, however, that installments of principal of 2009 Bonds maturing on and after January 1, 2020, shall be subject to prepayment at the option of the District prior to maturity in whole or from time to time in part in inverse order of maturities (less than all of a single maturity to be selected by lot) on any interest payment date on and after July 1, 2019, upon terms of par plus accrued interest without any prepayment premium, upon thirty (30) days' prior written notice mailed to the registered holder or holders of the 2009 Bonds; provided, that so long as USDA is the owner of any of the 2009 Bonds, the same may be prepaid in whole or in part at any time at par plus accrued interest, and without notice or prepayment premium. The 2009 Bonds may be prepaid only in increments of \$1,000.

Both principal of and interest on the 2009 Bonds shall be payable, without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, to the registered holder at the address shown on the registration books of the District or, so long as USDA is the registered holder, at the office or address as may be designated by USDA from time to time.

If any District officer whose signature appears on any 2009 Bond shall cease to be such officer prior to delivery, such signature shall nevertheless be valid and binding for all purposes, the same as if such officer had continued in office until the time of delivery of such 2009 Bond. The 2009 Bonds, together with the Prior Bonds, and the interest thereon, and any bonds which may hereafter be issued on a basis of parity therewith subject to the conditions and restrictions hereinafter set forth, shall be payable only out of the Water Revenue Bond and Interest Sinking Fund created by the 1969 Resolution, and continued by the subsequent Prior Resolutions, and

shall be a valid claim of the holder thereof only against said Fund and the fixed portion or amount of the revenues of the System which the District has pledged to said Fund, subject to the terms hereof.

The District finds and declares that the 2009 Bonds shall rank on a basis of parity and equality as to security and source of payment with each other and with the Prior Bonds, but shall be subject to the priority of the KIA Obligation, inasmuch as the District is in compliance with all covenants and undertakings in connection with the Prior Bonds and has obtained the consent of USDA to the issuance of the parity 2009 Bonds herein authorized.

SECTION 4

PROVISIONS RELATING TO SALE OF 2009 BOND ISSUE

The 2009 Bonds authorized by this Resolution shall be publicly offered for sale according to a Notice of Sale of Bonds conforming to the requirements of KRS Chapter 424 (and particularly KRS 424.140(3) and KRS 424.360), which shall be published one time, not less than seven (7) days nor more than twenty-one (21) days prior to the date therein specified (by and at the discretion of the Chairman of the Commission of the District) for the opening and consideration of purchase bids, in each of the following: (a) the Lebanon Enterprise, the legal newspaper published in Lebanon, Marion County, Kentucky, which is qualified under KRS 424.120 to publish advertisements for Marion County and for the District to the extent of its area within said County; (b) the Kentucky Standard, the legal newspaper published in Bardstown, Nelson County, Kentucky, which is qualified under KRS 424.120 to publish advertisements for Nelson County and for the District to the extent of its area within said County; (c) the Courier-Journal, Louisville, Kentucky, a legal newspaper having statewide circulation, and (d) any other newspaper in which the Notice of Bond Sale is required to be published.

Such Notice shall state the name and amount of the 2009 Bonds to be sold, the time of the sale and other details concerning the 2009 Bonds and the sale and shall inform prospective bidders that a copy of the Official Notice of Bond Sale, setting out the maturities, security of the 2009 Bonds, provisions as to redemption prior to maturity and related information, may be obtained from the District. Such Official Notice shall contain, *inter alia*, substantially the following bidding requirements:

(A) Bidders shall be limited to institutions or persons having knowledge and experience in financial and business matters who are capable of evaluating the merits and risks of the 2009 Bonds and who are not purchasing for more than one account and do not intend to redistribute the 2009 Bonds. The District will make available to any such qualified bidder, upon written request, any financial or other material information regarding the District and the System in the District's possession. Bidders are required to bid a cash price of not less than par value for the 2009 Bonds.

(B) A single interest rate must be bid in a multiple of 1/8 or 1/10 of one percent.

(C) Bids will be considered only for the entire 2009 Bond issue, to be issued as a single fully registered bond.

(D) Bidders (except USDA) are required to deposit a good faith check by cashier's check or certified check in the minimum amount of 2% of the face amount of the 2009 Bonds for which the bid is submitted, which good faith deposit may be applied as partial payment for such 2009 Bonds, or as liquidated damage in the event that such bidder, if successful, fails to comply with the terms of his bid.

(E) Preference in award will be given to the bid resulting in the lowest net interest cost to the District.

(F) The lowest net interest cost will be determined by deducting the total amount of any premium bid from the aggregate amount of interest upon the 2009 Bonds bid for, computed from the first day of the month following the date of sale of the 2009 Bonds (even though the 2009 Bonds will bear interest only from the date of delivery) to the final maturity specified in each respective bid.

(G) The District expects to deliver, and the successful bidder must be prepared to accept delivery of and pay for, the 2009 Bonds at the office of the District within 45 days after notice is given of the award. If the 2009 Bonds are not ready for delivery and payment within 45 days from the aforesaid date of sale, the successful bidder shall be relieved of any liability to accept delivery of the 2009 Bonds, except that 2009 Bonds purchased by any agency of the federal government will be delivered to it at a place and time designated by such agency in accordance with its established practices and procedures.

(H) The District reserves the right, in its discretion, to determine the best bid or bids, to waive any informality or irregularity and to reject any or all bids.

(I) The District will furnish the 2009 Bonds, together with evidence of approval of the 2009 Bond issue by the Public Service Commission of Kentucky pursuant to the requirements of KRS Chapter 278 and customary closing documents, including a no-litigation certificate.

(J) The successful bidder will receive the approving legal opinion of Stoll Keenon Ogden PLLC, Bond Counsel, Louisville, Kentucky, as to the legality of and tax-exempt status of interest on the 2009 Bonds, without additional cost to the successful bidder.

In the event that there is no bid, or that all bids are rejected, the District may re-advertise the sale pursuant to this Resolution.

Bond Counsel having submitted to the Commission of the District forms of the Notice of Sale of Bonds and the Official Notice of Bond Sale, together with an Official Bid Form for use by all bidders except USDA, said documents are hereby approved and authorized for use in connection with the aforesaid sale of the 2009 Bonds.

SECTION 5

2009 BONDS TO BE ISSUED IN FULLY REGISTERED FORM; FULLY REGISTERED BOND FORM

Upon the sale of the 2009 Bonds, the District shall issue a single fully registered 2009 Bond numbered R-1 (hereinafter referred to as the "Fully Registered Bond"). The Fully Registered Bond shall be in the aggregate principal amount of the 2009 Bonds it represents, maturing as to principal in installments as set out in Section 3 hereof. The Fully Registered Bond shall be of type composition, on paper of sufficient weight and strength to prevent deterioration until the last day of maturity of any installment of principal as stated therein, and shall conform in size to standard practice. The Fully Registered Bond shall, upon execution on behalf of the District (which execution shall be by manual signatures of the Chairman and Secretary of the Commission, and actual impression of the corporate seal), constitute the 2009 Bond issue it represents and shall be non-negotiable, without interest coupons, registered as to principal and interest, and payable as directed by the payee, and be in substantially the form hereinafter set forth.

The District hereby directs that books for the registration and for the transfer of the Fully Registered Bond shall be kept by the Secretary, who is hereby appointed as Bond Registrar in connection with such Bond. The Fully Registered Bond shall be transferable only upon said Bond Registrar's books at the request of the registered holder thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered holder or his duly authorized attorney. Upon such transfer of the Fully Registered Bond, the Bond Registrar shall complete (with the name of the transferee), date and execute the registration schedule appearing on the Fully Registered Bond and deliver the Fully Registered Bond to such transferee. The person in whose name the Fully Registered Bond shall be properly registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either principal thereof or interest thereon shall be made only to or upon the order of the registered holder thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Fully Registered Bond to the extent of the sum or sums so paid. The face amount of the Fully Registered Bond, portions of which mature on different dates, will be reduced upon the payment of each maturity, and the Secretary shall keep appropriate records of all payments (both principal and interest) with respect to the Fully Registered Bond.

The Fully Registered Bond shall be in substantially the following form (with appropriate insertions and modifications):

(FORM OF FULLY REGISTERED BOND)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
MARION, NELSON AND WASHINGTON COUNTIES, KENTUCKY
MARION COUNTY WATER DISTRICT
WATER SYSTEM REVENUE BOND, SERIES 2009

No. R-1

\$1,433,000

KNOW ALL MEN BY THESE PRESENTS:

That Marion County Water District (the "District"), acting by and through its Commission, a public body corporate created and existing pursuant to Chapter 74 of the Kentucky Revised Statutes and situated in Marion, Nelson and Washington Counties, Kentucky, for value received, hereby promises to pay to the registered holder hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of ONE MILLION FOUR HUNDRED THIRTY-THREE THOUSAND DOLLARS (\$1,433,000) on the first day of January in years and installments as follows:

Year Principal Year Principal Year Principal

[Here insert the principal maturities of the 2009 Bonds]

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, without deduction for exchange or collection charges and in like coin or currency, at the rate of _____ (_____%) per annum, semiannually on the first days of January and July in each year hereafter until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable to the registered holder hereof at the address shown on the registration books of the District or, so long as the United States of America, Department of Agriculture is the registered holder of this Bond, at the office or address as may be designated by said Department of Agriculture from time to time.

This Bond is the Bond in fully registered form representing a duly authorized issue of Bonds in the principal amount of \$1,433,000 issued by the District pursuant to the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 74 and 106 of the Kentucky Revised Statutes, and pursuant to a duly adopted Resolution of the District, for the purpose of paying the costs (to the extent not otherwise provided to be paid) of the construction and installation of major extensions and additions to the District's municipal water distribution system (the "System"), together with appurtenant facilities, and incidental expenses.

This Bond and the issue which it represents, together with such additional bonds ranking on a parity therewith as have heretofore been issued and are outstanding and as may hereafter be issued and outstanding from time to time in accordance with the conditions and restrictions set

forth in the Resolution authorizing the issuance of this Bond, are payable from and secured by a pledge of a fixed portion of the income and revenues to be derived from the operation of the System, which fixed portion shall be sufficient to pay the principal of and interest on this Bond and the issue which it represents, and any outstanding parity bonds, as and when the same shall become due and payable, and which shall be set aside as a special fund for that purpose and identified as the "Water Revenue Bond and Interest Sinking Fund"; provided that payment of this Bond from such income and revenues is subject to the priority of the District's loan repayment obligation under an Assistance Agreement with the Kentucky Infrastructure Authority dated as of March 1, 2008.

A statutory mortgage lien upon the System and appurtenant facilities, together with all future additions and improvements thereto, and extensions thereof, is created by Section 106.080 of the Kentucky Revised Statutes and by the aforesaid Resolution for the benefit and protection of the holder of this Bond, and the same shall remain in effect until payment in full of the principal of and interest on this Bond.

This Bond does not in any manner constitute an indebtedness of the District within the meaning of the Statutes and Constitution of Kentucky, and the District is not and shall not be obligated to pay this Bond or the interest hereon except from said special fund. The District, acting by and through its Commission, covenants that it will fix, and if necessary adjust from time to time, such rates and charges for use of the services and facilities of the System and will collect and account for the income and revenues therefrom sufficient to pay promptly the interest on and principal of this issue of Bonds and all other bonds ranking on a parity therewith as may be issued and outstanding from time to time in accordance with the conditions and restrictions prescribed in that connection, as well as to pay the costs of operation and maintenance of the System.

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

The District, at its option, shall have the right to prepay, on any interest payment date on and after July 1, 2019, in the inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser portion thereof in multiples of One Thousand Dollars (\$1,000) as the District may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any prepayment premium. Notice of such prepayment shall be given by registered mail to the registered holder of the Bond at least thirty (30) days prior to the date fixed for prepayment. Provided, however, that so long as the United States of America, Department of Agriculture, is the registered holder of this Bond, this Bond may be prepaid at any time in whole or in part, at par or face value and without notice or prepayment premium.

Upon default in the payment of any principal or interest payment on this Bond or upon failure by the District to comply with any other provisions of this Bond or with the provisions of

the Resolution authorizing the issuance of this Bond, the registered holder may, at his option, institute proceedings to enforce all rights and remedies provided by law or by said Resolution.

This Bond is exempt from *ad valorem* taxation in the Commonwealth of Kentucky.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, being the total authorized amount of Bonds of the issue which this Bond represents, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the Marion County Water District, in the Commonwealth of Kentucky, by its Commission, has caused this Bond to be executed by the Chairman of its Commission, attested by the Secretary, and its corporate seal to be hereunto affixed, on the date of this Bond, which is

MARION COUNTY WATER DISTRICT

By Barbara May
Chairman of the Commission

Attest:

Everett Thomas
Secretary

(Seal of District)

PROVISION FOR REGISTRATION

This Bond shall be registered on the books of Marion County Water District kept for that purpose by the Secretary, as Bond Registrar, upon presentation hereof to the Secretary, who shall make notation of such registration in the registration blank, and this Bond may thereafter be transferred only upon written transfer acknowledged by the registered holder or his attorney, such transfer to be made on said books and endorsed hereon.

(FORM OF REGISTRATION)

<u>Date of Registration</u>	<u>Name of Registered Holder</u>	<u>Signature of the Water District's Bond Registrar</u>
	United States of America Department of Agriculture State Office 771 Corporate Dr., Suite 200 Lexington, Kentucky 40503*	

*(To be inserted if USDA purchases the 2009 Bonds)

SECTION 6

DISPOSITION OF 2009 BOND PROCEEDS; CONSTRUCTION FUND

The Treasurer of the District shall be the custodian of all funds belonging to and associated with the System, as expanded and improved from time to time, and such funds shall be deposited in such bank or banks in Kentucky as the Commission of the District may from time to time designate (hereinafter sometimes referred to, singularly and collectively, as the "Depository Bank"). All such moneys of the District deposited in the Depository Bank in excess of the amount insured by the Federal Deposit Insurance Corporation ("FDIC") shall be secured by the Depository Bank in accordance with U. S. Treasury Department Circular No. 176. The Treasurer shall execute a fidelity bond in an amount and with a surety company approved by USDA so long as it is the holder of any of the 2009 Bonds; and USDA and the District shall be named co-obligees in such surety bond, and the amount thereof shall not be reduced without the written consent of USDA. The proceeds of the 2009 Bonds shall be applied as follows:

Upon the issuance and delivery of the 2009 Bonds authorized by this Resolution, the entire proceeds thereof shall be deposited in an account of the District designated "Marion County Water District 2009 Construction Fund" (the "Construction Fund"). The 2009 Bond proceeds shall constitute a part of the Construction Fund and shall be applied, to the extent necessary, in paying the costs incident to constructing, installing and acquiring the Project, including expenses incurred in the issuance of the 2009 Bonds and paying interim financing obligations (both principal and interest) incurred in connection with the Project as authorized by said separate interim financing Resolution of the Commission of the District; provided, however, any 2009 Bond proceeds so used to pay such interim financing obligations may be disbursed directly to the appropriate lending institution(s) without the requirement of being deposited to the Construction Fund.

A sum in the Construction Fund estimated to be equal to interest which will accrue on the 2009 Bonds (following delivery thereof) during construction and development of the Project shall be earmarked, used and applied to the payment of interest on the 2009 Bonds next becoming due.

Disbursements from the Construction Fund shall be made by checks signed by the District Treasurer and/or Chairman, and such disbursements shall be authorized and approved in writing by the District Chairman and/or Treasurer and, if USDA is the purchaser of the 2009 Bonds, by USDA (if USDA so requires). Reference is made in this connection to the provisions of the separate interim financing Resolution adopted concurrently herewith.

Pending disbursement, the 2009 Bond proceeds shall be deposited, as aforesaid, in the Construction Fund, and to the extent that such deposit causes the aggregate deposits by the District in the Depository Bank to be in excess of the amount insured by FDIC, the same shall be secured by a surety bond or bonds furnished by a surety company or companies qualified to do business in Kentucky and approved by the Commission of the District, or by a valid pledge of direct obligations of the United States Government, or obligations as to which the payment of principal and interest are guaranteed by the United States Government, having a market value at least equivalent to such deposit.

Where the moneys on deposit in the Construction Fund exceed the estimated disbursements on account of the Project for the next 60 days, the District shall direct the Depository Bank to invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, which shall mature not later than six months after the date of such investment and which shall be subject to redemption at any time by the holder thereof. The earnings from any such investments shall be deposited in the Construction Fund by the District, unless otherwise authorized by USDA.

In the event any unexpected balance shall remain in the Construction Fund after completion of the Project, and payment of all of the costs thereof, as certified by the Engineers, such unexpended balance, subject to the terms and conditions of the aforesaid USDA loan, and to USDA approval, shall be transferred and deposited in the Water Revenue Bond and Interest Sinking Fund, hereinafter referred to, and shall be used at the earliest practicable date for the retirement of 2009 Bonds by purchase thereof (or principal prepayment) in inverse order of maturities or established annual payment amounts.

In the event that the amount hereinabove provided to be set aside from 2009 Bond proceeds for payment for interest during the construction and development of the Project should prove to be insufficient for such purpose, additional moneys may, upon approval by USDA, be withdrawn from the Construction Fund and so applied, inasmuch as interest during such period is a proper part of the cost of the Project, to the extent authorized by USDA.

Pending disbursements for the authorized purposes, the proceeds of all 2009 Bonds at any time issued pursuant to this Resolution shall be subject to a first and paramount lien and charge in favor of the holders of 2009 Bonds issued and outstanding hereunder and for their further security.

SECTION 7

OPERATION OF SYSTEM; FLOW OF FUNDS; ACCUMULATION OF REVENUES

From and after issuance and delivery of the 2009 Bonds, and so long as any of the 2009 Bonds or parity bonds remain outstanding and unpaid, the System shall continue to be operated on a fiscal year basis beginning each January 1 and ending on the last day of the next December, as at present, and on that basis the income and revenues of the System shall be collected, segregated, accounted for and distributed as follows:

A separate and special fund or account of the District, distinct and apart from all other funds and accounts, was created by the 1969 Resolution designated and identified as the "Marion County Water District Water Revenue Fund" (the "Revenue Fund"), which shall continue to be maintained by the District, and into which shall be deposited all income and revenues of the System (to the extent not otherwise provided to be deposited hereinafter). The moneys in the Revenue Fund from time to time shall be used and disbursed and applied by the District only for the purposes, and in the manner and order of priorities, specified in the succeeding subsections of this Section 7, all as permitted by applicable statutes, as follows:

(A) A separate and special fund or account of the District was created by the 1969 Resolution and designated the "Marion County Water District Operation and Maintenance Fund" (the "Operation and Maintenance Fund"), which shall continue to be maintained for the benefit of the System and all bonds payable from the income and revenues of the System. The District covenants that it will continue to transfer monthly from the funds in the Revenue Fund to the Operation and Maintenance Fund sums sufficient to pay as they accrue the Current Expenses of operating and maintaining the System pursuant to the Annual Budget, for which provision is hereafter made.

(B) A separate and special fund or account of the District was created by the 1969 Resolution, distinct and apart from all other funds and accounts, and the same is designated and identified as the "Marion County Water District Water Revenue Bond and Interest Sinking Fund" (the "Bond Fund"), which shall continue to be maintained so long as any of the Prior Bonds, the 2009 Bonds or parity bonds herein permitted to be issued are outstanding; and all moneys deposited therein from time to time shall be used and disbursed and applied, and are hereby irrevocably pledged, solely for the purpose of paying the principal of and interest on the Prior Bonds, the 2009 Bonds and any parity bonds hereafter issued and outstanding pursuant to the provisions of this Resolution; provided, that payment of the 2009 Bonds from the Bond Fund is subject to the priority of the District's loan repayment obligation under the KIA Obligation.

Subject to subparagraph (A) of this Section 7, there shall continue to be set aside and transferred on or before the 15th day of each month from the Revenue Fund, as a first charge thereon, and deposited in the Bond Fund, sums sufficient to pay when due the principal and interest requirements on the Prior Bonds, the 2009 Bonds and any parity bonds. Specifically, there shall be paid into the Bond Fund on or before the 15th day of each month, on account of the Prior Bonds and the 2009 Bonds not less than the following:

(i) a sum which together with other funds available in the Bond Fund for such purpose will be equal to one-sixth (1/6) of the next succeeding interest installment to become due on all Prior Bonds and 2009 Bonds then outstanding; and

(ii) a sum which together with other funds available in the Bond Fund for such purpose will be equal to one-twelfth (1/12) of the principal of all Prior Bonds and 2009 Bonds maturing on the next succeeding January 1.

In the event additional parity bonds are issued pursuant to the conditions and restrictions hereinafter prescribed in that connection, the monthly deposits to the Bond Fund shall be increased to provide for payment of interest thereon and the principal thereof as the same respectively become due.

Moneys from time to time in the Bond Fund may be held in cash, in which event the same shall, to the extent not insured by FDIC, be secured by a valid pledge of bonds, notes, or certificates of indebtedness of the United States Government having at all times an equal market value; or the same may, upon order of the Commission, be invested and reinvested in interest-bearing obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, maturing not later than the date on which such funds are needed to pay principal and interest on outstanding bonds. Income from any such investments shall be accumulated in the Bond Fund and may be invested in the same manner.

(C) A separate and special fund or account of the District was heretofore created by the 1969 Resolution, which Fund is hereby continued, and the same is designated and identified as the "Marion County Water District Reserve and Depreciation Account" (the "Reserve Fund").

After observing the priority of deposits set forth in (A) and (B) above, which are cumulative, there shall be set apart and paid into the Reserve Fund each month not less than \$2,556 (or more, if fixed by Resolution of the Commission of the District) from the remaining funds in the Revenue Fund, such monthly deposits to continue so long as any bonds payable from the income and revenues of the System remain outstanding and unpaid.

In addition to the above deposits from the Revenue Fund, there shall also be deposited in the Reserve Fund, as received, the proceeds of all property damage insurance (except public liability) maintained in connection with the System, and the cash proceeds of any surplus, worn out or obsolescent properties of the System, if the same be sold upon order of the Commission. As required by the provisions of the 1969 Resolution, any fees which may be levied and collected by the Commission of the District for the privilege of connecting to the System (excluding initial deposits received in aid of the Project, if any) shall be paid, as received, into the Reserve Fund. The term "cash revenues" of the System, as used in Section 7 hereof, means all proceeds of water service rates and charges, and does not include any of the cash items enumerated in this paragraph.

The Reserve Fund shall be available and may be withdrawn and used by the District, upon appropriate certification as to the authorization for such withdrawal, for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, renewals or replacements, not included in the Annual Budget of Current Expenses, and the cost of constructing additions and

improvements to the System which will either enhance its revenue-producing capacity or provide a higher degree of service. Said Fund shall also be available for transfer to the Bond Fund in order to avoid default in connection with any bonds payable from the Bond Fund.

If and when the balance in the Reserve Fund, including the market value of investments held for the account thereof, shall equal the sum of \$285,900, the monthly deposits therein may be discontinued and at the election of the Commission such sums may be paid into the Bond Fund, but the same shall be resumed whenever authorized disbursements therefrom shall reduce the balance below \$285,900, and shall be continued until such balance is restored; provided that so long as the 2009 Bonds remain outstanding, the monthly deposits into the Reserve Fund shall be at least \$585. Notwithstanding the provisions of this Section, no amount shall be deemed to be required to be deposited in the Reserve Fund which exceeds permissible deposits in such a fund under the terms of the rules and regulations of USDA.

At any time when the accumulations in the Reserve Fund shall exceed anticipated and foreseeable needs for authorized purposes, all or any portion of such excess may be invested and reinvested upon order of the Commission in interest-bearing obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, maturing or subject to redemption at the option of the holder not later than three (3) years after the date of investment; but as and when funds may be required for authorized purposes a sufficient portion thereof shall be converted into cash and so applied. All investments of money in the Reserve Fund shall be carried to the credit of said Fund; all income from investments and any profit from the sale thereof shall be credited thereto; and any expenses incident to investment or reinvestment, together with any loss from forced conversion of investments into cash, shall be charged thereto.

(D) The District shall also fund an account for short-lived assets (the "Short-Lived Assets Account") by depositing the sum of \$12,114 monthly into the Short-Lived Assets Account. The funds in the Short-Lived Assets Account may be used by the District as needed to replace or add short-lived assets in the System. The Short-Lived Assets Account replaces any previous short-lived assets requirements with respect to any of the Prior Bonds.

(E) Subject to the provisions of subparagraphs (A), (B), (C) and (D) of this Section 7, which are cumulative, and after paying or providing for the payment of debt service on any subordinate obligations, there shall be transferred within sixty (60) days after the end of each fiscal year the balance of excess funds in the Revenue Fund on such date to the Bond Fund to be used in redeeming outstanding bonds payable from the Bond Fund in inverse numerical or maturity order or purchasing such outstanding bonds at a price not to exceed the price at which such bonds may be redeemed on the next succeeding redemption date; provided, however, that notwithstanding the provisions hereof, the District reserves the right to redeem bonds which are redeemable without redemption premium prior to redeeming bonds which are only redeemable upon the payment of redemption premium.

* * * * *

All payments into the above special funds shall be made on or before the fifteenth (15th) day of each month, except that when the fifteenth (15th) day of any month shall be a Sunday or a legal holiday, then such payment shall be made on the next succeeding business day.

All moneys held in any of the above special funds shall be kept apart from all other District funds and shall be deposited in a bank or banks selected by the District from time to time (in each case, a "Depository Bank"), and all such deposits which cause the aggregate of all deposits of the District in any Depository Bank to be in excess of the amount secured by FDIC shall (unless invested as herein authorized) be secured by a surety bond or bonds or by pledge of direct obligations or by guaranteed bonds or securities of the United States Government having a market value at least equivalent to such excess deposit.

SECTION 8

COVENANTS TO BONDHOLDERS

The District hereby irrevocably covenants and agrees with the holder or holders of any and all 2009 Bonds and parity bonds at any time issued and outstanding pursuant to authority of this Resolution that so long as the same or any part thereof or interest thereon remain outstanding and unpaid:

(A) It will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the Commonwealth of Kentucky, and by the terms and provisions of this Resolution.

(B) It will at all times operate the System on a revenue-producing basis, and will permit no free services to be rendered or afforded thereby.

(C) It will maintain the System in good condition through application of revenues accumulated and set aside for operation and maintenance, as herein provided; and will make unusual or extraordinary repairs, renewals and replacements, as the same may be required, through application of revenues accumulated and set aside for such purposes.

(D) The District covenants and agrees that, so long as any of the 2009 Bonds are outstanding, it will not sell or otherwise dispose of any of the System facilities or any part thereof, and, except as provided for in this Resolution and in the Prior Resolutions, it will not create or permit to be created any charge or lien on the revenues thereof ranking equal or prior to the charge or lien of the 2009 Bonds. Notwithstanding the foregoing, the District may at any time permanently abandon the use of, or sell at fair market value, any of its System facilities, provided that:

(i) it is in compliance with all covenants and undertakings in connection with all of its bonds then outstanding and payable from the revenues of the System;

(ii) it will, in the event of sale, apply the proceeds to either (1) redemption of outstanding 2009 Bonds or parity bonds in accordance with the provisions governing prepayment of bonds in advance of maturity, or (2) replacement of the facility so

disposed of by another facility the revenues of which shall be incorporated into the System as hereinbefore provided;

(iii) it certifies, prior to any abandonment of use, that the facility to be abandoned is no longer economically feasible of producing net revenues; and

(iv) notwithstanding all of the foregoing, no such sale, abandonment or transfer of System facilities shall be made so long as USDA owns any of the 2009 Bonds herein authorized, without the written consent and approval of USDA.

(E) It will establish, enforce and collect rates and charges for services rendered and facilities afforded by the System; and the same shall be reasonable and just, taking into account and consideration the cost and value of the System, the costs of operating the same and maintaining it in a good state of repair, proper and necessary allowances for depreciation and for additions and extensions, and the amounts necessary for the orderly retirement of all outstanding bonds as aforesaid and the accruing interest thereon, and the accumulation of reserves as herein provided; and such rates and charges shall be adequate to meet all such requirements as provided in this Resolution, and shall, if necessary, be adjusted from time to time in order to comply herewith.

On or before the date of issuance of the 2009 Bonds, the District will adopt a Budget of Current Expenses for the System for the remainder of the then current fiscal year of the System, and thereafter, on or before the first day of each fiscal year so long as any 2009 Bonds are outstanding, it will adopt an Annual Budget of Current Expenses for the ensuing fiscal year, and will file a copy of each such Budget, and of any amendments thereto, in the office of the Secretary of the District, and furnish copies thereof to the holder of any Bond upon request. The term "Current Expenses," as herein used, includes all reasonable and necessary costs of operating, repairing, maintaining, and insuring the System, but shall exclude any allowance for depreciation, payments into the Reserve Fund for extensions, improvements, and extraordinary repairs and maintenance, and payments into the Bond Fund. The District covenants that the Current Expenses incurred in any year will not exceed the reasonable and necessary amounts therefor, and that it will not expend any amount or incur any obligations for operation, maintenance and repairs in excess of the amounts provided for Current Expenses in the Annual Budget, except upon resolution duly adopted by the Commission of the District determining that such expenses are necessary in order to operate and maintain the System. At the same time, and in like manner, the District agrees that it will prepare an estimate of cash income and revenues to be derived from operation of the System for each fiscal year, and to the extent that said cash income and revenues are insufficient to provide for all payments required to be made into the Bond Fund during such ensuing fiscal year, and to make the monthly payments specified by subsection (C) of Section 7 of this Resolution, and to pay Current Expenses, the District covenants and agrees that it will revise its rates and charges for services rendered by the System, so that the same will be adequate to meet all of such requirements.

(F) It will not at any time make any reduction in any prevailing schedule of rates and charges for use of the services and facilities of the System without first obtaining the written determination of a Consulting Engineer of national reputation that the proposed reduction will

not adversely affect the ability of the District to meet all the requirements set forth in this Resolution.

(G) It will at all times segregate the revenues of the System from all other revenues, moneys, and funds of the District, and will promptly and regularly make application and distribution thereof into the special funds provided in the Prior Resolutions, and in this Resolution, in the amount and with due regard for the priorities herein attributed thereto.

(H) It will keep proper books of record and account, separate and clearly distinguishable from all other municipal records and accounts, showing complete and correct entries of all transactions relating to the System, and the same shall be available and open to inspection by any 2009 Bondholder, and any agent or representative of a 2009 Bondholder.

(I) It will, within ninety (90) days after the end of each fiscal year, cause an audit to be made of the books of record and account pertinent to the System, by an independent state-licensed accountant not in the employ of the District on a monthly salary basis, showing all receipts and disbursements, and reflecting in reasonable detail the financial condition and records of the System, including the status of the several funds hereinbefore created, the status of the insurance and fidelity bonding, the number and type of connections, and the current rates and charges, with comments of the auditor concerning whether the books and records are being kept in compliance with this Resolution and in accordance with recognized accounting practices, and will promptly cause a copy of the Audit Report to be filed in the Office of the Secretary where it will be available for public inspection, and will promptly mail a copy thereof to the original recipients of 2009 Bonds issued hereunder. If requested to do so, the District will furnish to any 2009 Bondholder a condensed form of the Balance Sheet, and a condensed form of the Operating Report, in reasonable detail. All expenses incurred in causing such audits to be made, and copies distributed, shall constitute proper expenses of operating and maintaining the System, and may be paid from revenues allocated for such purposes, as herein provided. Provided, so long as USDA holds any of the 2009 Bonds herein authorized, the District shall furnish operating and other financial statements in such form and substance and for such periods as may be requested by USDA.

(J) Any holder of 2009 Bonds may either at law or in equity, by suit, action, mandamus, or other proceedings, enforce and compel performance by the District and its officers and agents of all duties imposed or required by law or this Resolution in connection with the operation of the System, including the making and collecting of sufficient rates and segregation of the revenues and application thereof.

(K) If there be any default in the payment of the principal of or interest on any of the 2009 Bonds, then upon the filing of suit by any holder of the 2009 Bonds, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the District, with power to charge and collect rates sufficient to provide for the payment of any bonds or obligations outstanding against the System, and for the payment of Current Expenses, and to apply the revenues in conformity with this Resolution and the provisions of the statute laws of Kentucky aforesaid.

(L) The District will cause each officer or other person (other than depository banks) having custody of any moneys administered under the provisions of this Resolution to be bonded at all times in an amount at least equal to the maximum amount of such moneys in his custody at any time; each such bond to have surety given by a surety corporation qualified to do business in Kentucky and approved by the Commission, and the premiums for such surety shall constitute a proper expense of operating the System, and may be paid from moneys available in the Operation and Maintenance Fund.

(M) It will procure, and at all times maintain in force, insurance of all insurable properties constituting parts of, or being appurtenant to, the System to the full insurable value thereof, against damage or destruction by fire, windstorm, and the hazards covered by the standard "extended coverage" policy endorsements or provisions, the premiums therefor to be paid from the Operation and Maintenance Fund; and will deposit all sums collected under the terms of such policies in the Reserve Fund. Such insurance shall be in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed eighty percentum (80%) of the full insurable value of the damaged facility.

(N) The District will procure and at all times maintain public liability insurance relating to the operation of the System, with limits of not less than \$200,000 for one person and \$500,000 for more than one person involved in one accident to protect the District from claims for bodily injury and/or death; and not less than \$100,000 from claims for damage to property of others which may arise from the District's operation of the System.

(O) The District will carry suitable worker's compensation insurance in accordance with law.

(P) If the District owns or operates a vehicle in the operation of the System, the District will procure and at all times maintain vehicular public liability insurance with limits of not less than \$200,000 for one person and \$500,000 for more than one person involved in one accident to protect the District from claims for bodily injury and/or death, and not less than \$100,000 against claims for damage to property of others which may arise from the District's operation of vehicles. Provided, notwithstanding (M), (N), (O) and (P) above, that so long as USDA holds any 2009 Bonds, the District will procure and maintain insurance of such types and amounts as USDA may specify, which shall not be less than the amounts specified in this Section 8 so long as the Prior Bonds and the 2009 Bonds are outstanding.

(Q) So long as USDA is the holder of any bonds of the District, the District shall not issue any bonds or other obligations for the purpose of defeasing or otherwise terminating the lien of such bonds held by USDA without immediately prepaying all of such bonds held by USDA.

SECTION 9

PARITY BONDS PERMITTED; TERMS

The 2009 Bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to priority one over the other in the application of the revenues herein

pledged, regardless of the time or times of their issuance, it being the intention that there shall be no priority among the 2009 Bonds authorized to be issued under the provisions of this Resolution, regardless of the fact that they may actually be issued and delivered at different times. No other bonds or other obligations shall be issued by the District and made payable from the income and revenues of the System unless the pledge of revenues for the same is expressly made subordinate and inferior to the lien and pledge herein created; provided, however, the District hereby reserves the right and privilege of issuing additional bonds, from time to time, payable from the revenues of the System, ranking on a basis of equality and parity as to security and source of payment with the 2009 Bonds herein authorized for the following purposes and subject to the following conditions and restrictions:

(A) The District hereby reserves the right to add new System facilities and related auxiliary facilities by the issuance of one or more additional series of bonds to be secured by a parity lien on and ratably payable from the revenues and any other security pledged to the 2009 Bonds, provided in each instance that:

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

(ii) the District is in compliance with all covenants and undertakings in connection with all of its bonds then outstanding and payable from the income and revenues of the System or any part thereof; and

(iii) there is procured and filed with the Secretary of the District a statement by an independent certified, public accountant, not in the regular employ of the District on a monthly salary basis, reciting the opinion, based upon reasonable investigation, that the annual net revenues (defined as gross revenues less essential operation and maintenance expenses) of the then existing System for the fiscal year preceding the year of issuance of such additional parity bonds were equal to at least one hundred twenty percent (120%) of the average annual debt service requirements for principal and interest on all Prior Bonds and parity bonds, if any, then outstanding and on the additional parity bonds then to be issued. (The calculation of average annual debt service requirements of principal and interest on the additional bonds to be issued shall, regardless of whether such bonds are to be serial or term bonds, be determined on the basis of the principal of and interest on such bonds being payable in approximately equal annual installments.) Provided, however, the foregoing conditions and limitations prescribed in this subparagraph (iii) may be waived or modified by the written consent of the holders of at least seventy-five percent (75%) in principal amount of the then outstanding Prior Bonds and any parity bonds.

(B) The District hereby covenants and agrees that in the event additional series of parity bonds are issued, it shall:

(i) adjust the monthly deposits into the Bond Fund on the same basis as that prescribed in Section 7(B) hereof to reflect the annual debt service on the additional bonds;

(ii) adjust and increase appropriately the monthly amount to be deposited into the Reserve Fund to give recognition to the facilities and equipment to be constructed or acquired with the proceeds of such additional bonds; and

(iii) make such additional bonds payable as to principal on January 1 of each year in which principal falls due and payable as to interest on January 1 and July 1 of each year.

(C) If in any subsequently issued series of bonds secured by a parity lien on the revenues of the System, it is provided that excess revenues in the Revenue Fund shall be used to redeem bonds in advance of scheduled maturity, or if the District at its option undertakes to redeem outstanding bonds in advance of scheduled maturity, it is agreed and understood (a) that calls of bonds will be applied to each series of bonds on an equal pro rata basis (reflecting the proportion of the original amount of each series of bonds outstanding at the time of such call), and (b) that calls of bonds for each series of bonds will be in accordance with the call provisions of the respective bond series. However, the District shall have the right to call, subject to the call provisions of the respective bond series, any or all outstanding bonds which may be called at par prior to calling any bonds that are callable at a premium.

The additional parity bonds (sometimes herein referred to as “permitted” to be issued), the issuance of which is restricted and conditioned by this Section, shall be understood to mean bonds payable from the income and revenues of the System on a parity with the 2009 Bonds, and shall not be deemed to include other bonds or obligations, the security and source of payment of which are subordinate and subject to the priority of the 2009 Bonds. The District expressly reserves the right to issue its bonds or other obligations payable from the revenues herein pledged, and not ranking on a basis of equality and parity with the 2009 Bonds, without any proof of previous earnings or net revenues, but only if such bonds or other obligations are issued to provide for additions or extensions or improvements of the System, and only if the same are issued in express recognition of the priorities, liens and rights created and existing for the security, source of payment, and protection of the 2009 Bonds. Provided, however, that nothing in this Section is intended or shall be construed as a restriction upon the ordinary refunding of the 2009 Bonds, and/or of any bonds which may have been issued and are outstanding under any of the provisions of this Resolution, if such refunding does not operate to increase, in any year until the final maturity of the refunding bonds, the aggregate of the principal and interest requirements of the bonds to remain outstanding and the bonds proposed to be refunded.

SECTION 10

PROVISIONS OF RESOLUTION CONSTITUTE CONTRACT

The provisions of this Resolution shall constitute a contract between the District and the holders of the 2009 Bonds herein authorized and any parity bonds herein permitted to be issued, and after the issuance of any of the 2009 Bonds, no material change, variation or alteration of any kind of the provisions of this Resolution shall be made in any manner without the written consent of the holder or holders of the 2009 Bonds, except as herein provided, until such time as all of the 2009 Bonds and parity bonds issued hereunder, and the interest thereon, have been paid in full.

SECTION 11

STATUTORY MORTGAGE LIEN ACKNOWLEDGED

A statutory mortgage lien upon the System, together with all appurtenances and additions thereto and extensions thereof, and including the revenues thereof, is granted and created by Section 106.080 of the Kentucky Revised Statutes for the benefit and protection of the holders of the 2009 Bonds issued and parity bonds permitted to be issued under authority of this Resolution, and previously issued and outstanding parity bonds, and of the interest payable thereon; and said statutory mortgage lien is hereby recognized and shall be effective upon delivery of any of the 2009 Bonds and shall continue in full force and effect so long as there shall remain unpaid any part of the principal of or interest on the 2009 Bonds and any parity bonds.

SECTION 12

TAX COVENANTS AND REPRESENTATIONS

The District certifies, covenants and agrees that the Project will be constructed expeditiously and the expenditure of the portion of the proceeds of the 2009 Bonds deposited in the Construction Fund for the payment of the costs of the Project will be made promptly in order that the Project will be completed and in operation at the earliest possible date. The District further certifies and covenants with the holders of the 2009 Bonds that so long as any of the 2009 Bonds remain outstanding, moneys on deposit in any fund or account in connection with the 2009 Bonds, whether or not such moneys were derived from the proceeds of the sale of the 2009 Bonds or from any other sources, will not be invested or used in a manner which will cause the 2009 Bonds to be "arbitrage bonds" within the meaning of Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any lawful regulations promulgated or proposed thereunder, including applicable sections of the Income Tax Regulations, as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Chairman, the Secretary and/or the Treasurer, as the officers of the District charged with the responsibility for issuing the 2009 Bonds, are authorized and directed, for and on behalf of the District, to execute all papers, documents, certificates and other instruments that may be required for evidencing compliance with federal "arbitrage bond" regulations, and any representations and certifications contained in such papers, documents, certificates and other instruments so executed shall be deemed to constitute representations and certifications of the District.

The District further represents, warrants, agrees and covenants as follows:

(A) Within the meaning of Section 141 of the Code and the Income Tax Regulations issued thereunder, over the terms of the Bonds (i) less than 10% of the proceeds of the 2009 Bonds, if any, will be applied for any private business use, and the payment of principal of or interest on less than 10% of the amount of the 2009 Bonds, if any, will be secured directly or indirectly by any interest in property used for a private business use, or payments in respect of such property, or will be derived directly or indirectly from payments (whether or not to the District) in respect of such property; (ii) at least 90% of the proceeds of the 2009 Bonds will be applied for a governmental use of the District; (iii) any private business use of the Project will be

related to such governmental use of the District and will not be unrelated or disproportionate; and (iv) none of the proceeds of the 2009 Bonds will be used, directly or indirectly, to make or finance loans to private persons. It is reasonably expected that over the term of the 2009 Bonds (a) the Project will be available for general public use, in that it will be reasonably available for use by natural persons not engaged in a trade or business on the same basis as any other person or entity, (b) no nongovernmental person will have any special legal entitlement to use the Project, and (c) there will be no direct or indirect payments made with respect to the Project or the security of the 2009 Bonds by any persons or entities other than payments by the general public as described in clause (a) above.

(B) Within the meaning of Section 148(f)(4)(B), it is reasonably expected at least 75% of the net proceeds (including investment proceeds) of the 2009 Bonds will be used for construction expenditures with respect to property which is owned by a governmental unit, at least 10% of such proceeds will be spent for the governmental purposes of the issue within six months from the date the 2009 Bonds are issued, at least 45% of such proceeds will be spent for such purposes within one year from such date, at least 75% of such proceeds will be spent for such purposes within eighteen months from such date, and at least 100% of such proceeds will be spent within two years from such date. It is also reasonably expected at least 50% of all proceeds (including investment proceeds) of the Bonds will be used for expenditures on the Project within six months, at least 60% will be so used within 12 months and 100% will be so used within 18 months from the date of issuance of the 2009 Bonds. If for any reason the arbitrage rebate requirements of Section 148(f) of the Code should be deemed to apply to the 2009 Bonds, the District will take all action necessary to comply therewith.

(C) It is reasonably expected that during the term of the 2009 Bonds the Project will not be disposed of, provided, however, should there be any disposition of any personal property constituting a part of the Project because it is no longer suitable for its governmental purpose, it is reasonably expected that the fair market value of such personal property will not exceed 25% of its cost.

(D) The weighted average maturity of the 2009 Bonds does not exceed 120% of the weighted average useful life of the facilities comprising the Project.

(E) The District has not heretofore expended any sums on the Project which are to be reimbursed from the proceeds of the 2009 Bonds, other than (a) certain preliminary expenditures such as engineering and planning costs not exceeding 20% of the 2000 Bond proceeds, (b) expenditures made within 60 days prior to the date of adoption of this Resolution, and (c) expenditures prior to which the District had adopted an official intent resolution regarding reimbursement from tax-exempt bond proceeds.

(F) The 2009 Bonds are not federally guaranteed within the meaning of Section 149(b) of the Code.

(G) The District will comply with the information reporting requirements of Section 149(e) of the Code.

(H) The District will not use or permit the use of any of the funds provided by the 2009 Bonds in such manner as to, or take or omit to take any action which would, impair the exclusion from gross income for federal income tax purposes of interest on the 2009 Bonds. The District shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the District on the 2009 Bonds shall, for the purposes of federal income taxation, be excludable from gross income.

(I) This Resolution is intended to and does constitute, in part, a declaration of official intent under applicable Income Tax Regulations.

SECTION 13

SEVERABILITY CLAUSE

If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 14

REPEAL OF INCONSISTENT PROVISIONS

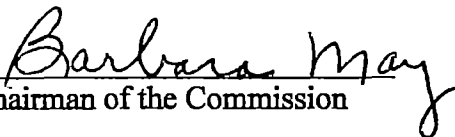
All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

SECTION 15

WHEN RESOLUTION EFFECTIVE

This Resolution shall be in full force and effect from and after its adoption, approval and attestation as provided by law.

ADOPTED BY THE COMMISSION OF THE MARION COUNTY WATER DISTRICT, MARION, NELSON AND WASHINGTON COUNTIES, KENTUCKY, at a meeting held on the 20th day of October, 2009, on the same occasion signed by the Chairman, attested by the Secretary, and declared to be in full force and effect.


Chairman of the Commission

Attest:


Secretary

Certification

The undersigned, Secretary of the Commission of Marion County Water District, Marion, Nelson and Washington Counties, Kentucky, hereby certifies that the foregoing is a true, complete and correct copy of a Resolution adopted by the Commission of the District, signed by the Chairman thereof, and attested by me as Secretary upon the occasion of a properly convened meeting of the Commission of said District held on the 20th day of October, 2009, as shown by the official records in my custody and under my control.

WITNESS my hand this 21st day of October, 2009.

Ewrett Thomas
Secretary

A RESOLUTION OF THE COMMISSION OF THE MARION COUNTY WATER DISTRICT SUPPLEMENTING RESOLUTIONS ADOPTED ON OCTOBER 20, 2009, AUTHORIZING THE SALE OF THE DISTRICT'S \$1,433,000 WATER SYSTEM REVENUE BONDS, SERIES 2009, AND SETTING FORTH ADDITIONAL TERMS, CONDITIONS AND ELECTIONS FOR THE SALE AND ISSUANCE OF THE BONDS AS BUILD AMERICA BONDS PURSUANT THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

WHEREAS, the Marion County Water District (the "District") is in the process of constructing major improvements and additions (the "Project") to its municipal water distribution system, which Project is being financed, in part, through the issuance of \$1,433,000 Water System Revenue Bonds, Series 2009 (the "2009 Bonds"), which were authorized and sold pursuant to Resolutions adopted on October 20, 2009 (the "2009 Resolutions"), but have not yet been issued; and

WHEREAS, the 2009 Bonds were sold by competitive sale on October 20, 2009, to the U.S. Department of Agriculture, Rural Development ("USDA"), as bonds the interest on which, when issued, would be tax-exempt; and pursuant to USDA procedures the 2009 Bonds have not yet been issued, but are expected to be issued in June, 2010; and

WHEREAS, the American Recovery and Reinvestment Act of 2009 (the "Recovery Act") authorizes the District to issue taxable bonds known as "Build America Bonds" to finance capital expenditures for which it could issue tax-exempt bonds and to elect to receive a subsidy payment from the federal government equal to 35% of the amount of each interest payment on such taxable bonds, provided that the capital expenditures being financed by such taxable bonds were paid or incurred on or after February 17, 2009, the date of enactment of the Recovery Act, and provided further that such taxable Build America Bonds meet other requirements of the Recovery Act and are issued on or prior to December 31, 2010; and

WHEREAS, in order to have the 2009 Bonds issued as taxable Build America Bonds, it is necessary for the District to irrevocably elect to have the provisions of Section 54AA of the Internal Revenue Code of 1986, as amended (the "Code"), apply to the 2009 Bonds, and to further elect to have subsection (g) of Section 54AA apply to the 2009 Bonds, so that the District will receive the subsidy (refundable credit) described above; and

WHEREAS, as a result of such elections, the District will receive payments from the U.S. Department of the Treasury equal to 35% of the interest payments on the 2009 Bonds; and USDA has agreed to accept the 2009 Bonds as taxable Build America Bonds according to the provisions of this Resolution and the Recovery Act; and

WHEREAS, it is necessary and in the public interest for the District to supplement the 2009 Resolutions as hereinafter provided;

NOW, THEREFORE, THE COMMISSION OF MARION COUNTY WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The 2009 Bonds are to be issued, and the District shall make an irrevocable election to issue the 2009 Bonds, as taxable Build America Bonds under Section 54AA of the Recovery Act, and in this connection:

(i) All of the excess of (a) the available project proceeds (as defined in Section 54A of the Code to mean sale proceeds of the 2009 Bonds less not more than 2% of such proceeds used to pay costs of issuance plus investment proceeds thereon), over (b) any amounts in a reasonably required reserve fund (within the meaning of Section 150(a)(3) of the Code) with respect to such issue, is to be used for capital expenditures made after February 17, 2009;

(ii) The District will make an irrevocable election to have Section 54AA(g) of the Code apply to the 2009 Bonds so that the District will receive a refundable credit under Section 6431 of the Code equal to 35% of the stated interest paid on the 2009 Bonds;

(iii) The District will comply with the requirements of Section 54AA(g) of the Code to assure eligibility of the District for receipt of the direct pay interest credit;

(iv) The issue price (reoffering price) of the 2009 Bonds of the same maturity cannot exceed the par amount by more than .25% multiplied by the number of complete years to the earlier of the maturity date or the first optional redemption date for such 2009 Bonds; and

(v) The District will not use or permit the use of any of the funds provided by the 2009 Bonds in such a manner as to, or take or omit to take any action which would, impair the status of the 2009 Bonds as "qualified bonds" under Section 54AA of the Code.

Section 2. The District will comply with the requirements Section 54AA(g) of the Code to assure eligibility of the District for receipt of the direct pay interest credit and will not use or permit the use of the funds provided by the 2009 Bonds in such manner as to, or take or admit to take any action which would, impair the status of the 2009 Bonds as "qualified bonds" under Section 54AA of the Code. In the foregoing connection, the District agrees to file, in a timely manner, any and all necessary forms required by the Code, including without limitation IRS Form 8038-B, Information Return for Build America Bonds and Recovery Zone Economic Development Bonds, and IRS Form 8038-CP, Return for Credit Payments for Issuers of Qualified Bonds. The District also agrees to complete and file, in a timely manner, any and all other forms and questionnaires received by the District with respect to the 2009 Bonds, including without limitation IRS Form 14127, Direct Pay Bonds Compliance Questionnaire. The General Manager of the District is further instructed to prepare, with the assistance of counsel, written procedures to assure future compliance with the Build America Bonds requirements of the Code.

Section 3. With reference to the style and form of the 2009 Bonds set out in the 2009 Resolutions, the word "Taxable" shall be inserted immediately preceding the designation "Series 2009," and the following words, in parenthesis, shall be added to the name of such taxable 2009 Bonds: "(Build America Bonds – Direct Payment to Issuer)".

Section 4. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 5. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 6. This Resolution shall be in full force and effect from and after its adoption and approval as provided by law.

ADOPTED BY THE COMMISSION OF MARION COUNTY WATER DISTRICT at a meeting held on May 11, 2010, signed by the Chairman and declared to be in full force and effect.

Attest:


Chairman


Secretary

Certification

The undersigned Secretary-Treasurer of the Commission of Marion County Water District hereby certifies that the foregoing is a true, complete and correct copy of a Resolution adopted by the Commission of the District at a properly convened meeting of the Commission of the District held on May 11, 2010, as shown by the official records in my custody and under my control.

WITNESS my hand this May 11, 2010.


Secretary

SUPPLEMENTAL BOND PURCHASE AGREEMENT

Re: \$1,433,000 Marion County Water District Water System Revenue Bonds, Taxable Series 2009 (Build America Bonds – Direct Payment to Issuer)

This Supplemental Bond Purchase Agreement (the “Agreement”), dated as of June 9, 2010, by and between the Marion County Water District (the “District”) and the U.S. Department of Agriculture, Rural Development (“USDA”), relating to the sale, purchase and delivery of the above referenced bonds (the “Bonds”):

WITNESSETH:

WHEREAS, USDA submitted a bid that was accepted by the District on October 20, 2009 (the “Bond Sale Date”), to purchase the Bonds; and

WHEREAS, USDA’s bid was submitted based on the understanding that interest on the Bonds would be tax-exempt for federal income tax purposes; and

WHEREAS, the American Recovery and Reinvestment Act of 2009 (the “Recovery Act”) provides for the issuance of “Build America Bonds” (“BABs”) to finance certain capital expenditures paid or incurred on and after February 17, 2009, provided such BABs meet the requirements of the Recovery Act and are issued on or prior to December 31, 2010; and

WHEREAS, the Recovery Act provides that interest on bonds issued as BABs is not excludable from gross income for federal income tax purposes, but rather such interest is taxable and the issuer of BABs will be entitled to receive payments from the U.S. Treasury Department equal to 35% of the interest payments on the BABs; and

WHEREAS, the District has enacted a Supplemental Resolution in order to evidence the District’s election to have the Bonds issued as BABs and further to provide that the District will comply with the Recovery Act’s conditions and restrictions regarding BABs; and

WHEREAS, it is necessary for USDA and the District to agree that the Bonds will be issued as taxable BABs and that USDA will accept the Bonds as taxable BABs;

NOW, THEREFORE, the parties hereto agree as follows:

1. The District will issue the Bonds as taxable BABs and will comply with all provisions of the Recovery Act and the Internal Revenue Code of 1986, as amended, relating to the issuance of BABs, including without limitation completing and filing all necessary forms and questionnaires required by the U.S. Treasury and the Internal Revenue Service and any post-issuance compliance required in the future.
2. USDA agrees to accept the Bonds as taxable BABs and shall pay the purchase price for the Bonds in accordance with the terms of the USDA bid accepted on the Bond Sale Date.

3. The City and USDA agree that the terms and conditions contained in the District's Resolutions of October 20, 2009, and May 11, 2010, shall remain in effect.

4. USDA agrees to accept the legal opinion of the District's Bond Counsel, Stoll Keenon Ogden PLLC, providing that interest on the Bonds will be includable in gross income for federal income tax purposes.

5. The District agrees to hold USDA and Bond Counsel harmless from any and all liability in connection with the required filing of Internal Revenue Service Form 8038-CP "Return for Credit Payments to Issuers of Qualified Bonds," which form must be filed by the District prior to every interest payment date in order to receive credit payments from the U.S. Treasury.

IN TESTIMONY WHEREOF, witness our official signatures as of the date first written above.

MARION COUNTY WATER DISTRICT

By Barbara R. May
Chairman of Commission

UNITED STATES DEPARTMENT OF
AGRICULTURE, RURAL DEVELOPMENT

By _____
Title: _____

3. The City and USDA agree that the terms and conditions contained in the District's Resolutions of October 20, 2009, and May 11, 2010, shall remain in effect.

4. USDA agrees to accept the legal opinion of the District's Bond Counsel, Stoll Keenon Ogden PLLC, providing that interest on the Bonds will be includable in gross income for federal income tax purposes.

5. The District agrees to hold USDA and Bond Counsel harmless from any and all liability in connection with the required filing of Internal Revenue Service Form 8038-CP "Return for Credit Payments to Issuers of Qualified Bonds," which form must be filed by the District prior to every interest payment date in order to receive credit payments from the U.S. Treasury.

IN TESTIMONY WHEREOF, witness our official signatures as of the date first written above.

MARION COUNTY WATER DISTRICT

By _____
Chairman of Commission

UNITED STATES DEPARTMENT OF
AGRICULTURE, RURAL DEVELOPMENT

By  _____
Title: State Director

BONDS

DATE OF ISSUE
 AMOUNT OF ISSUE
 INTEREST RATE
 DATE OF FIRST PAYMENT

Loan 91-17

6/9/2010
 \$1,433,000
 3.250%
 7/1/2010

Marion Co. Water District

This payment schedule is an estimate only based upon the bond schedule and is for planning purposes only.

Notices will be mailed prior to the scheduled payment dates which state the required payment amount.

Pmt Date	Interest	Principal	Total Payment	Outstanding Principal
07/01/10	\$2,846.10		\$2,846.10	\$1,433,000
01/01/11	\$23,286.25		\$23,286.25	\$1,433,000
07/01/11	\$23,286.25		\$23,286.25	\$1,433,000
01/01/12	\$23,286.25		\$23,286.25	\$1,433,000
07/01/12	\$23,286.25		\$23,286.25	\$1,433,000
01/01/13	\$23,286.25	\$18,000	\$41,286.25	\$1,415,000
07/01/13	\$22,993.75		\$22,993.75	\$1,415,000
01/01/14	\$22,993.75	\$19,000	\$41,993.75	\$1,396,000
07/01/14	\$22,685.00		\$22,685.00	\$1,396,000
01/01/15	\$22,685.00	\$19,000	\$41,685.00	\$1,377,000
07/01/15	\$22,376.25		\$22,376.25	\$1,377,000
01/01/16	\$22,376.25	\$20,000	\$42,376.25	\$1,357,000
07/01/16	\$22,051.25		\$22,051.25	\$1,357,000
01/01/17	\$22,051.25	\$21,000	\$43,051.25	\$1,336,000
07/01/17	\$21,710.00		\$21,710.00	\$1,336,000
01/01/18	\$21,710.00	\$22,000	\$43,710.00	\$1,314,000
07/01/18	\$21,352.50		\$21,352.50	\$1,314,000
01/01/19	\$21,352.50	\$22,000	\$43,352.50	\$1,292,000
07/01/19	\$20,995.00		\$20,995.00	\$1,292,000
01/01/20	\$20,995.00	\$23,000	\$43,995.00	\$1,269,000
07/01/20	\$20,621.25		\$20,621.25	\$1,269,000
01/01/21	\$20,621.25	\$24,000	\$44,621.25	\$1,245,000
07/01/21	\$20,231.25		\$20,231.25	\$1,245,000
01/01/22	\$20,231.25	\$25,000	\$45,231.25	\$1,220,000
07/01/22	\$19,825.00		\$19,825.00	\$1,220,000
01/01/23	\$19,825.00	\$26,000	\$45,825.00	\$1,194,000
07/01/23	\$19,402.50		\$19,402.50	\$1,194,000
01/01/24	\$19,402.50	\$27,000	\$46,402.50	\$1,167,000
07/01/24	\$18,963.75		\$18,963.75	\$1,167,000
01/01/25	\$18,963.75	\$28,000	\$46,963.75	\$1,139,000
07/01/25	\$18,508.75		\$18,508.75	\$1,139,000
01/01/26	\$18,508.75	\$29,000	\$47,508.75	\$1,110,000
07/01/26	\$18,037.50		\$18,037.50	\$1,110,000
01/01/27	\$18,037.50	\$30,000	\$48,037.50	\$1,080,000
07/01/27	\$17,550.00		\$17,550.00	\$1,080,000
01/01/28	\$17,550.00	\$31,000	\$48,550.00	\$1,049,000
07/01/28	\$17,046.25		\$17,046.25	\$1,049,000
01/01/29	\$17,046.25	\$32,000	\$49,046.25	\$1,017,000
07/01/29	\$16,526.25		\$16,526.25	\$1,017,000
01/01/30	\$16,526.25	\$33,000	\$49,526.25	\$984,000
07/01/30	\$15,990.00		\$15,990.00	\$984,000
01/01/31	\$15,990.00	\$34,000	\$49,990.00	\$950,000
07/01/31	\$15,437.50		\$15,437.50	\$950,000
01/01/32	\$15,437.50	\$36,000	\$51,437.50	\$914,000
07/01/32	\$14,852.50		\$14,852.50	\$914,000

BONDS

DATE OF ISSUE
 AMOUNT OF ISSUE
 INTEREST RATE
 DATE OF FIRST PAYMENT

Loan 91-17

6/9/2010
 \$1,433,000
 3.250%
 7/1/2010

Pmt Date	Interest	Principal	Total Payment	Outstanding Principal
01/01/33	\$14,852.50	\$37,000	\$51,852.50	\$877,000
07/01/33	\$14,251.25		\$14,251.25	\$877,000
01/01/34	\$14,251.25	\$38,000	\$52,251.25	\$839,000
07/01/34	\$13,633.75		\$13,633.75	\$839,000
01/01/35	\$13,633.75	\$40,000	\$53,633.75	\$799,000
07/01/35	\$12,983.75		\$12,983.75	\$799,000
01/01/36	\$12,983.75	\$41,000	\$53,983.75	\$758,000
07/01/36	\$12,317.50		\$12,317.50	\$758,000
01/01/37	\$12,317.50	\$43,000	\$55,317.50	\$715,000
07/01/37	\$11,618.75		\$11,618.75	\$715,000
01/01/38	\$11,618.75	\$44,000	\$55,618.75	\$671,000
07/01/38	\$10,903.75		\$10,903.75	\$671,000
01/01/39	\$10,903.75	\$46,000	\$56,903.75	\$625,000
07/01/39	\$10,156.25		\$10,156.25	\$625,000
01/01/40	\$10,156.25	\$47,000	\$57,156.25	\$578,000
07/01/40	\$9,392.50		\$9,392.50	\$578,000
01/01/41	\$9,392.50	\$49,000	\$58,392.50	\$529,000
07/01/41	\$8,596.25		\$8,596.25	\$529,000
01/01/42	\$8,596.25	\$51,000	\$59,596.25	\$478,000
07/01/42	\$7,767.50		\$7,767.50	\$478,000
01/01/43	\$7,767.50	\$53,000	\$60,767.50	\$425,000
07/01/43	\$6,906.25		\$6,906.25	\$425,000
01/01/44	\$6,906.25	\$55,000	\$61,906.25	\$370,000
07/01/44	\$6,012.50		\$6,012.50	\$370,000
01/01/45	\$6,012.50	\$57,000	\$63,012.50	\$313,000
07/01/45	\$5,086.25		\$5,086.25	\$313,000
01/01/46	\$5,086.25	\$59,000	\$64,086.25	\$254,000
07/01/46	\$4,127.50		\$4,127.50	\$254,000
01/01/47	\$4,127.50	\$61,000	\$65,127.50	\$193,000
07/01/47	\$3,136.25		\$3,136.25	\$193,000
01/01/48	\$3,136.25	\$63,000	\$66,136.25	\$130,000
07/01/48	\$2,112.50		\$2,112.50	\$130,000
01/01/49	\$2,112.50	\$65,000	\$67,112.50	\$65,000
07/01/49	\$1,056.25		\$1,056.25	\$65,000
1/1/1950	\$1,056.25	\$65,000	\$66,056.25	

EXHIBIT G.2

KENTUCKY INFRASTRUCTURE AUTHORITY

ASSISTANCE AGREEMENT

FUND B

PROJECT NUMBER B12-06
BORROWER: Marion County Water District
BORROWER'S ADDRESS PO Box 528
Lebanon, Kentucky 40033
DATE OF ASSISTANCE AGREEMENT: February 1, 2013

2013 FEB - 31 PM 1:00
MARION COUNTY WATER DISTRICT

ASSISTANCE AGREEMENT

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ASSISTANCE AGREEMENT

This Assistance Agreement made and entered into as of the date set forth on the cover page hereof (the "Assistance Agreement") by and between the KENTUCKY INFRASTRUCTURE AUTHORITY, a body corporate and politic, constituting a public corporation and governmental agency and instrumentality of the Commonwealth of the Kentucky (the "Authority") and the Governmental Agency identified on the cover of this Assistance Agreement (the "Governmental Agency"):

WITNESSETH

WHEREAS, the General Assembly of the Commonwealth of Kentucky, being the duly and legally constituted legislature of Kentucky at its 1988 Regular Session, enacted House Bill 217 amending Chapter 224A of the Kentucky Revised Statutes (the "Act"), creating the "Kentucky Infrastructure Authority" to serve the public purposes identified in the Act; and

WHEREAS, the Authority has established its Program as hereinafter defined, for the purpose of providing financial assistance to Governmental Agencies, as defined in the Act, in connection with the acquisition and construction of Projects, as defined in the Act, in order to preserve, protect, upgrade, conserve, develop, utilize and manage the resources of the Commonwealth of Kentucky (the "Commonwealth") for the protection and preservation of the health, safety, convenience, and welfare of the Commonwealth and its citizens, and in that respect to assist and cooperate with Governmental Agencies in achieving such purposes; and

WHEREAS, the Authority has issued, and will issue from time to time, its revenue bonds pursuant to a General Trust Indenture dated as of September 1, 1989 (the "Indenture") between the Authority and U.S. Bank National Association (successor in interest to F/K/A First Kentucky Trust Company) (the "Trustee") in order to provide funding for its Program; and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable to acquire, construct, and finance the Project, as hereinafter defined, and the Authority has determined that the Project is a Project within the meaning of the Act and the Indenture, thereby qualifying for financial assistance from the Authority; and

WHEREAS, the Governmental Agency desires to enter into this Assistance Agreement with the Authority for the purpose of securing from the Authority the repayable Loan hereinafter identified; and

WHEREAS, the Authority is willing to cooperate with the Governmental Agency in making available the Loan pursuant to the Act and the Indenture to be applied to the Project upon the conditions hereinafter enumerated and the covenants by the Governmental Agency herein contained to levy, collect, and enforce and remit adequate Service Charges, as hereinafter defined, for the services provided by the Governmental Agency's System, as hereinafter defined, and to apply the necessary portion of said Service Charges to the repayment of the Loan and the interest thereon, as hereinafter specifically provided; and

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

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

ARTICLE I
DEFINITIONS

All of the terms utilized in this Assistance Agreement will have the same definitions and meaning as ascribed to them in the Act and the Indenture, which Act and Indenture are hereby incorporated in this Assistance Agreement by reference, the same as if set forth hereby verbatim; provided, however, that those definitions utilized in the Act and the Indenture having general application are hereby modified in certain instances to apply specifically to the Governmental Agency and its Project.

"Act" shall mean Chapter 224A of the Kentucky Revised Statutes, as amended.

"Administrative Fee" means the charge of the Authority for the servicing of the Loan, which is the annual percentage charged against the unpaid principal balance of the Loan as identified in the Project Specifics.

"Assistance Agreement" shall mean this agreement made and entered into by and between a Governmental Agency and the Authority, as authorized by the Act, providing for a Loan to the Governmental Agency by the Authority, and for the repayment thereof to the Authority by the Governmental Agency.

"Authority" shall mean the Kentucky Infrastructure Authority created by the Act, a body corporate and politic, constituting a public corporation and a governmental agency and instrumentality of the Commonwealth of Kentucky, or such other designation as may be effected by future amendments to the Act.

"Bond" or "Bonds" or "Revenue Bonds" shall mean any Kentucky Infrastructure Authority Bond or Bonds, or the issue of such Bonds, as the case may be, authenticated and delivered under the Indenture.

"Business Day" shall mean any day other than a Saturday, Sunday or other legal holiday on which the general offices of the Commonwealth are closed.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and shall include the Regulations of the United States Department of the Treasury promulgated thereunder.

"Commonwealth" shall mean the Commonwealth of Kentucky.

"Construction" shall mean construction as defined in the Act.

"Debt Obligations" shall mean those outstanding obligations of the Governmental Agency identified in the Project Specifics outstanding as of the date of this Assistance Agreement or issued in the future in accordance with the terms hereof, payable from the revenues of the Project.

"Engineers" means the firm of consulting engineers employed by the Governmental Agency in connection with the Project identified in the Project Specifics.

"Governmental Agency" shall mean any agency or unit of government within the Commonwealth, now having or hereafter granted the authority and power to finance, acquire, construct, and operate a Project, including specifically but not by way of limitation, incorporated cities, counties, sanitation districts, water districts, public authorities, sewer construction districts, metropolitan sewer districts, sanitation taxing districts, and any other agencies, commissions, districts, or authorities (either acting alone, or in combination with one another pursuant to any regional or area compact, or multi-municipal agreement), now or hereafter established pursuant to the laws of the Commonwealth having and possessing such described powers; and for the purposes of this Assistance Agreement shall mean the Governmental Agency identified in the Project Specifics.

"Indenture" shall mean the General Trust Indenture dated as of September 1, 1989 between the Authority and the Trustee.

"Loan" shall mean the loan effected under this Assistance Agreement from the Authority to the Governmental Agency in the principal amount set forth in the Project Specifics, for the purpose of defraying the costs incidental to the Construction of the Project.

"Loan Rate" means the rate of interest identified in the Schedule of Payments.

"Person" shall mean any individual, firm, partnership, association, corporation or Governmental Agency.

"Program" shall mean the program authorized by KRS 224A.112 and the Indenture as the "infrastructure revolving fund" for financing Projects through Loans by the Authority to Governmental Agencies and shall not be deemed to mean or include any other programs of the Authority.

"Project" shall mean, when used generally, an infrastructure project as defined in the Act, and when used in specific reference to the Governmental Agency, the Project described in the Project Specifics.

"Project Specifics" means those specific details of the Project identified in Exhibit A hereto, all of which are incorporated by reference in this Assistance Agreement.

"Requisition for Funds" means the form attached hereto as Exhibit B to be utilized by the Governmental Agency in obtaining disbursements of the Loan from the Authority as construction of the Project progresses.

"Schedule of Payments" means the principal and interest requirements of the Loan as set forth in Exhibit F hereto, to be established and agreed to upon or prior to the completion of the Project.

"Schedule of Service Charges" shall mean those revenues identified in Exhibit C from which the Loan is to be repaid, which Schedule of Service Charges shall be in full force and effect to the satisfaction of the Authority prior to the disbursement of any portion of the Loan hereunder.

"Service Charges" shall mean any monthly, quarterly, semi-annual, or annual charges, surcharges or improvement benefit assessments to be imposed by a Governmental Agency, or by

the Authority, in respect of the Project which Service Charges arise by reason of the existence of, and requirement of, any Assistance Agreement and for the purposes of this Assistance Agreement said Service Charge shall be no less than those set forth in the Schedule of Service Charges.

"System" shall mean the utility system of which the Project shall become a part.

[End of Article I]

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of Authority. The Authority represents and warrants for the benefit of the Governmental Agency as follows:

(A) The Authority is a body corporate and politic constituting a governmental agency and instrumentality of the Commonwealth, has all necessary power and Authority to enter into, and perform its obligations under, this Assistance Agreement, and has duly authorized the execution and delivery of this Assistance Agreement.

(B) Neither the execution and delivery hereof, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Authority is now a party or by which the Authority is bound, or constitutes a default under any of the foregoing.

(C) To the knowledge of the Authority, there is no litigation or proceeding pending or threatened against the Authority or any other person affecting the right of the Authority to execute or deliver this Assistance Agreement or to comply with its obligations under this Assistance Agreement. Neither the execution and delivery of this Assistance Agreement by the Authority, nor compliance by the Authority with its obligations under this Assistance Agreement, require the approval of any regulatory body, or any other entity, which approval has not been obtained.

(D) The authorization, execution and delivery of this Assistance Agreement and all actions of the Authority with respect thereto, are in compliance with the Act and any regulations issued thereunder.

Section 2.2. Representations and Warranties of the Governmental Agency. The Governmental Agency hereby represents and warrants for the benefit of the Authority as follows:

(A) The Governmental Agency is a duly organized and validly existing Governmental Agency, as described in the Act, with full power to own its properties, conduct its affairs, enter into this Assistance Agreement and consummate the transactions contemplated hereby.

(B) The negotiation, execution and delivery of this Assistance Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of the governing body of the Governmental Agency.

(C) This Assistance Agreement has been duly executed and delivered by the Governmental Agency and is a valid and binding obligation of the Governmental Agency enforceable in accordance with its terms, except to the extent that the enforceability hereof may be limited by equitable principles and by bankruptcy, reorganization, moratorium, insolvency or similar laws heretofore or hereafter enacted relating to or affecting the enforcement of creditors' rights or remedies generally.

(D) There is no controversy or litigation of any nature pending or threatened, in any court or before any board, tribunal or administrative body, to challenge in any manner the

authority of the Governmental Agency or its governing body to make payments under this Assistance Agreement or to construct the Project, or to challenge in any manner the authority of the Governmental Agency or its governing body to take any of the actions which have been taken in the authorization or delivery of this Assistance Agreement or the construction of the Project, or in any way contesting or affecting the validity of this Assistance Agreement, or in any way questioning any proceedings taken with respect to the authorization or delivery by the Governmental Agency of this Assistance Agreement, or the application of the proceeds thereof or the pledge or application of any monies or security provided therefor, or in any way questioning the due existence or powers of the Governmental Agency, or otherwise wherein an unfavorable decision would have an adverse impact on the transactions authorized in connection with this Assistance Agreement.

(E) The authorization and delivery of this Assistance Agreement and the consummation of the transactions contemplated hereby will not constitute an event of default or violation or breach, nor an event which, with the giving of notice or the passage of time or both, would constitute an event of default or violation or breach, under any contract, agreement, instrument, indenture, lease, judicial or administrative order, decree, rule or regulation or other document or law affecting the Governmental Agency or its governing body.

(F) Attached hereto as Exhibit D is a true, accurate and complete copy of the resolution or ordinance of the governing body of the Governmental Agency approving and authorizing the execution and delivery of this Assistance Agreement. Such resolution or ordinance was duly enacted or adopted at a meeting of the governing body of the Governmental Agency at which a quorum was present and acting throughout; such resolution or ordinance is in full force and effect and has not been superseded, altered, amended or repealed as of the date hereof; and such meeting was duly called and held in accordance with law.

(G) All actions taken by the Governmental Agency in connection with this Assistance Agreement and the Loan described herein and the Project have been in full compliance with the provisions of the Kentucky Open Meeting Law, KRS 61.805 to 61.850.

(H) The Governmental Agency has all licenses, permits and other governmental approvals (including but not limited to all required approvals of the Kentucky Public Service Commission) required to own, occupy, operate and maintain the Project, to charge and collect the Service Charges and to enter into this Assistance Agreement, is not in violation of and has not received any notice of an alleged violation of any zoning or land use laws applicable to the Project, and has full right, power and authority to perform the acts and things as provided for in this Assistance Agreement.

(I) Legal counsel to the Governmental Agency has duly executed and delivered the opinion of legal counsel substantially in the form set forth in Exhibit E hereto.

[End of Article II]

ARTICLE III

AUTHORITY'S AGREEMENT TO MAKE LOAN; TERMS

Section 3.1. Determination of Eligibility. Pursuant to the terms of the Act and the Indenture, the Authority has determined that the Governmental Agency's Project is a Project under the Act and the Governmental Agency is entitled to financial assistance from the Authority in connection with financing the Construction of the Project.

Section 3.2. Principal Amount of Loan Established; Loan Payments; Disbursement of Funds. The principal amount of the Loan shall be the Loan Amount as identified in the Project Specifics, subject to such adjustments as may be set forth in the Schedule of Payments. Principal payments shall be made semiannually in the amounts and on the dates to be established by the Schedule of Payments, which Schedule of Payments shall provide for approximately level debt service payments over the Repayment Term set forth in the Project Specifics, commencing with the Amortization Commencement Date set forth in the Project Specifics.

The Loan shall bear interest, payable on the Interest Payment Dates set forth in the Project Specifics, at the Loan Rate identified in the Project Specifics, and after the Amortization Commencement Date, in the amounts (based on such Loan Rate) and on the dates set forth in the Schedule of Payments; provided that, should an Event of Default occur, such payments of interest shall be made on the first day of each month during the continuation of such Event of Default.

The Authority shall advance the proceeds of the Loan as Construction of the Project progresses upon the submission by the Governmental Agency of a Requisition for Funds in substantially the same form as Exhibit B hereto. Each disbursement under a Requisition for Funds representing a portion of the principal amount of the Loan shall bear interest at the Loan Rate from the date of the disbursement; subject to the requirements set forth in Article IV hereof.

Payments of principal and interest on the Loan shall be made at the principal office of the Authority or the Trustee, as designated by the Authority.

Section 3.3. Governmental Agency's Right to Repay Loan. The Governmental Agency shall have the right to prepay and retire the entire amount of the Loan at any time without penalty upon written notice to the Authority no less than five (5) Business Days in advance of said prepayment.

Notwithstanding the foregoing, upon the determination by the Authority that it intends to issue revenue bonds secured by a pledge of the payments on the Loan, the Authority shall advise the Governmental Agency (i) of its intention to proceed with the authorization of such bonds (ii) of the limitation on prepayments after such bonds are issued and (iii) that the Governmental Agency has thirty (30) days from its receipt of said notice to exercise its option to prepay the Loan. Upon the expiration of said thirty day period the Governmental Agency's right to prepay the Loan shall be limited to the terms described in such notice.

Section 3.4. Subordination of Loan. The Authority hereby agrees that the security interest and source of payment for the Loan shall be inferior and subordinate to the security interest and source of payment for the Debt Obligations of the Governmental Agency payable

from the revenues of the Project outstanding at the time this Assistance Agreement is executed as identified in the Project Specifics; provided, however, the Authority shall receive notice of any additional financings in accordance with Section 5.5(D) hereof.

[End of Article III]

ARTICLE IV

CONDITIONS PRECEDENT TO DISBURSEMENT; REQUISITION FOR FUNDS

Section 4.1. Covenants of Governmental Agency and Conditions of Loan. By the execution of this Assistance Agreement, the Governmental Agency agrees that prior to any requests for the disbursement of all or a portion of the Loan made hereunder, the Governmental Agency shall supply the Authority, if requested, appropriate documentation, satisfactory to the Authority, in its sole discretion, indicating the following:

(A) That the Authority and any appropriate regulatory agency of the Commonwealth as may be designated by the Authority, and their respective duly authorized agents, shall have the right at all reasonable times, subject to prior notice to the Governmental Agency, to enter upon the Project and to examine and inspect same.

(B) All real estate and interest in real estate and all personal property constituting the Project and the Project sites heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency and constitute a part of the System.

(C) In the event the Governmental Agency is required to provide financing for the Project from sources other than the Authority (as described in the Project Specifics) the Authority shall have the right to receive such reasonable proofs as it may require of the ability of the Governmental Agency to finance the costs of Construction of the Project over and above the Loan, prior to the disbursement by the Authority of any portion of the Loan.

(D) The Governmental Agency shall do all things necessary to acquire all proposed and necessary sites, easements and rights of way necessary or required in respect of the Project and demonstrate its ability to construct the Project in accordance with the plans, design and specifications prepared for the Governmental Agency by the Engineers.

(E) Actual construction and installation incident to the Project shall be performed by either the lump-sum (fixed price) or unit price contract method, and adequate legal methods of obtaining public, competitive bidding will be employed prior to the awarding of the construction contract for the Project in accordance with Kentucky law.

(F) Unless construction of the Project has already been initiated as of the date of this Assistance Agreement, pursuant to due compliance with state law and applicable regulations, the Project will not be advertised or placed on the market for construction bidding by the Governmental Agency until the final plans, designs and specifications therefor have been approved by such state and federal agencies and authorities as may be legally required, and until written notification of such approvals has been received by the Governmental Agency and furnished to the Authority.

(G) Duly authorized representatives of the Authority and such other agencies of the Commonwealth as may be charged with responsibility will have reasonable access to the construction work whenever it is in preparation or progress, and the Governmental Agency will assure that the contractor or contractors will provide facilities for such access and inspection.

(H) The construction contract or contracts shall require the contractor to comply with all provisions of federal and state law legally applicable to such work, and any amendments or modifications thereto, together with all other applicable provisions of law, to cause appropriate provisions to be inserted in subcontracts to insure compliance therewith by all subcontractors subject thereto, and to be responsible for the submission of any statements required of subcontractors thereunder.

(I) A work progress schedule utilizing a method of standard acceptance in the engineering community shall be prepared prior to the institution of construction in connection with each construction contract, or, if construction has already been initiated as of the date of this Assistance Agreement, at the earliest practicable date, to indicate the proposed schedule as to completion of the Project, and same shall be maintained monthly thereafter to indicate the actual construction progress of the Project.

(J) Prior to the award of the construction contract and prior to the commencement of construction, the Governmental Agency will arrange and conduct a conference as to the Project said conference to include representatives of the Authority, the Governmental Agency, and any other participating federal or state agency, the Engineers, and all construction contractors. A written brief of said conference summarizing the construction schedule, fund requirements schedule, payment authorizations, responsible parties for approval of all facets of the construction work and payment therefor, and other pertinent matters shall be prepared and distributed to each agency involved, and all construction contractors and Engineers. Provided, however, that in the event construction shall have been initiated as of the date of this Assistance Agreement, this provision may be waived.

(K) All construction contracts will be so prepared that federal participation costs, if any, and state participation costs may be readily segregated from local participation costs, if any, and from each other, and in such manner that all materials and equipment furnished to the Governmental Agency may be readily itemized.

(L) Any change or changes in a construction contract will be promptly submitted to the Authority and any state or federal agencies.

(M) The Construction, including the letting of contracts in connection therewith, will conform in all respects to applicable requirements of federal, state and local laws, ordinances, rules and regulations.

(N) The Governmental Agency will proceed expeditiously with and complete the Project in accordance with the approved surveys, plans specifications and designs or amendments thereto, prepared by the Engineers to the Governmental Agency and approved by state and federal agencies, but only to the extent such approvals may be required.

(O) If requested, the Governmental Agency will erect at the Project sites, signs satisfactory to the Authority noting the participation of the Authority in the financing of the Project.

(P) Except as otherwise provided in this Assistance Agreement, the Governmental Agency shall have the sole and exclusive charge of all details of the Construction.

(Q) The Governmental Agency shall keep complete and accurate records of the costs of acquiring the Project sites and the costs of Construction. The Governmental Agency shall permit the Authority, acting by and through its duly authorized representatives, and the duly authorized representatives of state and/or federal agencies to inspect all books, documents, papers and records relating to the Project at any and all reasonable times for the purpose of audit and examination, and the Governmental Agency shall submit to the Authority such documents and information as such public bodies may reasonably require in connection with the administration of any federal or state grants.

(R) The Governmental Agency shall require that any bid for any portion of the Construction of the Project be accompanied by a bid bond, certified check or other negotiable instrument payable to the Governmental Agency, as assurance that the bidder will, upon acceptance of such bid, execute the necessary contractual documents within the required time.

(S) The Governmental Agency shall require that each construction contractor or contractors furnish a performance and payment bond in an amount at least equal to one hundred percent (100%) of the contract price or the portion of the Project covered by the particular contract as security for the faithful performance of such contract.

(T) The Governmental Agency shall require that each of its contractors and all subcontractors maintain during the life of the construction contract, worker's compensation insurance, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority. Until the Project facilities are completed and accepted by the Governmental Agency, the contractor, shall maintain builders risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor, and all subcontractors, as their interests may appear.

(U) The Governmental Agency shall provide and maintain competent and adequate resident engineering services covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that Construction conforms to the approved plans, specifications and designs prepared by the Engineers. Such resident engineer shall certify to the Authority, any involved state or federal agencies, and the Governmental Agency at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or, approved amendments thereto.

(V) The Governmental Agency shall demonstrate to the satisfaction of the Authority the legal capability of the Governmental Agency to enact, adopt, levy, charge, collect, enforce and remit to the Authority the Service Charges of the Governmental Agency described in the Schedule of Service Charges attached to and made a part of this Assistance Agreement as Exhibit C and submit proof satisfactory to the Authority that the Service Charges are in full force and effect as of the submission of the initial Requisition for Funds.

Section 4.2. Disbursements of Loan; Requisition for Funds. The Governmental Agency may submit to the Authority (or the Trustee acting on behalf of the Authority, if so designated) a Requisition for Funds during the first ten days of each month (or such other designated period as is acceptable to the Authority), in substantially the same form as that attached to this Assistance

Agreement as Exhibit B and made a part hereof, accompanied by, to the extent requested by the Authority, the following documentation:

(A) A full and complete accounting of the costs of the Project to be obligated by contract or otherwise during the month in question, or already obligated and not included in any previous accounting;

(B) A full and complete accounting of any costs of the Project paid by the Governmental Agency from its own funds with the approval of the Authority and not included in any previous accounting for which it seeks reimbursement;

(C) A full and complete accounting of any costs of the Project paid or requisitioned under any other financing, loan, bond, grant or similar agreement or paid from its own funds for which it does not seek reimbursement and which have not been identified in any previous requisition form.

(D) The contractor's estimate of work performed during the preceding month pursuant to construction contracts for the Project and payment thereunder due, together with the Engineer's and Governmental Agency's approval thereof for payment by the Authority directly to the contractor.

Upon the Authority's receipt of the Requisition for Funds, and such additional documentation as it may require, the Authority may direct the Trustee to remit the amount requested to the Governmental Agency as a draw upon the Loan.

[End of Article IV]

ARTICLE V

CERTAIN COVENANTS OF THE GOVERNMENTAL AGENCY; PAYMENTS TO BE MADE BY GOVERNMENTAL AGENCY TO THE AUTHORITY

Section 5.1. Imposition of Service Charges. The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Assistance Agreement, pursuant to which the Loan is to be made by the Authority to the Governmental Agency as specified herein and in the Act and the Indenture. The Governmental Agency hereby further irrevocably covenants and agrees that it already has, or will, to the extent necessary, immediately impose the Service Charges set forth in Exhibit C annexed hereto. If so required, such Service Charges shall be in addition to all other rates, rentals and service charges of a similar nature of the Governmental Agency now or hereafter authorized by law, and now or hereafter being levied and collected by the Governmental Agency and shall be levied and collected solely for the purpose of repaying to the Authority all sums received from the Authority as representing the Loan in respect of the Project.

Section 5.2. Governmental Agency's Obligation to Repay Loan. The obligation of the Governmental Agency to repay to the Authority the amount of the Loan from the Service Charges shall not be revocable, and in the event that services supplied by the Project shall cease, or be suspended for any reason, the Governmental Agency shall continue to be obligated to repay the Loan from the Services Charges. In the event the Governmental Agency defaults in the payment of any Service Charges to the Authority, the amount of such default shall bear interest at the per annum rate equal to the Default Rate set forth in the Project Specifics, from the date of the default until the date of the payment thereof.

Section 5.3. Covenant to Adjust Service Charges. In the event, for any reason, the Schedule of Service Charges shall prove to be insufficient to provide to the Authority the minimum sums set forth in the Schedule of Payments, the Governmental Agency hereby covenants and agrees that it will, upon notice by the Authority, to the full extent authorized by law, both federal and state, immediately adjust and increase such Schedule of Service Charges, so as to provide funds sufficient to pay to the Authority the minimum sums set forth in the Schedule of Payments.

Section 5.4. Adequacy of Service Charges. The Service Charges herein covenanted to be imposed by the Governmental Agency shall be fixed at such rate or rates (and it is represented that the Schedule set forth in Exhibit C hereto so qualifies), as shall be at least adequate to make the payments at the times and in the amounts set forth in the Schedule of Payments, subject to necessary governmental and regulatory approvals.

The Service Charges imposed by the Governmental Agency shall be paid not less frequently than the Service Charge Payment period set forth in the Project Specifics, and shall be remitted to the Authority by the Governmental Agency with a report showing collections and any delinquencies. A report of all collections and delinquencies shall be made at least semi-annually on or before each Payment Date identified in the Schedule of Payments.

Section 5.5. Covenant to Establish Maintenance and Replacement Reserve. The Governmental Agency shall establish a special account identified as a "Maintenance and Replacement Reserve". On or before each payment date identified in the Schedule of Payments,

the Governmental Agency shall deposit into the Maintenance and Replacement Reserve an amount equal to ten percent (10%) of the amount of such Loan payment until the amount on deposit in such fund is equal to five percent (5%) of the original principal amount of the Loan (the "Required Balance"). Amounts in the Maintenance and Replacement Reserve may be used for extraordinary maintenance expenses related to the Project or for the costs of replacing worn or obsolete portions of the Project. If amounts are withdrawn from such fund, the Governmental Agency shall again make the periodic deposits hereinabove required until the Required Balance is reinstated.

Section 5.6. Covenant to Charge Sufficient Rates; Reports; Inspection. The Governmental Agency hereby irrevocably covenants and agrees with the Authority:

(A) That, as aforesaid, it will at all times impose, prescribed, charge and collect the Service Charges set forth in Exhibit C hereto as shall result in net revenues to the Governmental Agency at least adequate to provide for the payments to the Authority required by this Assistance Agreement.

(B) That it will furnish to the Authority not less than annually reports of the operations and income and revenues of the Project, and will permit authorized agents of the Authority to inspect all records, accounts and data of the Project at all reasonable times.

(C) That it will collect, account for and promptly remit to the Authority those specific revenues, funds, income and proceeds derived from Service Charges incident to this Assistance Agreement.

(D) That it will notify the Authority in writing of its intention to issue bonds or notes payable from the revenues of the Project not less than thirty (30) days prior to the sale of said obligations.

Section 5.7. Segregation of Funds. The Governmental Agency shall at all times account for the income and revenues of the System and distinguish same from all other revenues, moneys and funds of the Governmental Agency, if any.

Section 5.8. Mandatory Sewer Connection. In the event that the Project consists of sanitary sewer facilities, the Governmental Agency hereby irrevocably covenants and agrees with the Authority that it will, to the maximum extent permitted by Kentucky law, and by means of ordinance, or other appropriate legislative order or action, mandatorily require the connection to and use of, the sanitary sewers constituting the Project by all persons owning, renting or occupying premises generating pollutants where such sanitary sewers are reasonably available to such premises, and to exhaust, at the expense of the Governmental Agency, all remedies for the collection of Service Charges, including, either directly or indirectly, pursuant to authority granted by Sections 96.930 to 96.943, inclusive, of the Kentucky Revised Statutes, and the Act, causing termination of water services to any premises where the bill for sewer services is delinquent and foreclosure and decretal sale in respect of improvement benefit assessments which are delinquent.

Section 5.9. Termination of Water Services to Delinquent Users. In the event the Project consists of water facilities the Governmental Agency covenants and agrees that it shall, pursuant to applicable provisions of law, to the maximum extent authorized by law, enforce and collect

the Service Charges imposed, and will promptly cause water service to be discontinued to any premises where any billing for such facilities and services shall not be paid in a timely manner.

[End of Article V]

ARTICLE VI

OTHER COVENANTS OF THE GOVERNMENTAL AGENCY

Section 6.1. Further Assurance. At any time and all times the Governmental Agency shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, assets and revenues herein pledged or assigned, or intended so to be, or which the Governmental Agency may hereafter become bound to pledge or assign.

Section 6.2. Completion of Project. The Governmental Agency hereby covenants and agrees to proceed expeditiously with and promptly complete the Project in accordance with the plans, designs and specifications prepared by the Engineers for the Governmental Agency.

Section 6.3. Establishment of Completion Date. The completion date for the Project shall be evidenced to the Authority by a certificate signed by the Engineer and an authorized representative of the Governmental Agency stating that, except for amounts retained by the Authority for costs of the Project not then due and payable, (i) the Construction has been completed and all labor, services, materials, supplies, machinery and equipment used in such Construction have been paid for, (ii) all other facilities necessary in connection with the Project have been acquired, constructed, equipped and installed and all costs and expenses incurred in connection therewith have been paid, (iii) the Project and all other facilities in connection therewith have been acquired, constructed, equipped and installed to his satisfaction.

Section 6.4. Commitment to Operate. The Governmental Agency hereby covenants and agrees to commence operation of the Project immediately on completion of construction and not to discontinue operations or dispose of such Project without the approval of the Authority.

Section 6.5. Continue to Operate. The Governmental Agency hereby covenants and agrees to continuously operate and maintain the Project in accordance with applicable provisions of federal and state law and to maintain adequate records relating to said operation; said records to be made available to the Authority upon its request at all reasonable times.

Section 6.6. Tax Covenant. In the event the Authority issues Bonds which are intended to be excludable from gross income for federal income tax purposes to provide the funds for the Loan, the Governmental Agency shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure such exclusion and shall take such actions as may be directed by the Authority in order to accomplish the foregoing. The Governmental Agency shall not permit (i) the proceeds of the Loan to be used directly or indirectly in any trade or business, (ii) its payments hereunder to be secured directly or indirectly by property to be used in a trade or business, (iii) any management agreement for the operation of the System or (iv) any federal guarantee of its obligations hereunder without the prior written consent of the Authority. The Governmental Agency will not acquire or pledge any obligations which would cause the Bonds to be "arbitrage bonds" within the meaning of the Code.

Section 6.7. Accounts and Reports. The Governmental Agency shall at all times keep, or cause to be kept, proper books of record and account in which complete and accurate entries

shall be made of all its transactions relating to the System, which shall at all reasonable times be subject to the inspection of the Authority.

Section 6.8. Financial Statements. Within ninety (90) days after the end of each fiscal year of the Governmental Agency, the Governmental Agency shall provide to the Authority, itemized financial statements of income and expense and a balance sheet in reasonable detail, certified as accurate by a firm of independent certified public accountants or the Auditor of Public Accounts of the Commonwealth. All financial information must be satisfactory to the Authority as to form and content and be prepared in accordance with generally accepted accounting principals on a basis consistent with prior practice unless specifically noted thereon. With such financial statements, the Governmental Agency shall furnish to the Authority a certificate stating that, to the best knowledge of the authorized representative signing such certificate, no default under this Assistance Agreement exists on the date of such certificate, or if any such default shall then exist, describing such default with specificity.

Section 6.9. General Compliance With All Duties. The Governmental Agency shall faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the Commonwealth, and by the terms and provisions of the this Assistance Agreement and any other Debt Obligations.

Section 6.10. Project Not to Be Disposed Of. The Governmental Agency covenants and agrees that, until satisfaction in full of its obligations hereunder, it will not sell, mortgage, or in any manner dispose of, or surrender control or otherwise dispose of any of the facilities constituting the Project or any part thereof (except that the Governmental Agency may retire obsolete and worn out facilities, and sell same, if appropriate).

Section 6.11. General. The Governmental Agency shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Governmental Agency under the provisions of the Act and this Assistance Agreement in accordance with the terms of such provisions including the Additional Covenants and Agreements, if any, set forth in Exhibit G hereto.

[End of Article VI]

ARTICLE VII

MAINTENANCE, OPERATION, INSURANCE AND CONDEMNATION

Section 7.1. Maintain Project. The Governmental Agency agrees that during the entire term of this Assistance Agreement, it will keep the Project, including all appurtenances thereto, and the equipment and machinery therein, in good and sound repair and good operating condition at its own cost so that the completed Project will continue to provide the services for which it is designed.

Section 7.2. Additions and Improvements. The Governmental Agency shall have the privilege of making additions, modifications and improvements to the sites of the Project, and to the Project itself from time to time provided that said additions, modifications and improvements do not impair the operation or objectives of the Project. The Cost of such additions, modifications and improvements shall be paid by the Governmental Agency, and the same shall be the property of the Governmental Agency and shall be included under the terms of this Assistance Agreement as part of the site of the Project, or the Project, as the case may be. Nothing herein contained shall be construed as precluding the Authority and the Governmental Agency from entering into one or more supplementary Assistance Agreements providing for an additional Loan or Loans in respect of additional Projects undertaken by the Governmental Agency.

Section 7.3. Compliance with State and Federal Standards. The Governmental Agency agrees that it will at all times provide operation and maintenance of the Project to comply with the water quality standards, if any, established by any state or federal agency. The Governmental Agency agrees that qualified operating personnel properly certified by the Commonwealth will be retained to operate the Project during the entire term of this Assistance Agreement.

Section 7.4. Access to Records. The Governmental Agency agrees that it will permit the Authority and any state or federal agency and their respective agents to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the Project at any reasonable time following completion of construction of the Project, and commencement of operations thereof.

Section 7.5. Covenant to Insure - Casualty. The Governmental Agency agrees to insure the Project facilities in such amount as like properties are similarly insured by political subdivisions similarly situated, against loss or damage of the kinds usually insured against by political subdivisions similarly situated, by means of policies issued by reputable insurance companies duly qualified to do such business in the Commonwealth.

Section 7.6. Authority as Named Insured. Any insurance policy issued pursuant to Section 7.5 hereof, shall be so written or endorsed as to make losses, if any, payable to the Governmental Agency, and to the Authority, as their interests may appear.

Section 7.7. Covenant to Insure - Liability. The Governmental Agency agrees that it will carry public liability insurance with reference to the Project with one or more reputable insurance companies duly qualified to do business in the Commonwealth, insuring against such risks (including but not limited to personal injury, death and property damage) and in such amounts as are set forth in the Project Specifics, and naming the Authority as an additional insured.

Section 7.8. Covenant Regarding Worker's Compensation. Throughout the entire term of this Assistance Agreement, the Governmental Agency shall maintain worker's compensation coverage, or cause the same to be maintained.

Section 7.9. Application of Casualty Insurance Proceeds. If, prior to the completion of the term of this Assistance Agreement, the Project shall be damaged or partially or totally destroyed by fire, windstorm or other casualty, there shall be no abatement or reduction in the amount payable by the Governmental Agency pursuant to the terms of this Assistance Agreement, and the Governmental Agency will (1) promptly repair, rebuild or restore the Project damaged or destroyed; and (2) apply for such purpose so much as may be necessary of any net proceeds of insurance resulting from claims for such losses, as well as any additional moneys of the Governmental Agency necessary therefor. All net proceeds of insurance resulting from claims for such losses shall be paid to the Governmental Agency, and shall be promptly applied as herein provided.

Section 7.10. Eminent Domain. In the event that title to, or the temporary use of, the Project, or any part thereof, shall be taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority, there shall be no abatement or reduction in the minimum amounts payable by the Governmental Agency to the Authority pursuant to the terms of this Assistance Agreement, and any and all net proceeds received from any award made in such eminent domain proceedings shall be paid to and held by the Governmental Agency in a separate condemnation award account and shall be applied by the Governmental Agency in either or both of the following ways, as shall be determined by the Governmental Agency in its sole discretion:

(A) The restoration of the improvements located on the Project sites to substantially the same condition as prior to the exercise of said power of eminent domain; or

(B) The acquisition of additional property, if necessary, and the acquisition of additional facilities by construction or otherwise, equivalent to the Project facilities, which property and facilities shall be deemed to be a part of the Project sites and a part of the Project facilities and to be substituted for Project facilities so taken by eminent domain, without the payment of any amount other than herein provided, to the same extent as if such property and facilities were specifically described herein.

Any balance of the net proceeds of the award in such eminent domain proceedings after the carrying out of the mandatory proceedings stipulated in (A) and (B) of this Section 7.10, shall be paid to the Governmental Agency upon delivery to the Authority of a certificate signed by an authorized officer of the Governmental Agency to the effect that the Governmental Agency has complied with either subparagraph (A) or (B), or both, of this Section, and written approval of such certificate by an authorized officer of the Authority. In no event will the Governmental Agency voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the written consent of the Authority.

[End of Article VII]

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined. The following will be "Events of Default" under this Assistance Agreement and the term "Event of Default" or "Default" will mean, whenever it is used in this Assistance Agreement, any one or more of the following events:

(A) Failure by the Governmental Agency to pay any payments at the times specified herein.

(B) Failure by the Governmental Agency to observe or perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsection (A) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied will have been given to the Governmental Agency by the Authority unless the Authority agrees in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Authority will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Governmental Agency within the applicable period and diligently pursued until such failure is corrected.

(C) The dissolution or liquidation of the Governmental Agency, or the voluntary initiation by the Governmental Agency of any proceeding under any federal or state law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the Governmental Agency of any such proceeding which will remain undismissed for sixty (60) days, or the entry by the Governmental Agency into an agreement of composition with creditors or the failure generally by the Governmental Agency to pay its debts as they become due.

(D) A default by the Governmental Agency under the provisions of any agreements relating to its Debt Obligations.

Section 8.2. Remedies on Default. Whenever any Event of Default referred to in Section 8.1 has occurred and is continuing, the Authority may, without any further demand or notice, take one or any combination of the following remedial steps:

(A) Declare all payments due hereunder, as set forth in the Schedule of Payments to be immediately due and payable.

(B) Exercise all the rights and remedies of the Authority set forth in the Act.

(C) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Assistance Agreement.

Section 8.3. Appointment of Receiver. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Authority under this Assistance Agreement, the Authority shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the System and all receipts therefrom, pending such proceedings, with such power as the court making such appointment shall confer;

provided, however, that the Authority may, with or without action under this Section, pursue any available remedy to enforce the payment obligations hereunder, or to remedy any Event of Default.

Section 8.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive, and every such remedy will be cumulative and will be in addition to every other remedy given hereunder and every remedy now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power and any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 8.5. Consent to Powers of Authority Under Act. The Governmental Agency hereby acknowledges to the Authority its understanding of the provisions of the Act, vesting in the Authority certain powers, rights and privileges in respect of the Project upon the occurrence of an Event of Default, and the Governmental Agency hereby covenants and agrees that if the Authority should in the future have recourse to said rights and powers, the Governmental Agency shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Assistance Agreement.

Section 8.6. Waivers. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

Section 8.7. Agreement to Pay Attorneys' Fees and Expenses. In the event that either party hereto will default under any of the provisions hereof and the nondefaulting party employs attorneys or incurs other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will pay on demand therefor to the nondefaulting party the fees of such attorneys and such other expenses so incurred by the nondefaulting party.

[End of Article VIII]

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 9.1. Approval not to be Unreasonably Withheld. Any approval of the Authority required by this Assistance Agreement shall not be unreasonably withheld and shall be deemed to have been given on the thirtieth (30th) day following the submission of any matter requiring approval to the Authority, unless disapproved in writing prior to such thirtieth (30th) day. Any provision of this Assistance Agreement requiring the approval of the Authority or the satisfaction or the evidence of satisfaction of the Authority shall be interpreted as requiring action by an authorized officer of the Authority granting, authorizing or expressing such approval or satisfaction, as the case may be, unless such provision expressly provides otherwise.

Section 9.2. Approval. This Agreement is made subject to, and conditioned upon, the approval of this Assistance Agreement by the Secretary of the Finance and Administration Cabinet.

Section 9.3. Effective Date. This Assistance Agreement shall become effective as of the date first set forth hereinabove and shall continue to full force and effect until the date the obligations of the Governmental Agency pursuant to the provisions of this Assistance Agreement have been fully satisfied.

Section 9.4. Binding Effect. This Assistance Agreement shall be binding upon, and shall inure to the benefit of the parties hereto, and to any person, officer, board, department, agency, municipal corporation, or body politic and corporate succeeding by operation of law to the powers and duties of either of the parties hereto. This Assistance Agreement shall not be revocable by either of the parties, nor assignable by either parties without the written consent of the other party.

Section 9.5. Severability. In the event that any provision of this Assistance Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 9.6. Execution in Counterparts. This Assistance Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 9.7. Applicable Law. This Assistance Agreement will be governed by and construed in accordance with the laws of the Commonwealth.

Section 9.8. Venue. The parties hereto agree that in the event of a default by the Governmental Agency pursuant to the provisions of Article 8 of this Agreement, the Authority shall, to the extent permitted under the laws of the Commonwealth, have the right to file any necessary actions with respect thereto in Franklin Circuit Court.

Section 9.9. Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Assistance Agreement.

[End of Article IX]

IN WITNESS WHEREOF, the parties hereto have caused this Assistance Agreement to be executed by their respective duly authorized officers as of the day and year above written.

ATTEST:

**KENTUCKY INFRASTRUCTURE
AUTHORITY**

Sandy Williams
Title: SECRETARY

By: [Signature]
Title: EXECUTIVE DIRECTOR

ATTEST:

**GOVERNMENTAL AGENCY:
MARION COUNTY WATER DISTRICT**

By: Everett Thomas
Title: Secretary

By: Barbara R. May
Title: Chairperson

APPROVED:

EXAMINED:

Lori H. Flanery
SECRETARY/FINANCE AND
ADMINISTRATION CABINET OF THE
COMMONWEALTH OF KENTUCKY

Beck Shaffer Williams
LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE
AUTHORITY

APPROVED AS TO FORM AND LEGALITY

Patrick McJannet
APPROVED
FINANCE AND ADMINISTRATION CABINET

EXHIBIT A
MARION COUNTY WATER DISTRICT
PROJECT SPECIFICS
B12-06

GOVERNMENTAL AGENCY:

Name: Marion County Water District
P.O. Box 528
Lebanon, KY 40033

Contact Person: Barbara R. May, Chairperson
(270) 692-2004

SYSTEM: Infrastructure

PROJECT:

This project is for the replacement of approximately 25,000 linear feet of forty year old four inch water line with a six in line along Highway 84 in the Raywick area of Marion County. Water demand in the area and beyond it requires a six inch line to provide the necessary pressure and volume. The existing line has been prone to breakage resulting in water outages and boil water orders when pressure has dropped below mandatory levels.

PROJECT BUDGET:

	<u>Total</u>
Administrative Expenses	\$ 10,000
Legal Expenses	5,000
Engineering Fees	76,930
Construction	414,750
Contingency	41,500
Total	\$ 548,180

FUNDING SOURCES:

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$ 548,180	100%
Total	\$ 548,180	100%

KIA DEBT SERVICE:

Construction Loan	\$ 548,180
Interest Rate	1.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 32,603
Administrative Fee (0.20%)	\$ 1,096
Total Estimated Annual Debt Service	\$ 33,700

Kentucky Association of Counties All Lines Fund

400 Englewood Drive
Frankfort, KY 40601
Declarations Page

Policy Number P&C2911
Insured Name and Address

Marion County Water District
PO Box 528
Lebanon, KY 40033

Policy Period: 7/1/2012 to 7/1/2015
For customer service please call
(800)264-5226

Issued: 05/30/2012

Business Description Water District

In return for the payment of the premium, and subject to all the terms of the policy, we agree to provide the insurance stated in the binder.

Coverage			Deductible
General Liability (Per OCC/AGG)	1,000,000	3,000,000	0
Law Enforcement (Per OCC/AGG)	NCD	NCD	NCD
Errors/Omissions (Per OCC/AGG)	1,000,000	3,000,000	1,000
Employment Practices (Per claim/AGG)	1,000,000	3,000,000	1,000
Auto Liability (CSL)	1,000,000		0
Auto Comprehensive	ACV		500
Auto Collision	ACV		500
P.I.P. (No Fault)	10,000		0
Under Insured/Un-Insured	60,000	60,000	0
Non Owned Auto Coverage	Primary		
Property/Buildings	As Per Statement on File		1,000
Personal Property	As Per Statement on File		1,000
Boiler & Machinery	15,000,000		1,000
Inland Marine & EDP	As Per Statement on File		1,000
Business Income	500,000	500,000	0
Flood	1,000,000	1,000,000	0
Earthquake	N/A	N/A	N/A
Crime (Other than Employee Dishonesty)	150,000		500
Employee Dishonesty (Policy #: CIC1964)	150,000		250
Legal Defense Coverage	100,000		0

Authorized
Representative



Date 5/30/2012

EXHIBIT B

REQUEST FOR PAYMENT WITH RESPECT TO
ASSISTANCE AGREEMENT DATED FEBRUARY 1, 2013

Request No. _____

Dated _____

ORIGINAL SENT TO: Kentucky Infrastructure Authority
 1024 Capital Center Drive
 Suite 340
 Frankfort, Kentucky 40601

COPY SENT TO: Ms. Nancy Sanders
 Director, Community Programs
 Governor's Office for Local Development
 1024 Capitol Center Drive
 Frankfort, Kentucky 40601

FROM: Marion County Water District ("Governmental Agency")

Gentlemen:

The above identified Governmental Agency has entered into an Assistance Agreement with the Kentucky Infrastructure Authority (the "Authority") for the acquisition and construction of facilities described in the Assistance Agreement as the "Project."

Pursuant to the Assistance Agreement, we hereby certify that we have incurred the following expenses in connection with the Project and that the Authority's funding share of these expenses is in the amount so denoted in this request totaling \$_____.

Documentation supporting the expenses incurred and identified per this request are attached.

ELIGIBLE PROJECT EXPENSES INCURRED

<u>Contractor</u>	<u>Expenses this Request</u>	<u>Expenses to Date</u>
-------------------	------------------------------	-------------------------

Total

ALLOCATION OF FUNDING FOR EXPENSES

<u>Portion of Funding Source</u>	<u>Portion of Expenses Expenses this Request</u>	<u>Total to Date</u>
Totals		

The Governmental Agency certifies it has also paid Project expenses or has submitted requisitions to the applicable funding sources for Project expenses, which have not been identified in any previous Request or Payment, as follows:

<u>Funding Source</u>	<u>Amount of Payment or Requisition</u>	<u>Date of Payment or Requisition</u>
-----------------------	---	---

Respectfully submitted,

Governmental Agency

By: _____

Title: _____

Certificate of Consulting Engineers as to
Payment Request

The undersigned, a duly qualified and licensed Engineer hereby certifies that he or she represents the Governmental Agency submitting this request in connection with the "Eligible Project" and that all expenses represented in this request were duly incurred for the Construction of the "Project," that the Authority's funding share of these expenses is accurately represented and that such expenses have not been the subject of any request for disbursement previously submitted.

Engineer/Consultant

Firm Name

EXHIBIT C

SCHEDULE OF SERVICE CHARGES

See Attached Rate Schedule

EXHIBIT C

FOR: Marion County, Kentucky and Southern
Portion of Nelson County
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Marion County Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

Customer Charge

5/8-Inch X 3/4-Inch Meter	\$ 7.23	Minimum Bill
1-Inch Meter	\$15.70	Minimum Bill
2-Inch Meter	\$24.90	Minimum Bill
3-Inch Meter	\$39.49	Minimum Bill
4-Inch Meter	\$62.63	Minimum Bill
6-Inch Meter	\$157.52	Minimum Bill

Water Charge

All Usage	\$4.91	Per 1,000 Gallons
-----------	--------	-------------------

Meter Connections:

CHARGE

5/8 X 3/4 Inch Meter	\$865.00
All Large Meters	Actual Cost

Fire Hydrants (Non-Metered 6 Inch Connect) \$7.50 per month

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE October 27, 2010
Month / Date / Year

ISSUED BY James Lee Muel
(Signature of Officer)

TITLE Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

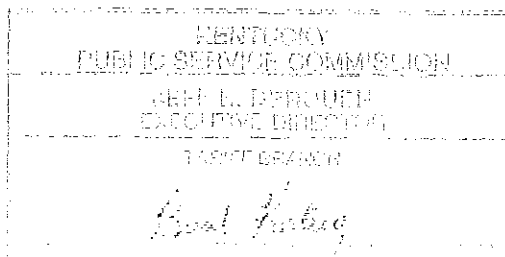


EXHIBIT C

For Marion County and
Southern Portion of Nelson County

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Marion County Water District

CANCELLING P.S.C. KY. NO.

_____ SHEET NO. _____

RATES AND CHARGES

NON-RECURRING CHARGES:

Connection/Turn On Charge	\$35.00
Connection/Turn On Charge After Hours	\$80.00*
Reconnection Fee	\$35.00
Reconnection Fee After Hours	\$85.00*
Field Collection Charge	\$35.00
Meter Reading Recheck Fee	\$35.00
Meter Test Request	\$80.00
Returned Check Fee	\$25.00
After Due Date Penalty Charge	Ten Percent (10%)
Broken Meter Lock Fee	\$60.00
Meter Valve Replacement	\$70.00
Meter Relocation Charge	Actual Cost
Service Call/Investigation	\$35.00
Service Call/Investigation (After Hours)	\$80.00*

*NOTE - Regular working hours for the utility's maintenance staff is 8:00 a.m. to 4:30 p.m., Monday through Friday, excluding holidays and weekends. Upon customer request, and subject to availability of maintenance staff, services may be performed outside regular working hours at the after hours rate.

DATE OF ISSUE _____

DATE EFFECTIVE _____

ISSUED BY Barbara R. May

TITLE MADAM CHAIR

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/18/2006
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By [Signature]
Executive Director

EXHIBIT D

RESOLUTION

RESOLUTION OF THE MARION COUNTY WATER DISTRICT
APPROVING AND AUTHORIZING AN ASSISTANCE AGREEMENT
BETWEEN THE MARION COUNTY WATER DISTRICT AND THE
KENTUCKY INFRASTRUCTURE AUTHORITY.

WHEREAS, the Board of Commissioners ("governing authority") of the Marion County Water District, ("Governmental Agency") has previously determined that it is in the public interest to acquire and construct certain water facilities and improvements to the Governmental Agency's Water System (the "Project"); and

WHEREAS, the Governmental Agency has made application to the Kentucky Infrastructure Authority (the "Authority") for the purpose of providing monies to construct the Project; and

WHEREAS, in order to obtain such monies, the Governmental Agency is required to enter into an Assistance Agreement with the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Marion County Water District, as follows:

SECTION 1. That the governing authority hereby approves and authorizes of the Assistance Agreement between the Governmental Agency and the Authority substantially in the form on file with the Governmental Agency for the purpose of providing the necessary financing to the Governmental Agency for the Project.

SECTION 2. That any officer of the Governmental Agency be and hereby is authorized, directed and empowered to execute necessary documents or agreements, and to otherwise act on behalf of the Governmental Agency to effect such financing.

SECTION 3. That this resolution shall take effect at the earliest time provided by law.

ADOPTED on _____, 2013.

Chairperson

Attest:

Secretary

CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Marion County Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the governing authority of said District at a meeting duly held on _____, 2013; that said official action appears as a matter of public record in the official records or journal of the governing authority; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this _____ day of _____, 2013.

Secretary

RESOLUTION

RESOLUTION OF THE MARION COUNTY WATER DISTRICT APPROVING AND AUTHORIZING AN ASSISTANCE AGREEMENT BETWEEN THE MARION COUNTY WATER DISTRICT AND THE KENTUCKY INFRASTRUCTURE AUTHORITY.

WHEREAS, the Board of Commissioners, ("governing authority") of the Marion County Water District, ("Governmental Agency") has previously determined that it is in the public interest to acquire and construct certain water facilities and improvements to the Governmental Agency's Water System (the "Project"); and

WHEREAS, the Governmental Agency has made application to the Kentucky Infrastructure Authority (the "Authority") for the purpose of providing monies to construct the Project; and

WHEREAS, in order to obtain such monies, the Governmental Agency is required to enter into an Assistance Agreement with the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Marion County Water District, as follows:

SECTION 1. That the governing authority hereby approves and authorizes of the Assistance Agreement between the Governmental Agency and the Authority substantially in the form on file with the Governmental Agency for the purpose of providing the necessary financing to the Governmental Agency for the Project.

SECTION 2. That any officer of the Governmental Agency be and hereby is authorized, directed and empowered to execute necessary documents or agreements, and to otherwise act on behalf of the Governmental Agency to effect such financing.

SECTION 3. That this resolution shall take effect at the earliest time provided by law.

ADOPTED on March 12th, 2013.

Barbara R. May
Chairperson

Attest:

Ernesta Thomas
Secretary

2013 MAR 21 A 1:51
MARION COUNTY
KENTUCKY

CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Marion County Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the governing authority of said District at a meeting duly held on March 12th, 2013; that said official action appears as a matter of public record in the official records or journal of the governing authority; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this 12 day of March, 2013.

Errett Thomas
Secretary

**KENTUCKY INFRASTRUCTURE AUTHORITY
 REPAYMENT SCHEDULE
 LOAN #B12-06
 MARION COUNTY WATER DISTRICT
 FINAL**

**1.75% Rate
 \$16,301.67 P & I Calculation**

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$548,180.00		
12/01/14	\$11,505.09	\$4,797.50	1.75%	\$16,302.59	\$548.18	\$0.00	\$16,850.77	\$536,674.91	\$1,370.00	\$1,370.00
06/01/15	\$11,605.76	\$4,695.91	1.75%	\$16,301.67	\$536.67	\$0.00	\$16,838.34	\$525,069.15	\$0.00	\$1,370.00
12/01/15	\$11,707.31	\$4,594.36	1.75%	\$16,301.67	\$525.07	\$0.00	\$16,826.74	\$513,361.84	\$1,370.00	\$2,740.00
06/01/16	\$11,809.75	\$4,491.92	1.75%	\$16,301.67	\$513.36	\$0.00	\$16,815.03	\$501,552.09	\$0.00	\$2,740.00
12/01/16	\$11,913.09	\$4,388.58	1.75%	\$16,301.67	\$501.55	\$0.00	\$16,803.22	\$489,639.00	\$1,370.00	\$4,110.00
06/01/17	\$12,017.33	\$4,284.34	1.75%	\$16,301.67	\$489.64	\$0.00	\$16,791.31	\$477,621.67	\$0.00	\$4,110.00
12/01/17	\$12,122.48	\$4,179.19	1.75%	\$16,301.67	\$477.62	\$0.00	\$16,779.29	\$465,499.19	\$1,370.00	\$5,480.00
06/01/18	\$12,228.55	\$4,073.12	1.75%	\$16,301.67	\$465.50	\$0.00	\$16,767.17	\$453,270.64	\$0.00	\$5,480.00
12/01/18	\$12,335.55	\$3,966.12	1.75%	\$16,301.67	\$453.27	\$0.00	\$16,754.94	\$440,935.09	\$1,370.00	\$6,850.00
06/01/19	\$12,443.49	\$3,858.18	1.75%	\$16,301.67	\$440.94	\$0.00	\$16,742.61	\$428,491.60	\$0.00	\$6,850.00
12/01/19	\$12,552.37	\$3,749.30	1.75%	\$16,301.67	\$428.49	\$0.00	\$16,730.16	\$415,939.23	\$1,370.00	\$8,220.00
06/01/20	\$12,662.20	\$3,639.47	1.75%	\$16,301.67	\$415.94	\$0.00	\$16,717.61	\$403,277.03	\$0.00	\$8,220.00
12/01/20	\$12,773.00	\$3,528.67	1.75%	\$16,301.67	\$403.28	\$0.00	\$16,704.95	\$390,504.03	\$1,370.00	\$9,590.00
06/01/21	\$12,884.76	\$3,416.91	1.75%	\$16,301.67	\$390.50	\$0.00	\$16,692.17	\$377,619.27	\$0.00	\$9,590.00
12/01/21	\$12,997.50	\$3,304.17	1.75%	\$16,301.67	\$377.62	\$0.00	\$16,679.29	\$364,621.77	\$1,370.00	\$10,960.00
06/01/22	\$13,111.23	\$3,190.44	1.75%	\$16,301.67	\$364.62	\$0.00	\$16,666.29	\$351,510.54	\$0.00	\$10,960.00
12/01/22	\$13,225.95	\$3,075.72	1.75%	\$16,301.67	\$351.51	\$0.00	\$16,653.18	\$338,284.59	\$1,370.00	\$12,330.00
06/01/23	\$13,341.68	\$2,959.99	1.75%	\$16,301.67	\$338.28	\$0.00	\$16,639.95	\$324,942.91	\$0.00	\$12,330.00
12/01/23	\$13,458.42	\$2,843.25	1.75%	\$16,301.67	\$324.94	\$0.00	\$16,626.61	\$311,484.49	\$1,370.00	\$13,700.00
06/01/24	\$13,576.18	\$2,725.49	1.75%	\$16,301.67	\$311.48	\$0.00	\$16,613.15	\$297,908.31	\$0.00	\$13,700.00
12/01/24	\$13,694.97	\$2,606.70	1.75%	\$16,301.67	\$297.91	\$0.00	\$16,599.58	\$284,213.34	\$0.00	\$13,700.00
06/01/25	\$13,814.80	\$2,486.87	1.75%	\$16,301.67	\$284.21	\$0.00	\$16,585.88	\$270,398.54	\$0.00	\$13,700.00
12/01/25	\$13,935.68	\$2,365.99	1.75%	\$16,301.67	\$270.40	\$0.00	\$16,572.07	\$256,462.86	\$0.00	\$13,700.00
06/01/26	\$14,057.62	\$2,244.05	1.75%	\$16,301.67	\$256.46	\$0.00	\$16,558.13	\$242,405.24	\$0.00	\$13,700.00
12/01/26	\$14,180.62	\$2,121.05	1.75%	\$16,301.67	\$242.41	\$0.00	\$16,544.08	\$228,224.62	\$0.00	\$13,700.00
06/01/27	\$14,304.70	\$1,996.97	1.75%	\$16,301.67	\$228.22	\$0.00	\$16,529.89	\$213,919.92	\$0.00	\$13,700.00
12/01/27	\$14,429.87	\$1,871.80	1.75%	\$16,301.67	\$213.92	\$0.00	\$16,515.59	\$199,490.05	\$0.00	\$13,700.00
06/01/28	\$14,556.13	\$1,745.54	1.75%	\$16,301.67	\$199.49	\$0.00	\$16,501.16	\$184,933.92	\$0.00	\$13,700.00
12/01/28	\$14,683.50	\$1,618.17	1.75%	\$16,301.67	\$184.93	\$0.00	\$16,486.60	\$170,250.42	\$0.00	\$13,700.00
06/01/29	\$14,811.98	\$1,489.69	1.75%	\$16,301.67	\$170.25	\$0.00	\$16,471.92	\$155,438.44	\$0.00	\$13,700.00
12/01/29	\$14,941.58	\$1,360.09	1.75%	\$16,301.67	\$155.44	\$0.00	\$16,457.11	\$140,496.86	\$0.00	\$13,700.00
06/01/30	\$15,072.32	\$1,229.35	1.75%	\$16,301.67	\$140.50	\$0.00	\$16,442.17	\$125,424.54	\$0.00	\$13,700.00
12/01/30	\$15,204.21	\$1,097.46	1.75%	\$16,301.67	\$125.42	\$0.00	\$16,427.09	\$110,220.33	\$0.00	\$13,700.00
06/01/31	\$15,337.24	\$964.43	1.75%	\$16,301.67	\$110.22	\$0.00	\$16,411.89	\$94,883.09	\$0.00	\$13,700.00
12/01/31	\$15,471.44	\$830.23	1.75%	\$16,301.67	\$94.88	\$0.00	\$16,396.55	\$79,411.65	\$0.00	\$13,700.00
06/01/32	\$15,606.82	\$694.85	1.75%	\$16,301.67	\$79.41	\$0.00	\$16,381.08	\$63,804.83	\$0.00	\$13,700.00
12/01/32	\$15,743.38	\$558.29	1.75%	\$16,301.67	\$63.80	\$0.00	\$16,365.47	\$48,061.45	\$0.00	\$13,700.00
06/01/33	\$15,881.13	\$420.54	1.75%	\$16,301.67	\$48.06	\$0.00	\$16,349.73	\$32,180.32	\$0.00	\$13,700.00
12/01/33	\$16,020.09	\$281.58	1.75%	\$16,301.67	\$32.18	\$0.00	\$16,333.85	\$16,160.23	\$0.00	\$13,700.00
06/01/34	\$16,160.23	\$141.44	1.75%	\$16,301.67	\$16.16	\$0.00	\$16,317.83	\$0.00	\$0.00	\$13,700.00
Totals	\$548,180.00	\$103,887.72		\$652,067.72	\$11,872.73	\$0.00	\$663,940.45		\$13,700.00	

EXHIBIT E

OPINION OF COUNSEL

[Letterhead of Counsel to Governmental Agency]

[Date]

Kentucky Infrastructure Authority
1024 Capital Center Drive
Suite 340
Frankfort, Kentucky 40601

RE: Assistance Agreement by and between Kentucky Infrastructure Authority and the Marion County Water District, dated as of February 1, 2013

Ladies and Gentlemen:

The undersigned is an attorney at law duly admitted to the practice of law in the Commonwealth of Kentucky and is legal counsel to the Marion County Water District, hereinafter referred to as the "Governmental Agency". I am familiar with the organization and existence of the Governmental Agency and the laws of the Commonwealth applicable thereto. Additionally I am familiar with the infrastructure project (the "Project") with respect to which the Assistance Agreement by and between the Kentucky Infrastructure Authority ("Authority") and the Governmental Agency is being authorized, executed and delivered.

I have reviewed the form of Assistance Agreement by and between the Authority and the Governmental Agency, the resolution or ordinance of the governing authority authorizing the execution and delivery of said Assistance Agreement and the plans, designs and specifications prepared by the Engineers for the Governmental Agency with respect to the Project.

Based upon my review I am of the opinion that:

1) The Governmental Agency is a duly organized and existing political subdivision or body politic of the Commonwealth of Kentucky validly existing under the Constitution and statutes of the Commonwealth of Kentucky.

2) The Assistance Agreement has been duly executed and delivered by the Governmental Agency and is a valid and binding obligation of the Governmental Agency enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by equitable principles and by bankruptcy, reorganization, moratorium, insolvency or similar laws heretofore or hereafter enacted relating to or affecting the enforcement of creditors' rights or remedies generally.

3) The Governmental Agency has all necessary power and authority (i) to enter into, perform and consummate all transactions contemplated by the Assistance Agreement, and (ii) to execute and deliver the documents and instruments to be executed and delivered by it in connection with the construction of the Project.

4) The Service Charges, as defined in the Assistance Agreement, are in full force and effect and have been duly and lawfully adopted by the Governmental Agency.

5) The execution and delivery of the Assistance Agreement and the performance by the Governmental Agency of its obligations thereunder does not and will not conflict with, violate or constitute a default under any court or administrative order, decree or ruling, or any law, statute, ordinance or regulation, or any agreement, indenture, mortgage, lease, note or other obligation or instrument, binding upon the Governmental Agency, or any of its properties or assets. The Governmental Agency has obtained each and every authorization, consent, permit, approval or license of, or filing or registration with, any court or governmental department, commission, board, bureau, agency or instrumentality, or any specifically granted exemption from any of the foregoing, that is necessary to the valid execution, delivery or performance by the Governmental Agency of the Assistance Agreement and the imposition of the Service Charges.

6) To the best of my knowledge after due inquiry there is no action, suit, proceedings or investigation at law or in equity before any court, public board or body pending or threatened against, affecting or questioning (i) the valid existence of the Governmental Agency, (ii) the right or title of the members and officers of the Governmental Agency to their respective positions, (iii) the authorization, execution, delivery or enforceability of the Assistance Agreement or the application of any monies or security therefor, (iv) the construction of the Project, (v) the validity or enforceability of the Service Charges or (vi) that would have a material adverse impact on the ability of the Governmental Agency to perform its obligations under the Assistance Agreement.

7) None of the proceedings or authority heretofore had or taken by the Governmental Agency for the authorization, execution or delivery of the Assistance Agreement has or have been repealed, rescinded, or revoked.

8) All proceedings and actions of the Governmental Agency with respect to which the Assistance Agreement is to be delivered were had or taken at meetings properly convened and held in substantial compliance with the applicable provisions of Sections 61.805 to 61.850 of the Kentucky Revised Statutes.

Very truly yours,

EXHIBIT F

TO ASSISTANCE AGREEMENT BETWEEN
THE MARION COUNTY WATER DISTRICT
("GOVERNMENTAL AGENCY") AND
THE KENTUCKY INFRASTRUCTURE AUTHORITY

Total Loan to be Repaid by
Governmental Agency to
Kentucky Infrastructure Authority \$ _____

Principal and Interest Payable
on Each _____ and

It is understood and agreed by the parties to this Assistance Agreement that this Exhibit F is an integral part of the Assistance Agreement between the Governmental Agency and the Kentucky Infrastructure Authority.

IN WITNESS WHEREOF, the parties have caused this Exhibit F to Assistance Agreement to be executed by their respective duly authorized officers as of the date of said Assistance Agreement.

KENTUCKY INFRASTRUCTURE AUTHORITY

By: _____

Title: _____

MARION COUNTY WATER DISTRICT,
GOVERNMENTAL AGENCY

By: _____

Title: _____

ATTEST:

Title: _____

EXHIBIT G

ADDITIONAL COVENANTS AND AGREEMENTS

NONE

74404v1

EXHIBIT G.3

**KENTUCKY INFRASTRUCTURE AUTHORITY
ASSISTANCE AGREEMENT**

FUND B

PROJECT NUMBER: B18-010

GOVERNMENTAL AGENCY (Borrower): Marion County Water District

GOVERNMENTAL AGENCY'S ADDRESS: 1835 Campbellsville Road
Lebanon, Kentucky 40033

ASSISTANCE AGREEMENT

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ASSISTANCE AGREEMENT

This Assistance Agreement made and entered into as of the Effective Date (the "Assistance Agreement") by and between the KENTUCKY INFRASTRUCTURE AUTHORITY, a body corporate and politic, constituting a public corporation and governmental agency and instrumentality of the Commonwealth of Kentucky (the "Authority") and MARION COUNTY WATER DISTRICT the Governmental Agency identified on the cover of this Assistance Agreement (the "Governmental Agency"):

WITNESSETH

WHEREAS, the General Assembly of the Commonwealth of Kentucky, being the duly and legally constituted legislature of Kentucky at its 1988 Regular Session, enacted House Bill 217 amending Chapter 224A of the Kentucky Revised Statutes (the "Act"), creating the "Kentucky Infrastructure Authority" to serve the public purposes identified in the Act; and

WHEREAS, the Authority has established its Program, as hereinafter defined, for the purpose of providing financial assistance to Governmental Agencies, as defined in the Act, in connection with the acquisition and construction of Projects, as defined in the Act, in order to preserve, protect, upgrade, conserve, develop, utilize and manage the resources of the Commonwealth of Kentucky (the "Commonwealth") for the protection and preservation of the health, safety, convenience, and welfare of the Commonwealth and its citizens, and in that respect to assist and cooperate with Governmental Agencies in achieving such purposes; and

WHEREAS, the Authority has issued, and will issue from time to time, its revenue bonds pursuant to a General Trust Indenture dated as of September 1, 1989 (the "Indenture") between the Authority and U.S. Bank National Association, as successor in interest to National City Bank (f/k/a First Kentucky Trust Company) (the "Trustee") in order to provide the "match funding" for the Program; and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable to acquire, construct, and finance the Project, as hereinafter defined, and the Authority has determined that the Project is a Project within the meaning of the Act and the Indenture, thereby qualifying for financial assistance from the Authority; and

WHEREAS, the Governmental Agency desires to enter into this Assistance Agreement with the Authority for the purpose of securing from the Authority the repayable Loan hereinafter identified; and

WHEREAS, the Authority is willing to cooperate with the Governmental Agency in making available the Loan pursuant to the Act and the Indenture to be applied to the Project upon the conditions hereinafter enumerated and the covenants by the Governmental Agency herein contained to levy, collect, and enforce and remit adequate Service Charges, as hereinafter defined, for the services provided by the Governmental Agency's System, as hereinafter defined, and to apply the necessary portion of said Service Charges to the repayment of the Loan and the interest thereon, as hereinafter specifically provided; and

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

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

ARTICLE I DEFINITIONS

All of the terms utilized in this Assistance Agreement will have the same definitions and meaning as ascribed to them in the Act and the Indenture, which Act and Indenture are hereby incorporated in this Assistance Agreement by reference, the same as if set forth hereby verbatim; provided, however, that those definitions utilized in the Act and the Indenture having general application are hereby modified in certain instances to apply specifically to the Governmental Agency and its Project.

“Act” shall mean Chapter 224A of the Kentucky Revised Statutes, as amended.

“Administrative Fee” means the charge of the Authority for the servicing of the Loan, which is the annual percentage charged against the unpaid principal balance of the Loan as identified in the Loan Term Schedule.

“Amortization Commencement Date” means the date set forth on the Loan Term Schedule when the first payment of principal of and interest on the Loan is due under the Schedule of Payments.

“Assistance Agreement” shall mean this agreement made and entered into by and between a Governmental Agency and the Authority, as authorized by the Act, providing for a Loan to the Governmental Agency by the Authority, and for the repayment thereof to the Authority by the Governmental Agency.

“Authority” shall mean the Kentucky Infrastructure Authority created by the Act, a body corporate and politic, constituting a public corporation and a governmental agency and instrumentality of the Commonwealth of Kentucky, or such other designation as may be effected by future amendments to the Act.

“Bond” or *“Bonds”* shall mean any Kentucky Infrastructure Authority Bond or Bonds, or the issue of such Bonds, as the case may be, authenticated and delivered under the Indenture.

“Business Day” shall mean any day other than a Saturday, Sunday or other legal holiday on which the general offices of the Commonwealth are closed.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and shall include the Regulations of the United States Department of the Treasury promulgated thereunder.

"Commonwealth" shall mean the Commonwealth of Kentucky.

"Construction" shall mean construction as defined in the Act.

"Debt Obligations" shall mean those outstanding obligations of the Governmental Agency identified in the Project Specifics outstanding as of the date of this Assistance Agreement or issued in the future in accordance with the terms hereof, payable from the income and revenues of the System.

"Default Rate" means the rate of interest identified in the Loan Term Schedule to accrue on the amount of the Loan that is in default under this Assistance Agreement.

"Effective Date" means the date set forth on the signature page of this Assistance Agreement.

"Engineers" means the firm of consulting engineers employed by the Governmental Agency in connection with the Project identified in the Project Specifics.

"Governmental Agency" shall mean any agency or unit of government within the Commonwealth, now having or hereafter granted the authority and power to finance, acquire, construct, and operate a Project, including specifically but not by way of limitation, incorporated cities, counties, sanitation districts, water districts, public authorities, sewer construction districts, metropolitan sewer districts, sanitation taxing districts, and any other agencies, commissions, districts, or authorities (either acting alone, or in combination with one another pursuant to any regional or area compact, or multi municipal agreement), now or hereafter established pursuant to the laws of the Commonwealth having and possessing such described powers; and for the purposes of this Assistance Agreement shall mean the Governmental Agency identified on the front cover of this Assistance Agreement and in the Project Specifics.

"Indenture" shall mean the General Trust Indenture dated as of September 1, 1989 between the Authority and the Trustee, as amended and supplemented from time to time.

"Loan" shall mean the loan effected under this Assistance Agreement from the Authority to the Governmental Agency in the principal amount set forth in the Loan Term Schedule, for the purpose of defraying the costs incidental to the Construction of the Project.

"Loan Payment Date" shall mean the dates principal of and/or interest on the Loan are due as set forth in the Loan Term Schedule.

"Loan Rate" means the rate per annum of interest identified in the Loan Term Schedule.

"Loan Term Schedule" shall mean the payment information and terms of the Loan identified and set forth in Exhibit F attached hereto and includes any amendments or supplements thereto.

“Resolution” means the resolution or ordinance of the Governmental Agency in the form of the resolution attached hereto as **Exhibit D** authorizing the execution of this Assistance Agreement.

“Person” shall mean any individual, firm, partnership, association, limited liability company, corporation or Governmental Agency.

“Program” shall mean the program authorized by KRS 224A.112 and the Indenture as the “infrastructure revolving fund” for financing Projects through Loans by the Authority to Governmental Agencies and shall not be deemed to mean or include any other programs of the Authority.

“Project” shall mean, when used generally, an infrastructure project as defined in the Act, and when used in specific reference to the Governmental Agency, the Project described in the Project Specifics.

“Project Specifics” means those specific details of the Project identified in **Exhibit A** hereto, all of which are incorporated by reference in this Assistance Agreement.

“Requisition for Funds” means the form attached hereto as **Exhibit B** to be utilized by the Governmental Agency in obtaining disbursements of the Loan from the Authority as construction of the Project progresses.

“Resolution” means the resolution or ordinance of the Governmental Agency attached hereto as **Exhibit D** authorizing the execution of this Assistance Agreement.

“Schedule of Payments” means the debt service schedule of the Loan as set forth in the Loan Term Schedule.

“Schedule of Service Charges” shall mean those general charges to be imposed by the Governmental Agency for services provided by the System, as set forth in **Exhibit C** hereto, which Schedule of Service Charges shall be in full force and effect to the satisfaction of the Authority prior to the disbursement of any portion of the Loan hereunder.

“Service Charges” shall mean any monthly, quarterly, semi-annual, or annual charges, surcharges or improvement benefit assessments to be imposed by a Governmental Agency, or by the Authority, in respect of the System which Service Charges arise by reason of the existence of, and requirement of, any Assistance Agreement; and for the purposes of this Assistance Agreement said Service Charge shall be no less than those set forth in the Schedule of Service Charges.

“System” shall mean the utility system owned and operated by the Governmental Agency of which the Project shall become a part.

“Trustee” shall mean U.S. Bank National Association, and its successors or assigns.

**ARTICLE II
REPRESENTATIONS AND WARRANTIES**

Section 2.1. Representations and Warranties of Authority.

The Authority represents and warrants for the benefit of the Governmental Agency as follows:

(A) The Authority is a body corporate and politic constituting a governmental agency and instrumentality of the Commonwealth, has all necessary power and authority to enter into, and perform its obligations under, this Assistance Agreement, and has duly authorized the execution and delivery of this Assistance Agreement.

(B) Neither the execution and delivery hereof, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Authority is now a party or by which the Authority is bound, or constitutes a default under any of the foregoing.

(C) To the knowledge of the Authority, there is no litigation or proceeding pending or threatened against the Authority or any other person affecting the right of the Authority to execute or deliver this Assistance Agreement or to comply with its obligations under this Assistance Agreement. Neither the execution and delivery of this Assistance Agreement by the Authority, nor compliance by the Authority with its obligations under this Assistance Agreement, require the approval of any regulatory body or any other entity, and any such approval has not been obtained.

(D) The authorization, execution and delivery of this Assistance Agreement and all actions of the Authority with respect thereto, are in compliance with the Act and any regulations issued thereunder.

Section 2.2. Representations and Warranties of the Governmental Agency.

The Governmental Agency hereby represents and warrants for the benefit of the Authority as follows:

(A) The Governmental Agency is a duly organized and validly existing Governmental Agency, as described in the Act, with full power to own its properties, conduct its affairs, enter into this Assistance Agreement and consummate the transactions contemplated hereby.

(B) The negotiation, execution and delivery of this Assistance Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of the governing body of the Governmental Agency.

(C) This Assistance Agreement has been duly executed and delivered by the Governmental Agency and is a valid and binding obligation of the Governmental Agency enforceable in accordance with its terms, except to the extent that the enforceability hereof may be limited by equitable principles and by bankruptcy, reorganization, moratorium, insolvency or

similar laws heretofore or hereafter enacted relating to or affecting the enforcement of creditors' rights or remedies generally.

(D) To the knowledge of the Governmental Agency, there is no controversy or litigation of any nature pending or threatened in any court or before any board, tribunal or administrative body to challenge in any manner the authority of the Governmental Agency or its governing body to make payments under this Assistance Agreement or to construct the Project; or to challenge in any manner the authority of the Governmental Agency or its governing body to take any of the actions that have been taken in the authorization or delivery of this Assistance Agreement or the construction of the Project; or in any way contesting or affecting the validity of this Assistance Agreement, or in any way questioning any proceedings taken with respect to the authorization or delivery by the Governmental Agency of this Assistance Agreement, or the application of the proceeds thereof or the pledge or application of any monies or security provided therefor; or in any way questioning the due existence or powers of the Governmental Agency, or otherwise wherein an unfavorable decision would have an adverse impact on the transactions authorized in connection with this Assistance Agreement.

(E) The authorization and delivery of this Assistance Agreement and the consummation of the transactions contemplated hereby will not constitute an event of default or violation or breach, or an event which, with the giving of notice or the passage of time or both, would constitute an event of default or violation or breach under any contract, agreement, instrument, indenture, lease, judicial or administrative order, decree, rule or regulation or other document or law affecting the Governmental Agency or its governing body.

(F) Pursuant to the Resolution of the governing body, the Governmental Agency has approved and authorized the execution and delivery of this Assistance Agreement. Such Resolution: was duly enacted or adopted at a duly called meeting, held in accordance with law, of the governing body of the Governmental Agency at which a quorum was present and acting throughout; is in full force and effect; and has not been superseded, altered, amended or repealed as of the date hereof.

(G) All actions taken by the Governmental Agency in connection with this Assistance Agreement, the Loan, and the Project have been in full compliance with the provisions of the Kentucky Open Meeting Law, KRS Sections 61.805 to 61.850.

(H) The Governmental Agency has all licenses, permits and other governmental approvals (including but not limited to all required approvals of the Kentucky Public Service Commission) required to own, occupy, operate and maintain the System and the Project, to charge and collect the Service Charges, and to enter into this Assistance Agreement. The Governmental Agency is not in violation of and has not received any notice of an alleged violation of any zoning or land use laws applicable to the Project and has full right, power and authority to perform the acts and things as provided for in this Assistance Agreement.

(I) Legal counsel to the Governmental Agency has duly executed and delivered the opinion of legal counsel substantially in the form set forth in **Exhibit E** hereto.

(J) The Governmental Agency is in full compliance with all federal and state labor and procurement laws in connection with the planning, design, acquisition and construction of the Project.

ARTICLE III AUTHORITY'S AGREEMENT TO MAKE LOAN; TERMS

Section 3.1. Determination of Eligibility.

Pursuant to the terms of the Act and the Indenture, the Authority has determined that the Governmental Agency's Project is a Project under the Act and the Governmental Agency is entitled to financial assistance from the Authority in connection with financing the Construction of the Project.

Section 3.2. Principal Amount of Loan Established; Loan Payments; Disbursement of Funds.

The principal amount of the Loan shall be the Loan Amount as identified in the Loan Term Schedule, subject to such adjustments as may be set forth in any amendment or supplement to said Loan Term Schedule. Principal payments shall be made in the amounts and on the Loan Payment Dates established by the Schedule of Payments, which Schedule of Payments shall provide for approximately level debt service payments over the repayment term set forth in the Schedule of Payments, commencing on the Amortization Commencement Date.

The outstanding principal balance of the Loan shall bear interest, payable on the Loan Payment Dates, at the Loan Rate identified in the Loan Term Schedule. Beginning on the Amortization Commencement Date, principal and interest on the Loan shall be payable in the amounts and on the Loan Payment Dates set forth in the Schedule of Payments; provided that, should an Event of Default occur, such Loan payments, in such amounts as determined in the sole discretion of the Authority, shall be made on the first day of each month during the continuation of such Event of Default.

The Authority shall advance the proceeds of the Loan as Construction of the Project progresses upon the submission by the Governmental Agency of a Requisition for Funds in substantially the same form as **Exhibit B** hereto. Each disbursement under a Requisition for Funds representing a portion of the principal amount of the Loan shall bear interest at the Loan Rate from the date of the disbursement. The Governmental Agency shall pay interest on the unpaid balance of disbursements at the Loan Rate payable on each Loan Payment Date prior to the Amortization Commencement Date.

Interest on the Loan shall be calculated on the actual number of days and an assumed 360-day year.

Payments of principal and interest on the Loan shall be payable in lawful money of the United States of America at the principal office of the Authority or the Trustee, as designated by the Authority. If so requested by the Authority, Loan payments hereunder shall be made by the Governmental Agency pursuant to the ACH Debit Direct Payment Method (the "ACH Debit Direct Payment Method") as described and detailed in the ACH Debit Direct Payment Authorization

Form (the "ACH Authorization Form") as provided by the Authority or the Trustee to the Governmental Agency, which ACH Authorization Form shall be completed, signed and forwarded to the Authority or the Trustee prior to the Governmental Agency receiving any disbursement of the proceeds of the Loan.

Section 3.3. Governmental Agency's Right to Prepay Loan.

The Governmental Agency shall have the right to prepay and retire the entire amount of the Loan at any time without penalty upon written notice to the Authority no less than five (5) Business Days in advance of said prepayment.

Notwithstanding the foregoing, upon the determination by the Authority that it intends to issue Bonds secured by a pledge of the payments on the Loan, the Authority shall advise the Governmental Agency (i) of its intention to proceed with the authorization of such Bonds, (ii) of the limitation on prepayments after such Bonds are issued, and (iii) that the Governmental Agency has thirty (30) days from its receipt of said notice to exercise its option to prepay the Loan. Upon the expiration of said thirty-day period the Governmental Agency's right to prepay the Loan shall be limited to the terms described in such notice.

Section 3.4. Subordination of Loan.

The Authority hereby agrees that, subject to compliance by the Governmental Agency with the covenants and conditions set forth in this Assistance Agreement, the source of payment for the Loan shall be inferior and subordinate to the security interest and source of payment for the Debt Obligations of the Governmental Agency payable from the revenues of the System outstanding at the time this Assistance Agreement is executed as identified in the Project Specifics and all such Debt Obligations that may hereafter be issued on a parity with the Debt Obligations identified in the Project Specifics; provided, however, the Authority shall receive notice of any additional financings in accordance with Section 5.6(C) hereof.

**ARTICLE IV
CONDITIONS PRECEDENT TO DISBURSEMENT
REQUISITION FOR FUNDS**

Section 4.1. Covenants of Governmental Agency and Conditions of Loan.

By the execution of this Assistance Agreement, the Governmental Agency agrees that prior to any requests for the disbursement of all or a portion of the Loan made hereunder, the Governmental Agency shall supply the Authority, if requested, appropriate documentation, satisfactory to the Authority, in its sole discretion, indicating the following:

(A) That the Authority and any appropriate regulatory agency of the Commonwealth as may be designated by the Authority, and their respective duly authorized agents, shall have the right at all reasonable times, subject to prior notice to the Governmental Agency, to enter upon the Project and its site during construction of the Project and to examine and inspect same, and the Governmental Agency will assure that the contractor or contractors will provide facilities for such access and inspection.

(B) All real estate and interest in real estate and all personal property constituting the Project and the Project sites heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency and constitute a part of the System.

(C) In the event the Governmental Agency is required to provide financing for the Project from sources other than the Authority (as described in the Project Specifics), the Authority shall have the right to receive such reasonable proofs as it may require of the ability of the Governmental Agency to finance the costs of Construction of the Project over and above the Loan, prior to the disbursement by the Authority of any portion of the Loan.

(D) The Governmental Agency shall do all things necessary to acquire all proposed and necessary sites, easements and rights of way necessary or required in respect of the Project and demonstrate its ability to construct the Project in accordance with the plans, design and specifications prepared for the Governmental Agency by the Engineers.

(E) Actual construction and installation incident to the Project shall be performed by either the lump sum (fixed price) or unit price contract method and adequate legal methods of obtaining public, competitive bidding will be employed prior to the awarding of the construction contract for the Project in accordance with Kentucky law.

(F) Unless construction of the Project has already been initiated as of the Effective Date, pursuant to due compliance with Kentucky law and applicable regulations, the Project will not be advertised or placed on the market for construction bidding by the Governmental Agency until the final plans, designs and specifications therefor have been approved by such state and federal agencies and authorities as may be legally required, and until written notification of such approvals has been received by the Governmental Agency and furnished to the Authority.

(G) The construction contract or contracts shall require the contractor to comply with all provisions of federal and Kentucky law legally applicable to such work, and any amendments or modifications thereto, together with all other applicable provisions of law, to cause appropriate provisions to be inserted in subcontracts to insure compliance therewith by all subcontractors subject thereto, and to be responsible for the submission of any statements required of subcontractors thereunder.

(H) A work progress schedule utilizing a method of standard acceptance in the engineering community shall be prepared prior to the institution of construction in connection with each construction contract, or, if construction has already been initiated as of the date of this Assistance Agreement, at the earliest practicable date, to indicate the proposed schedule as to completion of the Project and same shall be maintained monthly thereafter to indicate the actual construction progress of the Project.

(I) Prior to the award of the construction contract and prior to the commencement of construction, the Governmental Agency will arrange and conduct a conference as to the Project; said conference to include representatives of the Authority, the Governmental Agency, and any other participating federal or state agency, the Engineers, and all construction contractors. Such conference shall be held in accordance with guidelines established by the Authority. A written brief of said conference summarizing the construction schedule, fund requirements schedule,

payment authorizations, responsible parties for approval of all facets of the construction work and payment therefor, and other pertinent matters shall be prepared and distributed to each party involved, and all construction contractors and Engineers. Provided, however, that in the event construction shall have been initiated as of the date of this Assistance Agreement, this provision may be waived.

(J) All construction contracts will be so prepared that federal participation costs, if any, and state participation costs may be readily segregated from local participation costs, if any, and from each other, and in such manner that all materials and equipment furnished to the Governmental Agency may be readily itemized.

(K) Any change or changes in a construction contract will be promptly submitted to the Authority and any required state or federal agencies.

(L) The Construction, including the letting of contracts in connection therewith, will conform in all respects to applicable requirements of federal, state and local laws, ordinances, rules and regulations.

(M) The Governmental Agency will proceed expeditiously with and complete the Project in accordance with the approved surveys, plans, specifications, and designs or amendments thereto, prepared by the Engineers for the Governmental Agency and approved by state and federal agencies.

(N) If requested, the Governmental Agency will erect at the Project sites, signs satisfactory to the Authority noting the participation of the Authority in the financing of the Project.

(O) Except as otherwise provided in this Assistance Agreement, the Governmental Agency shall have the sole and exclusive charge of all details of the Construction.

(P) The Governmental Agency shall keep complete and accurate records of the costs of acquiring the Project sites and the costs of Construction. The Governmental Agency shall permit the duly authorized representatives of the Authority and any Kentucky or federal agencies to inspect all books, documents, papers and records relating to the Project at any and all reasonable times for the purpose of audit and examination. The Governmental Agency shall submit to the Authority such documents and information as such may reasonably require in connection with the administration of any federal or state assistance.

(Q) The Governmental Agency shall require that each construction contractor or contractors furnish a performance and a payment bond in an amount at least equal to one hundred percent (100%) of the contract price or the portion of the Project covered by the particular contract as security for the faithful performance of such contract.

(R) The Governmental Agency shall require that each of its contractors and all subcontractors maintain during the life of the construction contract, worker's compensation insurance, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority. Until the Project is completed and accepted by the Governmental Agency, the contractor shall maintain builders risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the

insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor, and all subcontractors, as their interests may appear.

(S) The Governmental Agency shall provide and maintain competent and adequate resident engineering services covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that Construction conforms to the approved plans, specifications and designs prepared by the Engineers. Such resident engineer shall certify to the Authority, any involved state or federal agencies, and the Governmental Agency at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or, approved amendments thereto.

(T) The Governmental Agency shall demonstrate to the satisfaction of the Authority the legal capability of the Governmental Agency to enact, adopt, levy, charge, collect, enforce and remit to the Authority the Service Charges of the Governmental Agency described in the Schedule of Service Charges attached to and made a part of this Assistance Agreement as **Exhibit C** and submit proof satisfactory to the Authority that the Service Charges are in full force and effect as of the submission of the initial Requisition for Funds.

Section 4.2. Disbursements of Loan Funds; Requisition for Funds.

The Governmental Agency shall submit to the Authority (or the Trustee acting on behalf of the Authority, if so designated) a Requisition for funds prior to the fifth (5th) day of each month (or such other designated period as is acceptable to the Authority), in substantially the same form as that attached to this Assistance Agreement as **Exhibit B** and made a part hereof, accompanied by, to the extent requested by the Authority, the following documentation:

(A) A full and complete accounting of the costs of the Project to be obligated by contract or otherwise during the month in question, or already obligated and not included in any previous accounting.

(B) A full and complete accounting of any costs of the Project paid by the Governmental Agency from its own funds with the approval of the Authority and not included in any previous accounting for which it seeks reimbursement.

(C) A full and complete accounting of any costs of the Project paid or requisitioned under any other financing, loan, bond, grant or similar agreement or paid from its own funds for which it does not seek reimbursement and which have not been identified in any previous requisition form.

(D) The contractor's estimate of work performed during the preceding month pursuant to construction contracts for the Project and payment due thereunder, together with the Engineer's and Governmental Agency's approval thereof for disbursement by the Authority.

Upon the Authority's receipt of the Requisition for Funds and such additional documentation as it may require, the Authority may direct the Trustee to remit the amount requested to the Governmental Agency as a draw upon the Loan. If directed by the Authority, the

Governmental Agency shall establish, with the Trustee, an electric fund transfer system, which may be an ACH Payment Method.

The Authority may disburse proceeds of the Loan directly to the Governmental Agency. The Governmental Agency, if so directed by the Authority, shall establish itself as a vendor under the eMars system of the Commonwealth of Kentucky.

ARTICLE V
CERTAIN COVENANTS OF THE GOVERNMENTAL AGENCY;
PAYMENTS TO BE MADE BY GOVERNMENTAL AGENCY TO THE AUTHORITY

Section 5.1. Imposition of Service Charges.

The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Assistance Agreement, pursuant to which the Loan is to be made by the Authority to the Governmental Agency as specified herein and in the Act and the Indenture. The Governmental Agency hereby further irrevocably covenants and agrees that it already has, or will, to the extent necessary, immediately impose Service Charges upon all persons, firms and entities to whom or which services are provided by the System; such Service Charges to be no less than as set forth in **Exhibit C** annexed hereto. If so required, the Service Charges shall be in addition to all other rates, rentals and service charges of a similar nature of the Governmental Agency now or hereafter authorized by law, and now or hereafter being levied and collected by the Governmental Agency and shall be levied and collected solely for the purpose of repaying the Loan.

Section 5.2. Governmental Agency's Obligation to Repay Loan.

The obligation of the Governmental Agency to repay the Loan from the Service Charges shall not be revocable, and in the event that services supplied by the Project shall cease, or be suspended for any reason, the Governmental Agency shall continue to be obligated to repay the Loan from the Services Charges. In the event the Governmental Agency defaults in the payment of the Loan to the Authority, the amount of such default shall bear interest at the per annum rate of interest equal to the Default Rate set forth in the Loan Term Schedule, from the date of the default until the date of the payment thereof.

Section 5.3. Covenant to Adjust Service Charges.

In the event, for any reason, the Schedule of Service Charges shall prove to be insufficient to (i) provide for the required coverage of all debt service payments on obligations payable from the revenues of the System as set forth in Section 5.4 hereof, (ii) provide for the operation of the System as required under this Assistance Agreement, and (iii) make the required deposits to the Maintenance and Replacement Reserve; the Governmental Agency hereby covenants and agrees that it will, upon notice by the Authority, to the full extent authorized by law, both federal and Kentucky, immediately adjust and increase such Schedule of Service Charges or immediately commence proceedings for a rate adjustment and increase with all applicable regulatory authorities so as to provide funds sufficient to pay the debt service requirements set forth in the Schedule of Payments and the Authority's Administrative Fee, to provide for the operation of the System as

required under this Assistance Agreement, and to make required deposits to the Maintenance and Replacement Reserve.

Section 5.4. Adequacy of Service Charges.

The Service Charges herein covenanted to be imposed by the Governmental Agency shall be fixed at such rate or rates (and it is represented that the Schedule set forth in **Exhibit C** hereto so qualifies) as shall be at least adequate to provide revenues equal to the sum of (i) 110% of the debt service coming due during each fiscal year on this Loan and all other obligations secured and payable from the revenues of the System, in each case computed as of the beginning of such fiscal year (except to the extent the Governmental Agency has by binding ordinance or resolution committed reserves to the payment of such debt service), (ii) the amounts required to provide for the operation of the System during each fiscal year as required under this Assistance Agreement, and (iii) the amounts to be deposited hereunder to the Maintenance and Replacement Reserve in each fiscal year.

The Service Charges imposed by the Governmental Agency shall be paid by the users of the System, both existing and new users, and accordingly the Project. The Governmental Agency shall deliver to the Authority, on or before each Loan Payment Date, a report of all collections and any delinquencies.

Section 5.5. Covenant to Establish Maintenance and Replacement Reserve.

The Governmental Agency shall establish a special account identified as a "Maintenance and Replacement Reserve". The Governmental Agency shall deposit into the Maintenance and Replacement Reserve an amount equal to the amount set forth in the Project Specifics at the times set forth in the Project Specifics. Funds in the Maintenance and Replacement Reserve may be used for extraordinary maintenance expenses related to the System or for the unbudgeted costs of replacing worn or obsolete portions of the System, subject to approval of the Authority.

Section 5.6. Reports; Inspection.

The Governmental Agency hereby irrevocably covenants and agrees with the Authority:

(A) That it will furnish to the Authority and the Cabinet not less than annually reports of the operations and income and revenues of the System and will permit authorized agents of the Authority to inspect all records, accounts and data of the System at all reasonable times.

(B) That it will collect, account for and promptly remit to the Authority those specific revenues, funds, income and proceeds derived from the revenues of the System incident to this Assistance Agreement.

(C) That it will notify the Authority in writing of its intention to issue bonds or notes payable from the revenues of the System not less than thirty (30) days prior to the sale of said obligations.

Section 5.7. Segregation of Funds.

The Governmental Agency shall at all times account for the income and revenues of the System and distinguish same from all other revenues, moneys and funds of the Governmental Agency, if any.

Section 5.8. Mandatory Sewer Connection.

The Governmental Agency hereby irrevocably covenants and agrees with the Authority that it will, to the maximum extent permitted by Kentucky law, and by means of ordinance, resolution or other appropriate legislative order or action, mandatorily require the connection to and use of the sanitary sewers constituting the System by all persons owning, renting or occupying premises that generate pollutants where such sanitary sewers are reasonably available to such premises and to exhaust, at the expense of the Governmental Agency, all remedies for the collection of Service Charges, including, either directly or indirectly, pursuant to authority granted by Sections 96.930 to 96.943, inclusive, of the Kentucky Revised Statutes, and the Act, causing termination of water services to any premises where the bill for sewer services is delinquent and foreclosure and decretal sale in respect of improvement benefit assessments which are delinquent.

Section 5.9. Reserved.

**ARTICLE VI
OTHER COVENANTS OF THE GOVERNMENTAL AGENCY**

Section 6.1. Further Assurance.

At any time and all times the Governmental Agency shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, assets and revenues herein pledged or assigned, or intended so to be, or which the Governmental Agency may hereafter become bound to pledge or assign.

Section 6.2. Completion of Project.

The Governmental Agency hereby covenants and agrees to proceed expeditiously with and promptly complete the Project in accordance with the plans, designs and specifications prepared by the Engineers for the Governmental Agency.

Section 6.3. Establishment of Completion Date.

The completion date for the Project shall be evidenced to the Authority by a certificate signed by the Engineer and an authorized representative of the Governmental Agency stating that, except for amounts retained by the Authority for costs of the Project not then due and payable, (i) the Construction has been completed and all labor, services, materials, supplies, machinery and equipment used in such Construction have been paid for, (ii) all other facilities necessary in connection with the Project have been acquired, constructed, equipped and installed and all costs and expenses incurred in connection therewith have been paid, and (iii) the Project and all other

facilities in connection therewith have been acquired, constructed, equipped and installed to its satisfaction.

Section 6.4. Commitment to Operate.

The Governmental Agency hereby covenants and agrees to commence operation of the Project immediately on completion of Construction and not to discontinue operations or dispose of such Project without the approval of the Authority.

Section 6.5. Continue to Operate.

The Governmental Agency hereby covenants and agrees to continuously operate and maintain the Project and the System in accordance with applicable provisions of federal and Kentucky law and to maintain adequate records relating to said operation; said records to be made available to the Authority upon its request at all reasonable times.

Section 6.6. Tax Covenant.

In the event the Authority issues Bonds which are intended to be excludable from gross income for federal income tax purposes to provide the funds for the Loan, the Governmental Agency shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure such exclusion and shall take such actions as may be directed by the Authority in order to accomplish the foregoing. The Governmental Agency shall not permit (i) the proceeds of the Loan to be used directly or indirectly in any trade or business, (ii) its payments hereunder to be secured directly or indirectly by property to be used in a trade or business, (iii) any management agreement for the operation of the System, or (iv) any federal guarantee of its obligations hereunder without the prior written consent of the Authority. The Governmental Agency will not acquire or pledge any obligations which would cause the Bonds to be "arbitrage bonds" within the meaning of the Code.

Section 6.7. Accounts and Reports.

The Governmental Agency shall at all times keep, or cause to be kept, proper books of record and account in accordance with the "Uniform System of Accounts" established by the Commonwealth, in which complete and accurate entries shall be made of all its transactions relating to the System and which shall at all reasonable times be subject to the inspection of the Authority.

Section 6.8. Audit Requirements.

Within one hundred eighty (180) days after the end of each fiscal year of the Governmental Agency, the Governmental Agency shall provide to the Authority, itemized financial statements of income and expense and a balance sheet in reasonable detail, including disclosure of the Maintenance and Replacement Reserve, certified as accurate by a firm of independent certified public accountants or the Auditor of Public Accounts of the Commonwealth. All financial information must be satisfactory to the Authority as to form and content and be prepared in accordance with generally accepted accounting principles on a basis consistent with prior practice unless specifically noted thereon. With such financial statements, the Governmental Agency shall

furnish to the Authority a certificate stating that, to the best knowledge of the authorized representative signing such certificate, no default under this Assistance Agreement exists on the date of such certificate, or if any such default shall then exist, describing such default with specificity.

Section 6.9. General Compliance With All Duties.

The Governmental Agency shall faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the Commonwealth, and by the terms and provisions of the Act and this Assistance Agreement and any other Debt Obligations.

Section 6.10. System Not to Be Disposed Of.

The Governmental Agency covenants and agrees that, until satisfaction in full of its obligations hereunder, it will not, without the prior written consent of the Authority, which consent shall not be unreasonably withheld, sell, mortgage, or in any manner dispose of, or surrender control or otherwise dispose of any of the facilities of the System or any part thereof (except that the Governmental Agency may retire obsolete and worn out facilities, and sell same, if appropriate).

Section 6.11. General.

The Governmental Agency shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Governmental Agency under the provisions of the Act and this Assistance Agreement in accordance with the terms of such provisions including the Additional Covenants and Agreements, if any, set forth in **Exhibit G** hereto.

**ARTICLE VII
MAINTENANCE, OPERATION, INSURANCE AND CONDEMNATION**

Section 7.1. Maintain System.

The Governmental Agency agrees that during the entire term of this Assistance Agreement, it will keep the Project, including all appurtenances thereto, and the equipment and machinery therein, in good and sound repair and good operating condition at its own cost so that the completed Project will continue to provide the services for which the System is designed.

Section 7.2. Additions and Improvements.

The Governmental Agency shall have the privilege of making additions, modifications and improvements to the sites of the Project, and to the Project itself from time to time provided that said additions, modifications and improvements do not impair the operation or objectives of the Project. The cost of such additions, modifications and improvements shall be paid by the Governmental Agency, and the same shall be the property of the Governmental Agency and shall be included under the terms of this Assistance Agreement as part of the site of the Project, or the Project, as the case may be. Nothing herein contained shall be construed as precluding the Authority and the Governmental Agency from entering into one or more supplementary Assistance

Agreements providing for an additional Loan or Loans in respect of additional Projects undertaken by the Governmental Agency.

Section 7.3. Compliance with State and Federal Standards.

The Governmental Agency agrees that it will at all times provide operation and maintenance of the System to comply with the water quality standards, if any, established by any state or federal agency. The Governmental Agency agrees that qualified operating personnel properly certified by the Commonwealth will be retained to operate the System during the entire term of this Assistance Agreement.

Section 7.4. Access to Records.

The Governmental Agency agrees that it will permit the Authority and any state or federal agency and their respective agents to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operations thereof.

Section 7.5. Covenant to Insure - Casualty.

The Governmental Agency agrees to insure the System facilities in such amount as like properties are similarly insured by political subdivisions similarly situated, against loss or damage of the kinds usually insured against by political subdivisions similarly situated, by means of policies issued by reputable insurance companies duly qualified to do such business in the Commonwealth.

Section 7.6. Authority as Named Insured.

For so long as any amounts are due and payable under this Assistance Agreement, any insurance policy issued pursuant to Section 7.5 hereof, shall be so written or endorsed as to make losses, if any, payable to the Governmental Agency and the Authority, as their interests may appear.

Section 7.7. Covenant to Insure - Liability.

The Governmental Agency agrees that it will carry public liability insurance with reference to the System with one or more reputable insurance companies duly qualified to do business in the Commonwealth, insuring against such risks (including but not limited to personal injury, death and property damage) and in such amounts as are set forth in the Project Specifics, and naming the Authority as an additional insured.

Section 7.8. Covenant Regarding Worker's Compensation.

Throughout the entire term of this Assistance Agreement, the Governmental Agency shall maintain worker's compensation coverage, or cause the same to be maintained.

Section 7.9. Application of Casualty Insurance Proceeds.

If, prior to the completion of the term of this Assistance Agreement, the Project shall be damaged or partially or totally destroyed by fire, windstorm or other casualty, there shall be no abatement or reduction in the amount payable by the Governmental Agency pursuant to the terms of this Assistance Agreement and the Governmental Agency will (1) promptly repair, rebuild or restore the Project damaged or destroyed and (2) apply for such purpose so much as may be necessary of any net proceeds of insurance resulting from claims for such losses, as well as any additional moneys of the Governmental Agency necessary therefor. All net proceeds of insurance resulting from claims for such losses shall be paid to the Governmental Agency and shall be promptly applied as herein provided.

Section 7.10. Eminent Domain.

In the event that title to, or the temporary use of, the Project or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority, there shall be no abatement or reduction in the minimum amounts payable by the Governmental Agency to the Authority pursuant to the terms of this Assistance Agreement, and any and all net proceeds received from any award made in such eminent domain proceedings shall be paid to and held by the Governmental Agency in a separate condemnation award account and shall be applied by the Governmental Agency in either or both of the following ways, as shall be determined by the Governmental Agency in its sole discretion:

(A) The restoration of the improvements located on the Project sites to substantially the same condition as prior to the exercise of said power of eminent domain; or

(B) The acquisition of additional property, if necessary, and the acquisition of additional facilities by construction or otherwise, equivalent to the Project facilities, which property and facilities shall be deemed to be a part of the Project sites and a part of the Project facilities and to be substituted for Project facilities so taken by eminent domain, without the payment of any amount other than herein provided, to the same extent as if such property and facilities were specifically described herein.

Any balance of the net proceeds of the award in such eminent domain proceedings after the carrying out of the mandatory proceedings stipulated in (A) and (B) of this Section 7.10, shall be paid to the Governmental Agency upon delivery to the Authority of a certificate signed by an authorized officer of the Governmental Agency to the effect that the Governmental Agency has complied with either subparagraph (A) or (B), or both, of this Section, and written approval of such certificate by an authorized officer of the Authority. In no event will the Governmental Agency voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the written consent of the Authority.

Section 7.11. Flood Insurance.

For so long as any amounts are due and payable under this Assistance Agreement, all structures located in flood prone areas shall be covered by flood insurance carried by the Governmental Agency for an amount equal to the replacement cost excluding the cost of land and

any uninsurable improvements, or for the maximum limit available under the National Flood Insurance Act of 1968, as amended, whichever is less.

ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined.

The following will be "Events of Default" under this Assistance Agreement and the term "Event of Default" or "Default" will mean, whenever it is used in this Assistance Agreement, any one or more of the following events:

(A) Failure by the Governmental Agency to pay any payments at the times specified herein.

(B) Failure by the Governmental Agency to observe or perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsection (A) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied will have been given to the Governmental Agency by the Authority unless the Authority agrees in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Authority will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Governmental Agency within the applicable period and diligently pursued until such failure is corrected.

(C) The dissolution or liquidation of the Governmental Agency, or the voluntary initiation by the Governmental Agency of any proceeding under any federal or Kentucky law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the Governmental Agency of any such proceeding which remain undismissed for sixty (60) days, or the entry by the Governmental Agency into an agreement of composition with creditors or the failure generally by the Governmental Agency to pay its debts as they become due.

(D) A default by the Governmental Agency under the provisions of any agreements relating to its Debt Obligations.

Section 8.2. Remedies on Default.

Whenever any Event of Default referred to in Section 8.1 has occurred and is continuing (other than an event of default arising under Section 6.12 of this Assistance Agreement), the Authority may, without any further demand or notice, take one or any combination of the following remedial steps:

(A) Declare the principal of and interest on the Loan, and all other payments due hereunder, to be immediately due and payable.

(B) Exercise all the rights and remedies of the Authority set forth in the Act.

(C) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Assistance Agreement.

Section 8.3. Appointment of Receiver.

Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Authority under this Assistance Agreement, the Authority shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the System and all receipts therefrom, pending such proceedings, with such power as the court making such appointment shall confer, provided, however, that the Authority may, with or without action under this Section, pursue any available remedy to enforce the payment obligations hereunder, or to remedy any Event of Default.

Section 8.4. No Remedy Exclusive.

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

Section 8.5. Consent to Powers of Authority Under Act.

The Governmental Agency hereby acknowledges to the Authority its understanding of the provisions of the Act, vesting in the Authority certain powers, rights and privileges in respect of the Project upon the occurrence of an Event of Default, and the Governmental Agency hereby covenants and agrees that if the Authority should in the future have recourse to said rights and powers, the Governmental Agency shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Assistance Agreement.

Section 8.6. Waivers.

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

Section 8.7. Agreement to Pay Attorneys' Fees and Expenses.

In the event that either party hereto defaults under any of the provisions hereof and the non-defaulting party employs attorneys or incurs other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will pay on demand therefor to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party.

**ARTICLE IX
MISCELLANEOUS PROVISIONS**

Section 9.1. Approval not to be Unreasonably Withheld.

Any approval of the Authority required by this Assistance Agreement shall not be unreasonably withheld and shall be deemed to have been given on the thirtieth (30th) day following the submission of any matter requiring approval to the Authority, unless disapproved in writing prior to such thirtieth (30th) day. Any provision of this Assistance Agreement requiring the approval of the Authority or the satisfaction or the evidence of satisfaction of the Authority shall be interpreted as requiring action by an authorized officer of the Authority granting, authorizing or expressing such approval or satisfaction, as the case may be, unless such provision expressly provides otherwise.

Section 9.2. Approval.

This Agreement is made subject to, and conditioned upon, the approval of this Assistance Agreement by the Secretary of the Finance and Administration Cabinet.

Section 9.3. Effective Date.

This Assistance Agreement shall become effective on the Effective Date and shall continue in full force and effect until the date the obligations of the Governmental Agency pursuant to the provisions of this Assistance Agreement have been fully satisfied.

Section 9.4. Binding Effect.

This Assistance Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and to any person, officer, board, department, agency, municipal corporation, or body politic and corporate succeeding by operation of law to the powers and duties of either of the parties hereto. This Assistance Agreement shall not be revocable by either of the parties, without the written consent of the other party.

Section 9.5. Severability.

In the event that any provision of this Assistance Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 9.6. Assignability.

The rights of the Authority under this Assistance Agreement shall be assignable by the Authority without the consent of the Governmental Agency, but none of the rights, duties or obligations of the Governmental Agency under this Assistance Agreement shall be assignable by the Governmental Agency without the prior written consent of the Authority.

Section 9.7. Execution in Counterparts.

This Assistance Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 9.8. Applicable Law.

This Assistance Agreement will be governed by and construed in accordance with the laws of the Commonwealth.

Section 9.9. Captions.

The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Assistance Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Assistance Agreement to be executed by their respective duly authorized officers as of the Effective Date.

The Effective Date of this Assistance Agreement is 12-20-19.

KENTUCKY INFRASTRUCTURE
AUTHORITY

By: Donna McNeil
Executive Director

ATTEST:

By: Margaret J. Link
Title: SECRETARY

GOVERNMENTAL AGENCY:
MARION COUNTY WATER DISTRICT

By: Jeff Ruston
Chairperson

ATTEST:

By: Ernest Thomas
Secretary of Governmental Agency

APPROVED:

By: Dee D. Johnson
Secretary Finance and Administration
Cabinet of the Commonwealth of Kentucky

EXAMINED:

By: Regina Hays
Legal Counsel to the by cwt
Kentucky Infrastructure Authority

APPROVED AS TO FORM AND
LEGALITY:

By: Patrick M. De
Approved, Finance and
Administration Cabinet

EXHIBIT A
MARION COUNTY WATER DISTRICT
PROJECT SPECIFICS
B18-010

GOVERNMENTAL AGENCY:

Name: Marion County Water District
PO Box 528
Lebanon, KY 40033

Contact Person: Jeff Preston
Chairperson

SYSTEM: Infrastructure

PROJECT:

The proposed project consists of the installation of approximately 27,800 LF of 4-inch PVC waterline and appurtenances replacing existing undersized and aging lines along McElroy Pike and KY Hwy 289 in Marion County. The proposed project will upgrade and/or replace various aging, undersized, and inadequate infrastructure components throughout the distribution system. The improvements will ensure that the system can meet the demands of existing and future customers in a safe and efficient manner. 75 underserved households will see improved service, with the system better equipped to provide a safe and reliable supply of portable water.

PROJECT BUDGET:

	<u>Total</u>
Administrative Expenses	\$ 10,000
Legal Expenses	5,000
Engineering Fees - Design	69,000
Engineering Fees - Inspection	46,000
Engineering Fees - Other	10,000
Construction	736,000
Contingency	74,000
Total	\$ 950,000

FUNDING SOURCES:

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$ 950,000	100%
Total	\$ 950,000	100%

KIA DEBT SERVICE:

Construction Loan	\$ 950,000
Less: Principal Forgiveness	0
Amortized Loan Amount	<u>\$ 950,000</u>
Interest Rate	1.75%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 56,502
Administrative Fee (0.20%)	1,900
Total Estimated Annual Debt Service	\$ 58,402

AMORTIZATION COMMENCEMENT DATE: June 1 and December 1

Interest payments will commence within six months from first draw of funds (estimated 06/01/20).

Full principal and interest payments will commence within one year of initiation of operation (estimated 06/01/21). All interest and principal repayments shall be made by Automated Clearing House "ACH" transfers.

REPLACEMENT RESERVE ACCOUNT:	\$ 2,400 ANNUAL AMOUNT
	\$ 48,000 TOTAL AMOUNT

The annual replacement cost is 5% (\$48,000) of the final amount borrowed (prior to principal forgiveness, if any) to be funded annually (\$2,400) each December 1 over 20 years and maintained for the life of the loan.

ADMINISTRATIVE FEE: 0.20%

DEFAULT RATE: 8.00%

DEBT OBLIGATIONS CURRENTLY OUTSTANDING:

	<u>Outstanding</u>	<u>Maturity</u>
KIA Loan B12-06	\$ 489,639	2034
Citizens National Bank Loan	688,198	2030
Water Revenue 2009 Series	1,336,000	2050
Total	\$ 2,513,837	

LIABILITY INSURANCE COVERAGE:

Death or Personal Injury (per person)	<u>\$ 3,000,000</u>
Death or Personal Injury (per occurrence)(Aggregate)	<u>\$ 5,000,000</u>
Property Damage on System	<u>\$15,000,000</u>

EXHIBIT B

REQUEST FOR PAYMENT AND PROJECT STATUS REPORT

Borrower: _____

WX/SX Number: _____

KIA Loan # _____

Draw Number _____

Date: _____

The above identified Governmental Agency has entered into an Assistance Agreement with the Kentucky Infrastructure Authority (the "Authority") for the acquisition and construction of facilities described in the Assistance Agreement as the "Project."

Pursuant to the Assistance Agreement, we hereby certify that we have incurred the following expenses in connection with the Project and that the Authority's funding share of these expenses is in the amount so denoted in this request.

Documentation supporting the expenses incurred and identified per this request are attached.

Funds Requested: _____

Project Budget and Expenses

Line Item	Cost	Expenses This Request	Expenses to Date	Project Budget	Balance
1	Administrative				
2	Legal				
3	Land, Appraisals, Easements				
4	Relocation Expense				
5	Planning				
6	Engineering Fees – Design				
7	Engineering Fees - Construction				
8	Engineering Fees – Inspection				
9	Construction				
10	Equipment				
11	Contingency				
12	Other				
	TOTAL				

If expenses to date exceed project budget a revised budget must be submitted to and approved by the Authority before funds will be released.

Project Funding

Funding Agency	Expenses This Request	Expenses to Date	Project Budget	Balance
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
	TOTAL			

We certify that the expenses in this draw request were incurred pursuant to local procurement policies which conform to KRS 45A.

Borrower Signature: _____

Project Administrator: _____

Draw # _____

STATUS REPORT:
PROJECT IS:

On schedule _____
Ahead of schedule _____
Behind schedule _____
If ahead or behind, please explain _____

PROJECT EXPENSES THIS DRAW REQUEST
(Include Invoices for Expenses Listed Below)

<u>Line Item</u>	<u>Draw #</u>	<u>Vender</u>	<u>Amount</u>
------------------	---------------	---------------	---------------

**CERTIFICATE OF CONSULTING ENGINEERS AS TO
PAYMENT REQUEST**

The undersigned, a duly qualified and licensed Engineer hereby certifies that he or she represents the Governmental Agency submitting this request in connection with the "Eligible Project" and that all expenses represented in this request were duly incurred for the Construction of the "Project," that the Authority's funding share of these expenses is accurately represented and that such expenses have not been the subject of any request for disbursement previously submitted.

Engineer/Architect

Firm Name

EXHIBIT C

SCHEDULE OF SERVICE CHARGES

(See Attached)

FOR ALL AREAS SERVED

P.S.C. KY. NO. 3

3rd Revised SHEET NO. 1

CANCELLING F.S.C. KY. NO. 3

2nd Revised SHEET NO. 1

Marion County Water District
(Name of Utility)

RATES & CHARGES

	RATE PER UNIT
Customer Charge, minimum bill	
5/8 Inch x 3/4 Inch Meter	\$7.45
1 Inch Meter	\$16.20
2 Inch Meter	\$25.68
3 Inch Meter	\$40.73
4 Inch Meter	\$64.60
6 Inch Meter	\$162.59
Water Charge	
All Usage, Per 1,000 Gallons	\$6.57 (1)
Meter Connections	
5/8 Inch x 3/4 Inch Meter	\$865.00
All Larger Meters	Actual Cost
Fire Hydrants (Non-Metered 6 Inch Connect), per month	\$7.50

DATE OF ISSUE October 16, 2019
Month / Date / Year

DATE EFFECTIVE November 15, 2019
Month / Date / Year

ISSUED BY *Jeff Puster*
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2019-00384 DATED November 7, 2019

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director
<i>Gwen R. Pinson</i>
EFFECTIVE 11/15/2019 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

EXHIBIT D

RESOLUTION

A RESOLUTION APPROVING AND AUTHORIZING AN ASSISTANCE AGREEMENT BETWEEN THE MARION COUNTY WATER DISTRICT AND THE KENTUCKY INFRASTRUCTURE AUTHORITY TO PROVIDE UP TO \$950,000 OF LOAN FUNDS FOR WASTEWATER SYSTEM IMPROVEMENTS.

WHEREAS, the Board of Commissioners (“Governing Authority”) of the Marion County Water District, (“Governmental Agency”) has previously determined that it is in the public interest to acquire and construct certain facilities and improvements (the “Project”) to the Governmental Agency’s water system (the “System”);

WHEREAS, the Governmental Agency has made application to the Kentucky Infrastructure Authority (the “Authority”) for the purpose of providing monies to construct the Project; and

WHEREAS, in order to obtain such monies, the Governmental Agency is required to enter into an Assistance Agreement with the Authority;

NOW, THEREFORE, IT IS RESOLVED by the Marion County Water District, as follows:

SECTION 1. That the Governing Authority hereby approves and authorizes the Assistance Agreement between the Governmental Agency and the Authority regarding Project Number B18-010 substantially in the form on file with the Governmental Agency to provide the necessary financing to the Governmental Agency for the Project.

SECTION 2. That the Chairperson and Secretary of the Governmental Agency be and hereby are authorized, directed and empowered to execute necessary documents or agreements, and to otherwise act on behalf of the Governmental Agency to effect such financing.

SECTION 3. That this resolution shall take effect at the earliest time provided by law.

ADOPTED on December 10, 2019.

GOVERNMENTAL AGENCY:
MARION COUNTY WATER DISTRICT

By: _____
Chairperson

ATTEST:

By: _____
Secretary of Governmental Agency

CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Marion County Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the City Commission of said City at a meeting duly held on December 10, 2019; that said official action appears as a matter of public record in the official records or journal of the governing authority; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.823; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this December 10, 2019.

Secretary of Governmental Agency

RESOLUTION

A RESOLUTION APPROVING AND AUTHORIZING AN ASSISTANCE AGREEMENT BETWEEN THE MARION COUNTY WATER DISTRICT AND THE KENTUCKY INFRASTRUCTURE AUTHORITY TO PROVIDE UP TO \$950,000 OF LOAN FUNDS FOR DRINKING WATER SYSTEM IMPROVEMENTS.

WHEREAS, the Board of Commissioners (“Governing Authority”) of the Marion County Water District, (“Governmental Agency”) has previously determined that it is in the public interest to acquire and construct certain facilities and improvements (the “Project”) to the Governmental Agency’s water system (the “System”);

WHEREAS, the Governmental Agency has made application to the Kentucky Infrastructure Authority (the “Authority”) for the purpose of providing monies to construct the Project; and

WHEREAS, in order to obtain such monies, the Governmental Agency is required to enter into an Assistance Agreement with the Authority;

NOW, THEREFORE, IT IS RESOLVED by the Marion County Water District, as follows:

SECTION 1. That the Governing Authority hereby approves and authorizes the Assistance Agreement between the Governmental Agency and the Authority regarding Project Number B18-010 substantially in the form on file with the Governmental Agency to provide the necessary financing to the Governmental Agency for the Project.

SECTION 2. That the Chairperson and Secretary of the Governmental Agency be and hereby are authorized, directed and empowered to execute necessary documents or agreements, and to otherwise act on behalf of the Governmental Agency to effect such financing.

SECTION 3. That this resolution shall take effect at the earliest time provided by law.

ADOPTED on December 10, 2019.

GOVERNMENTAL AGENCY:
MARION COUNTY WATER DISTRICT

By: Jeff Ruston
Chairperson

ATTEST:

By: Everett Thomas
Secretary of Governmental Agency

CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Marion County Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the City Commission of said City at a meeting duly held on December 10, 2019; that said official action appears as a matter of public record in the official records or journal of the governing authority; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.823; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this December 10, 2019.



Secretary of Governmental Agency

EXHIBIT E

OPINION OF COUNSEL

[Letterhead of Counsel to Governmental Agency]

December 10, 2019

Kentucky Infrastructure Authority
100 Airport Road, Third Floor
Frankfort, Kentucky 40601

Re: Assistance Agreement by and between Kentucky Infrastructure Authority and the Marion County Water District, regarding Project Number: B18-010.

Ladies and Gentlemen:

The undersigned is an attorney at law duly admitted to the practice of law in the Commonwealth of Kentucky and is legal counsel to the Marion County Water District (the "Governmental Agency"). I am familiar with the organization and existence of the Governmental Agency and the laws of the Commonwealth applicable thereto. Additionally, I am familiar with the infrastructure project (the "Project") with respect to which the Assistance Agreement by and between the Kentucky Infrastructure Authority ("Authority") and the Governmental Agency is being authorized, executed and delivered.

I have reviewed the form of Assistance Agreement by and between the Authority and the Governmental Agency, the ordinance of the governing authority authorizing the execution and delivery of said Assistance Agreement and the plans, designs and specifications prepared by the Engineers for the Governmental Agency with respect to the Project.

Based upon my review I am of the opinion that:

1) The Governmental Agency is a duly organized and existing municipal corporation and political subdivision of the Commonwealth of Kentucky validly existing under the Constitution and statutes of the Commonwealth of Kentucky.

2) The Assistance Agreement has been duly executed and delivered by the Governmental Agency and is a valid and binding obligation of the Governmental Agency enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by equitable principles and by bankruptcy, reorganization, moratorium, insolvency or similar laws heretofore or hereafter enacted relating to or affecting the enforcement of creditors' rights or remedies generally.

3) The Governmental Agency has all necessary power and authority (i) to enter into, perform and consummate all transactions contemplated by the Assistance Agreement, and (ii) to execute and deliver the documents and instruments to be executed and delivered by it in connection with the construction of the Project.

4) The Service Charges, as defined in the Assistance Agreement, are in full force and effect and have been duly and lawfully adopted by the Governmental Agency.

5) The execution and delivery of the Assistance Agreement and the performance by the Governmental Agency of its obligations thereunder does not and will not conflict with, violate or constitute a default under any court or administrative order, decree or ruling, or any law, statute, ordinance or regulation, or any agreement, indenture, mortgage, lease, note or other obligation or instrument, binding upon the Governmental Agency, or any of its properties or assets. The Governmental Agency has obtained each and every authorization, consent, permit, approval or license of, or filing or registration with, any court or governmental department, commission, board, bureau, agency or instrumentality, or any specifically granted exemption from any of the foregoing, that is necessary to the valid execution, delivery or performance by the Governmental Agency of the Assistance Agreement and the imposition of the Service Charges.

6) To the best of my knowledge after due inquiry there is no action, suit, proceedings or investigation at law or in equity before any court, public board or body pending or threatened against, affecting or questioning (i) the valid existence of the Governmental Agency, (ii) the right or title of the members and officers of the Governmental Agency to their respective positions, (iii) the authorization, execution, delivery or enforceability of the Assistance Agreement or the application of any monies or security therefor, (iv) the construction of the Project, (v) the validity or enforceability of the Service Charges or (vi) that would have a material adverse impact on the ability of the Governmental Agency to perform its obligations under the Assistance Agreement.

7) None of the proceedings or authority heretofore taken by the Governmental Agency for the authorization, execution or delivery of the Assistance Agreement have been repealed, rescinded, or revoked.

8) All proceedings and actions of the Governmental Agency with respect to which the Assistance Agreement is to be delivered were taken at meetings properly convened and held in substantial compliance with the applicable provisions of Sections 61.805 to 61.850 of the Kentucky Revised Statutes.

Very truly yours,

EXHIBIT F

LOAN TERM SCHEDULE

Principal Amount of Loan:	\$950,000
Loan Interest Rate:	1.75%
Default Interest Rate:	8.00%
Authority's Administrative Fee:	0.20%
Loan Payment Dates:	Each June 1 and December 1
Amortization Commencement Date:	June 1, 2021
Schedule of Payments:	see attached

It is understood and agreed by the parties to this Assistance Agreement that this Term Loan Schedule (Exhibit F) is an integral part of the Assistance Agreement between the Governmental Agency and the Authority. This Term Loan Schedule may be amended, supplemented or modified by the mutual agreement of the Governmental Agency and the Authority provided that such amendment, supplement or modification shall be in writing and executed by the respective duly authorized officers of the Governmental Agency and the Authority. Upon the execution and delivery of any amended, supplemented or modified Term Loan Schedule, the Assistance Agreement and the Term Loan Schedule shall be, and be deemed to be, amended, supplemented and modified in accordance therewith, and the respective rights, duties and obligations under the Assistance Agreement of the Governmental Agency and the Authority shall thereafter be determined, exercised and enforced under the Assistance Agreement subject in all respects to such amendments, supplements and modifications.

KENTUCKY INFRASTRUCTURE AUTHORITY
 REPAYMENT SCHEDULE
 LOAN #B18-010
 MARION COUNTY WATER DISTRICT
 FINAL

1.75% Interest \$28,250.91 P & I Calculation

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$950,000.00		
12/01/20	\$19,938.41	\$8,298.13	1.75%	\$28,236.54	\$690.39	\$0.00	\$28,926.93	\$930,061.59	\$2,400.00	\$2,400.00
06/01/21	\$20,112.87	\$8,138.04	1.75%	\$28,250.91	\$930.06	\$0.00	\$29,180.97	\$909,948.72	\$0.00	\$2,400.00
12/01/21	\$20,288.86	\$7,962.05	1.75%	\$28,250.91	\$909.95	\$0.00	\$29,160.86	\$889,659.86	\$2,400.00	\$4,800.00
06/01/22	\$20,466.39	\$7,784.52	1.75%	\$28,250.91	\$889.66	\$0.00	\$29,140.57	\$869,193.47	\$0.00	\$4,800.00
12/01/22	\$20,645.47	\$7,605.44	1.75%	\$28,250.91	\$869.19	\$0.00	\$29,120.10	\$848,548.00	\$2,400.00	\$7,200.00
06/01/23	\$20,826.11	\$7,424.80	1.75%	\$28,250.91	\$848.55	\$0.00	\$29,099.46	\$827,721.89	\$0.00	\$7,200.00
12/01/23	\$21,008.34	\$7,242.57	1.75%	\$28,250.91	\$827.72	\$0.00	\$29,078.63	\$806,713.55	\$2,400.00	\$9,600.00
06/01/24	\$21,192.17	\$7,058.74	1.75%	\$28,250.91	\$806.71	\$0.00	\$29,057.62	\$785,521.38	\$0.00	\$9,600.00
12/01/24	\$21,377.60	\$6,873.31	1.75%	\$28,250.91	\$785.52	\$0.00	\$29,036.43	\$764,143.78	\$2,400.00	\$12,000.00
06/01/25	\$21,564.65	\$6,686.26	1.75%	\$28,250.91	\$764.14	\$0.00	\$29,015.05	\$742,579.13	\$0.00	\$12,000.00
12/01/25	\$21,753.34	\$6,497.57	1.75%	\$28,250.91	\$742.58	\$0.00	\$28,993.49	\$720,825.79	\$2,400.00	\$14,400.00
06/01/26	\$21,943.68	\$6,307.23	1.75%	\$28,250.91	\$720.83	\$0.00	\$28,971.74	\$698,882.11	\$0.00	\$14,400.00
12/01/26	\$22,135.69	\$6,115.22	1.75%	\$28,250.91	\$698.88	\$0.00	\$28,949.79	\$676,746.42	\$2,400.00	\$16,800.00
06/01/27	\$22,329.38	\$5,921.53	1.75%	\$28,250.91	\$676.75	\$0.00	\$28,927.66	\$654,417.04	\$0.00	\$16,800.00
12/01/27	\$22,524.76	\$5,726.15	1.75%	\$28,250.91	\$654.42	\$0.00	\$28,905.33	\$631,892.28	\$2,400.00	\$19,200.00
06/01/28	\$22,721.85	\$5,529.06	1.75%	\$28,250.91	\$631.89	\$0.00	\$28,882.80	\$609,170.43	\$0.00	\$19,200.00
12/01/28	\$22,920.67	\$5,330.24	1.75%	\$28,250.91	\$609.17	\$0.00	\$28,860.08	\$586,249.76	\$2,400.00	\$21,600.00
06/01/29	\$23,121.22	\$5,129.69	1.75%	\$28,250.91	\$586.25	\$0.00	\$28,837.16	\$563,128.54	\$0.00	\$21,600.00
12/01/29	\$23,323.54	\$4,927.37	1.75%	\$28,250.91	\$563.13	\$0.00	\$28,814.04	\$539,805.00	\$2,400.00	\$24,000.00
06/01/30	\$23,527.62	\$4,723.29	1.75%	\$28,250.91	\$539.81	\$0.00	\$28,790.72	\$516,277.38	\$0.00	\$24,000.00
12/01/30	\$23,733.48	\$4,517.43	1.75%	\$28,250.91	\$516.28	\$0.00	\$28,767.19	\$492,543.90	\$2,400.00	\$26,400.00
06/01/31	\$23,941.15	\$4,309.76	1.75%	\$28,250.91	\$492.54	\$0.00	\$28,743.45	\$468,602.75	\$0.00	\$26,400.00
12/01/31	\$24,150.64	\$4,100.27	1.75%	\$28,250.91	\$468.60	\$0.00	\$28,719.51	\$444,452.11	\$2,400.00	\$28,800.00
06/01/32	\$24,361.95	\$3,888.96	1.75%	\$28,250.91	\$444.45	\$0.00	\$28,695.36	\$420,090.16	\$0.00	\$28,800.00
12/01/32	\$24,575.12	\$3,675.79	1.75%	\$28,250.91	\$420.09	\$0.00	\$28,671.00	\$395,515.04	\$2,400.00	\$31,200.00
06/01/33	\$24,790.15	\$3,460.76	1.75%	\$28,250.91	\$395.52	\$0.00	\$28,646.43	\$370,724.89	\$0.00	\$31,200.00
12/01/33	\$25,007.07	\$3,243.84	1.75%	\$28,250.91	\$370.72	\$0.00	\$28,621.63	\$345,717.82	\$2,400.00	\$33,600.00
06/01/34	\$25,225.88	\$3,025.03	1.75%	\$28,250.91	\$345.72	\$0.00	\$28,596.63	\$320,491.94	\$0.00	\$33,600.00
12/01/34	\$25,446.61	\$2,804.30	1.75%	\$28,250.91	\$320.49	\$0.00	\$28,571.40	\$295,045.33	\$2,400.00	\$36,000.00
06/01/35	\$25,669.26	\$2,581.65	1.75%	\$28,250.91	\$295.05	\$0.00	\$28,545.96	\$269,376.07	\$0.00	\$36,000.00
12/01/35	\$25,893.87	\$2,357.04	1.75%	\$28,250.91	\$269.38	\$0.00	\$28,520.29	\$243,482.20	\$2,400.00	\$38,400.00
06/01/36	\$26,120.44	\$2,130.47	1.75%	\$28,250.91	\$243.48	\$0.00	\$28,494.39	\$217,361.76	\$0.00	\$38,400.00
12/01/36	\$26,348.99	\$1,901.92	1.75%	\$28,250.91	\$217.36	\$0.00	\$28,468.27	\$191,012.77	\$2,400.00	\$40,800.00
06/01/37	\$26,579.55	\$1,671.36	1.75%	\$28,250.91	\$191.01	\$0.00	\$28,441.92	\$164,433.22	\$0.00	\$40,800.00
12/01/37	\$26,812.12	\$1,438.79	1.75%	\$28,250.91	\$164.43	\$0.00	\$28,415.34	\$137,621.10	\$2,400.00	\$43,200.00
06/01/38	\$27,046.73	\$1,204.18	1.75%	\$28,250.91	\$137.62	\$0.00	\$28,388.53	\$110,574.37	\$0.00	\$43,200.00
12/01/38	\$27,283.38	\$967.53	1.75%	\$28,250.91	\$110.57	\$0.00	\$28,361.48	\$83,290.99	\$2,400.00	\$45,600.00
06/01/39	\$27,522.11	\$728.80	1.75%	\$28,250.91	\$83.29	\$0.00	\$28,334.20	\$55,768.88	\$0.00	\$45,600.00
12/01/39	\$27,762.93	\$487.98	1.75%	\$28,250.91	\$55.77	\$0.00	\$28,306.68	\$28,005.95	\$2,400.00	\$48,000.00
06/01/40	\$28,005.95	\$244.96	1.75%	\$28,250.91	\$28.01	\$0.00	\$28,278.92	\$0.00	\$0.00	\$48,000.00
Totals	\$950,000.00	\$180,022.03		\$1,130,022.03	\$20,315.98	\$0.00	\$1,150,338.01		\$48,000.00	

Created by KIA on 10/21/2020

EXHIBIT G.4

MARION COUNTY WATER DISTRICT
P O BOX 528
LEBANON, KY 40033

CITIZENS NATIONAL BANK
149 W. Main Street
Lebanon, KY 40033

SSN/ID M0000660
Loan Number 77236
Date 04-12-2013
Maturity Date 10-12-2030
Loan Amount \$ 820,000.00
Renewal Of _____
PH# _____

BORROWER'S NAME AND ADDRESS

"I" includes each borrower above, jointly and severally.

LENDER'S NAME AND ADDRESS

"You" means the lender, its successors and assigns.

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of eight hundred twenty thousand and no/100 Dollars \$ 820,000.00

- Single Advance:** I will receive all of this principal sum on 04-12-2013. No additional advances are contemplated under this note.
- Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On _____ I will receive the amount of \$ _____ and future principal advances are contemplated.

Conditions: The conditions for future advances are _____

- Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____.
- Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from 04-12-2013 at the rate of 3.500 % per year until 10-12-2030

Variable Rate: This rate may then change as stated below.

Index Rate: The future rate will be _____ the following index rate: _____

AFT

- No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.
- Frequency and Timing:** The rate on this note may change as often as _____
A change in the interest rate will take effect _____
- Limitations:** During the term of this loan, the applicable annual interest rate will not be more than _____ % or less than _____ %.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

- The amount of each scheduled payment will change.
- The amount of the final payment will change.

ACCRUAL METHOD: Interest will be calculated on a Actual/Actual basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

- on the same fixed or variable rate basis in effect before maturity (as indicated above).
- at a rate equal to _____

LATE CHARGE: If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% of the late amount with a min of \$5.00

ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which are are not included in the principal amount above: \$750.00 CLOSING FEE

PAYMENTS: I agree to pay this note as follows:

On demand, but if no demand is made then 210 monthly payments of \$5,227.69 beginning 05-12-2013. The actual amount of my final payment will depend on my payment record.

ADDITIONAL TERMS:

SECURITY: This note is separately secured by (describe separate document by type and date):

SEE ADDENDUM(S) TO LOAN #77236 ATTACHED HERETO AND MADE A PART HEREOF

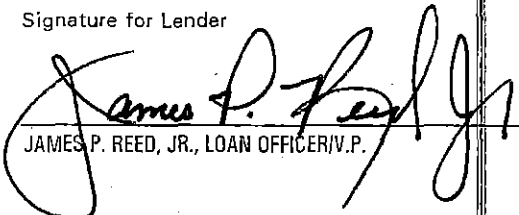
(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

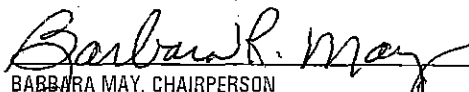

PURPOSE: The purpose of this loan is BUSINESS: REFINANCE THREE BOND ISSUES

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

MARION COUNTY WATER DISTRICT

Signature for Lender


JAMES P. REED, JR., LOAN OFFICER/V.P.


BARBARA MAY, CHAIRPERSON

DONNIE BROWNING, TREASURER

ADDENDUM TO LOAN #77236
(CITIZENS NATIONAL BANK, LEBANON, KY)

COPY

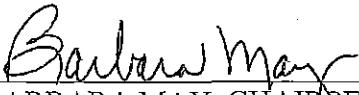
WHEREAS, IT IS RECOGNIZED THERE IS A VALID COVENANTS TO BONDHOLDERS (ATTACHED HERETO), WITH REFERENCE TO WATER SYSTEM REVENUE BOND, SERIES OF 1992A, AND WILL REMAIN VALID AND ALL PROVISIONS CONTAINED WITHIN CARRY FORWARD WITH ONLY CHANGES BEING MADE AS FOLLOWS:

CITIZENS NATIONAL BANK, LEBANON, KY WILL NOW ASSUME THE ROLE OF FmHA AS DEFINED. ALL PROVISIONS OF THE AUTHORIZED COVENANTS OF BONDHOLDERS SHALL CARRY FORWARD WITHOUT AMENDMENTS AND/OR DELETIONS. MARION COUNTY WATER DISTRICT DOES HEREBY EXPLICITLY AGREE AND AFFIRM THAT CITIZENS NATIONAL BANK, LEBANON, KY WILL HAVE ALL SAFEGUARDS THAT WERE PRESENT AND GUARANTEED AT THE ORIGINAL COVENANTS OF BONDHOLDERS.

THIS CHANGE IS BEING PROMULGATED BY MARION COUNTY WATER DISTRICT (THE "DISTRICT") DESIRE TO REFINANCE ORIGINAL BOND ISSUANCE REFERENCED AS WATER SYSTEM REVENUE BOND, SERIES OF 1992A.

AGREED TO:

AGREED TO:

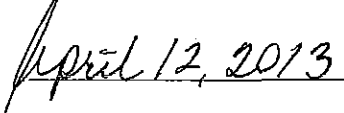


BARBARA MAY, CHAIRPERSON
MARION COUNTY WATER DISTRICT



DONNIE BROWNING, TREASURER
MARION COUNTY WATER DISTRICT

DATED:



April 12, 2013

CNB LOAN PAYABLE

Compound Period : Monthly

Nominal Annual Rate : 3.500 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	12/11/2015	726,050.64	1		
2 Payment	01/12/2016	5,227.69	177	Monthly	09/12/2030
3 Payment	10/12/2030	6,996.61	1		

AMORTIZATION SCHEDULE - Normal Amortization

Date	Payment	Interest	Principal	Balance
Loan 12/11/2015				726,050.64
2015 Totals	0.00	0.00	0.00	
1 01/12/2016	5,227.69	2,187.47	3,040.22	723,010.42
2 02/12/2016	5,227.69	2,108.78	3,118.91	719,891.51
3 03/12/2016	5,227.69	2,099.68	3,128.01	716,763.50
4 04/12/2016	5,227.69	2,090.56	3,137.13	713,626.37
5 05/12/2016	5,227.69	2,081.41	3,146.28	710,480.09
6 06/12/2016	5,227.69	2,072.23	3,155.46	707,324.63
7 07/12/2016	5,227.69	2,063.03	3,164.66	704,159.97
8 08/12/2016	5,227.69	2,053.80	3,173.89	700,986.08
9 09/12/2016	5,227.69	2,044.54	3,183.15	697,802.93
10 10/12/2016	5,227.69	2,035.26	3,192.43	694,610.50
11 11/12/2016	5,227.69	2,025.95	3,201.74	691,408.76
12 12/12/2016	5,227.69	2,016.61	3,211.08	688,197.68
2016 Totals	62,732.28	24,879.32	37,852.96	
13 01/12/2017	5,227.69	2,007.24	3,220.45	684,977.23
14 02/12/2017	5,227.69	1,997.85	3,229.84	681,747.39
15 03/12/2017	5,227.69	1,988.43	3,239.26	678,508.13
16 04/12/2017	5,227.69	1,978.98	3,248.71	675,259.42
17 05/12/2017	5,227.69	1,969.51	3,258.18	672,001.24
18 06/12/2017	5,227.69	1,960.00	3,267.69	668,733.55
19 07/12/2017	5,227.69	1,950.47	3,277.22	665,456.33
20 08/12/2017	5,227.69	1,940.91	3,286.78	662,169.55
21 09/12/2017	5,227.69	1,931.33	3,296.36	658,873.19
22 10/12/2017	5,227.69	1,921.71	3,305.98	655,567.21
23 11/12/2017	5,227.69	1,912.07	3,315.62	652,251.59
24 12/12/2017	5,227.69	1,902.40	3,325.29	648,926.30
2017 Totals	62,732.28	23,460.90	39,271.38	
25 01/12/2018	5,227.69	1,892.70	3,334.99	645,591.31
26 02/12/2018	5,227.69	1,882.97	3,344.72	642,246.59
27 03/12/2018	5,227.69	1,873.22	3,354.47	638,892.12
28 04/12/2018	5,227.69	1,863.44	3,364.25	635,527.87

CNB LOAN PAYABLE

	Date	Payment	Interest	Principal	Balance
	29 05/12/2018	5,227.69	1,853.62	3,374.07	632,153.80
	30 06/12/2018	5,227.69	1,843.78	3,383.91	628,769.89
	31 07/12/2018	5,227.69	1,833.91	3,393.78	625,376.11
	32 08/12/2018	5,227.69	1,824.01	3,403.68	621,972.43
	33 09/12/2018	5,227.69	1,814.09	3,413.60	618,558.83
	34 10/12/2018	5,227.69	1,804.13	3,423.56	615,135.27
	35 11/12/2018	5,227.69	1,794.14	3,433.55	611,701.72
	36 12/12/2018	5,227.69	1,784.13	3,443.56	608,258.16
	2018 Totals	62,732.28	22,064.14	40,668.14	
	37 01/12/2019	5,227.69	1,774.09	3,453.60	604,804.56
	38 02/12/2019	5,227.69	1,764.01	3,463.68	601,340.88
	39 03/12/2019	5,227.69	1,753.91	3,473.78	597,867.10
	40 04/12/2019	5,227.69	1,743.78	3,483.91	594,383.19
	41 05/12/2019	5,227.69	1,733.62	3,494.07	590,889.12
	42 06/12/2019	5,227.69	1,723.43	3,504.26	587,384.86
	43 07/12/2019	5,227.69	1,713.21	3,514.48	583,870.38
	44 08/12/2019	5,227.69	1,702.96	3,524.73	580,345.65
	45 09/12/2019	5,227.69	1,692.67	3,535.02	576,810.63
	46 10/12/2019	5,227.69	1,682.36	3,545.33	573,265.30
	47 11/12/2019	5,227.69	1,672.02	3,555.67	569,709.63
	48 12/12/2019	5,227.69	1,661.65	3,566.04	566,143.59
	2019 Totals	62,732.28	20,617.71	42,114.57	
	49 01/12/2020	5,227.69	1,651.25	3,576.44	562,567.15
	50 02/12/2020	5,227.69	1,640.82	3,586.87	558,980.28
	51 03/12/2020	5,227.69	1,630.36	3,597.33	555,382.95
	52 04/12/2020	5,227.69	1,619.87	3,607.82	551,775.13
	53 05/12/2020	5,227.69	1,609.34	3,618.35	548,156.78
	54 06/12/2020	5,227.69	1,598.79	3,628.90	544,527.88
	55 07/12/2020	5,227.69	1,588.21	3,639.48	540,888.40
	56 08/12/2020	5,227.69	1,577.59	3,650.10	537,238.30
	57 09/12/2020	5,227.69	1,566.95	3,660.74	533,577.56
	58 10/12/2020	5,227.69	1,556.27	3,671.42	529,906.14
	59 11/12/2020	5,227.69	1,545.56	3,682.13	526,224.01
	60 12/12/2020	5,227.69	1,534.82	3,692.87	522,531.14
	2020 Totals	62,732.28	19,119.83	43,612.45	
	61 01/12/2021	5,227.69	1,524.05	3,703.64	518,827.50
	62 02/12/2021	5,227.69	1,513.25	3,714.44	515,113.06
	63 03/12/2021	5,227.69	1,502.41	3,725.28	511,387.78
	64 04/12/2021	5,227.69	1,491.55	3,736.14	507,651.64
	65 05/12/2021	5,227.69	1,480.65	3,747.04	503,904.60
	66 06/12/2021	5,227.69	1,469.72	3,757.97	500,146.63
	67 07/12/2021	5,227.69	1,458.76	3,768.93	496,377.70
	68 08/12/2021	5,227.69	1,447.77	3,779.92	492,597.78
	69 09/12/2021	5,227.69	1,436.74	3,790.95	488,806.83
	70 10/12/2021	5,227.69	1,425.69	3,802.00	485,004.83
	71 11/12/2021	5,227.69	1,414.60	3,813.09	481,191.74

CNB LOAN PAYABLE

Date	Payment	Interest	Principal	Balance
72 12/12/2021	5,227.69	1,403.48	3,824.21	477,367.53
2021 Totals	62,732.28	17,568.67	45,163.61	
73 01/12/2022	5,227.69	1,392.32	3,835.37	473,532.16
74 02/12/2022	5,227.69	1,381.14	3,846.55	469,685.61
75 03/12/2022	5,227.69	1,369.92	3,857.77	465,827.84
76 04/12/2022	5,227.69	1,358.66	3,869.03	461,958.81
77 05/12/2022	5,227.69	1,347.38	3,880.31	458,078.50
78 06/12/2022	5,227.69	1,336.06	3,891.63	454,186.87
79 07/12/2022	5,227.69	1,324.71	3,902.98	450,283.89
80 08/12/2022	5,227.69	1,313.33	3,914.36	446,369.53
81 09/12/2022	5,227.69	1,301.91	3,925.78	442,443.75
82 10/12/2022	5,227.69	1,290.46	3,937.23	438,506.52
83 11/12/2022	5,227.69	1,278.98	3,948.71	434,557.81
84 12/12/2022	5,227.69	1,267.46	3,960.23	430,597.58
2022 Totals	62,732.28	15,962.33	46,769.95	
85 01/12/2023	5,227.69	1,255.91	3,971.78	426,625.80
86 02/12/2023	5,227.69	1,244.33	3,983.36	422,642.44
87 03/12/2023	5,227.69	1,232.71	3,994.98	418,647.46
88 04/12/2023	5,227.69	1,221.06	4,006.63	414,640.83
89 05/12/2023	5,227.69	1,209.37	4,018.32	410,622.51
90 06/12/2023	5,227.69	1,197.65	4,030.04	406,592.47
91 07/12/2023	5,227.69	1,185.89	4,041.80	402,550.67
92 08/12/2023	5,227.69	1,174.11	4,053.58	398,497.09
93 09/12/2023	5,227.69	1,162.28	4,065.41	394,431.68
94 10/12/2023	5,227.69	1,150.43	4,077.26	390,354.42
95 11/12/2023	5,227.69	1,138.53	4,089.16	386,265.26
96 12/12/2023	5,227.69	1,126.61	4,101.08	382,164.18
2023 Totals	62,732.28	14,298.88	48,433.40	
97 01/12/2024	5,227.69	1,114.65	4,113.04	378,051.14
98 02/12/2024	5,227.69	1,102.65	4,125.04	373,926.10
99 03/12/2024	5,227.69	1,090.62	4,137.07	369,789.03
100 04/12/2024	5,227.69	1,078.55	4,149.14	365,639.89
101 05/12/2024	5,227.69	1,066.45	4,161.24	361,478.65
102 06/12/2024	5,227.69	1,054.31	4,173.38	357,305.27
103 07/12/2024	5,227.69	1,042.14	4,185.55	353,119.72
104 08/12/2024	5,227.69	1,029.93	4,197.76	348,921.96
105 09/12/2024	5,227.69	1,017.69	4,210.00	344,711.96
106 10/12/2024	5,227.69	1,005.41	4,222.28	340,489.68
107 11/12/2024	5,227.69	993.09	4,234.60	336,255.08
108 12/12/2024	5,227.69	980.74	4,246.95	332,008.13
2024 Totals	62,732.28	12,576.23	50,156.05	
109 01/12/2025	5,227.69	968.36	4,259.33	327,748.80
110 02/12/2025	5,227.69	955.93	4,271.76	323,477.04
111 03/12/2025	5,227.69	943.47	4,284.22	319,192.82
112 04/12/2025	5,227.69	930.98	4,296.71	314,896.11

CNB LOAN PAYABLE

	Date	Payment	Interest	Principal	Balance
113	05/12/2025	5,227.69	918.45	4,309.24	310,586.87
114	06/12/2025	5,227.69	905.88	4,321.81	306,265.06
115	07/12/2025	5,227.69	893.27	4,334.42	301,930.64
116	08/12/2025	5,227.69	880.63	4,347.06	297,583.58
117	09/12/2025	5,227.69	867.95	4,359.74	293,223.84
118	10/12/2025	5,227.69	855.24	4,372.45	288,851.39
119	11/12/2025	5,227.69	842.48	4,385.21	284,466.18
120	12/12/2025	5,227.69	829.69	4,398.00	280,068.18
2025 Totals		62,732.28	10,792.33	51,939.95	
121	01/12/2026	5,227.69	816.87	4,410.82	275,657.36
122	02/12/2026	5,227.69	804.00	4,423.69	271,233.67
123	03/12/2026	5,227.69	791.10	4,436.59	266,797.08
124	04/12/2026	5,227.69	778.16	4,449.53	262,347.55
125	05/12/2026	5,227.69	765.18	4,462.51	257,885.04
126	06/12/2026	5,227.69	752.16	4,475.53	253,409.51
127	07/12/2026	5,227.69	739.11	4,488.58	248,920.93
128	08/12/2026	5,227.69	726.02	4,501.67	244,419.26
129	09/12/2026	5,227.69	712.89	4,514.80	239,904.46
130	10/12/2026	5,227.69	699.72	4,527.97	235,376.49
131	11/12/2026	5,227.69	686.51	4,541.18	230,835.31
132	12/12/2026	5,227.69	673.27	4,554.42	226,280.89
2026 Totals		62,732.28	8,944.99	53,787.29	
133	01/12/2027	5,227.69	659.99	4,567.70	221,713.19
134	02/12/2027	5,227.69	646.66	4,581.03	217,132.16
135	03/12/2027	5,227.69	633.30	4,594.39	212,537.77
136	04/12/2027	5,227.69	619.90	4,607.79	207,929.98
137	05/12/2027	5,227.69	606.46	4,621.23	203,308.75
138	06/12/2027	5,227.69	592.98	4,634.71	198,674.04
139	07/12/2027	5,227.69	579.47	4,648.22	194,025.82
140	08/12/2027	5,227.69	565.91	4,661.78	189,364.04
141	09/12/2027	5,227.69	552.31	4,675.38	184,688.66
142	10/12/2027	5,227.69	538.68	4,689.01	179,999.65
143	11/12/2027	5,227.69	525.00	4,702.69	175,296.96
144	12/12/2027	5,227.69	511.28	4,716.41	170,580.55
2027 Totals		62,732.28	7,031.94	55,700.34	
145	01/12/2028	5,227.69	497.53	4,730.16	165,850.39
146	02/12/2028	5,227.69	483.73	4,743.96	161,106.43
147	03/12/2028	5,227.69	469.89	4,757.80	156,348.63
148	04/12/2028	5,227.69	456.02	4,771.67	151,576.96
149	05/12/2028	5,227.69	442.10	4,785.59	146,791.37
150	06/12/2028	5,227.69	428.14	4,799.55	141,991.82
151	07/12/2028	5,227.69	414.14	4,813.55	137,178.27
152	08/12/2028	5,227.69	400.10	4,827.59	132,350.68
153	09/12/2028	5,227.69	386.02	4,841.67	127,509.01
154	10/12/2028	5,227.69	371.90	4,855.79	122,653.22
155	11/12/2028	5,227.69	357.74	4,869.95	117,783.27

CNB LOAN PAYABLE

	Date	Payment	Interest	Principal	Balance
156	12/12/2028	5,227.69	343.53	4,884.16	112,899.11
2028 Totals		62,732.28	5,050.84	57,681.44	
157	01/12/2029	5,227.69	329.29	4,898.40	108,000.71
158	02/12/2029	5,227.69	315.00	4,912.69	103,088.02
159	03/12/2029	5,227.69	300.67	4,927.02	98,161.00
160	04/12/2029	5,227.69	286.30	4,941.39	93,219.61
161	05/12/2029	5,227.69	271.89	4,955.80	88,263.81
162	06/12/2029	5,227.69	257.44	4,970.25	83,293.56
163	07/12/2029	5,227.69	242.94	4,984.75	78,308.81
164	08/12/2029	5,227.69	228.40	4,999.29	73,309.52
165	09/12/2029	5,227.69	213.82	5,013.87	68,295.65
166	10/12/2029	5,227.69	199.20	5,028.49	63,267.16
167	11/12/2029	5,227.69	184.53	5,043.16	58,224.00
168	12/12/2029	5,227.69	169.82	5,057.87	53,166.13
2029 Totals		62,732.28	2,999.30	59,732.98	
169	01/12/2030	5,227.69	155.07	5,072.62	48,093.51
170	02/12/2030	5,227.69	140.27	5,087.42	43,006.09
171	03/12/2030	5,227.69	125.43	5,102.26	37,903.83
172	04/12/2030	5,227.69	110.55	5,117.14	32,786.69
173	05/12/2030	5,227.69	95.63	5,132.06	27,654.63
174	06/12/2030	5,227.69	80.66	5,147.03	22,507.60
175	07/12/2030	5,227.69	65.65	5,162.04	17,345.56
176	08/12/2030	5,227.69	50.59	5,177.10	12,168.46
177	09/12/2030	5,227.69	35.49	5,192.20	6,976.26
178	10/12/2030	6,996.61	20.35	6,976.26	0.00
2030 Totals		54,045.82	879.69	53,166.13	
Grand Totals		932,297.74	206,247.10	726,050.64	

EXHIBIT G.5

Farmers National Bank

136 West Main Street • P.O. Box 631 • Lebanon, Kentucky 40033
270.692.3177 • 270.692.3426 Fax • www.farmersnational.bank

June 17, 2021

Marion County Water District
Mr. Toby Spalding, General Manager
1835 Campbellsville Road
Lebanon, KY 40033

Dear Mr. Spalding;

I am writing to follow up on our discussions concerning the financing of the district wide water meter replacement project and refinancing existing debt for the Marion County Water District. Farmers National Bank would be pleased to do business with you and the Marion County Water District. This letter is intended to describe the major terms and conditions for our loan relationship, but should not be considered a complete summary of terms necessary for consummation of the proposed loan agreement.

Water Meter Replacement Project

Amount:	\$1,600,000
Term:	18 Months Interest Only Draw-down Line of Credit, then 10 Years Fully Amortizing
Interest Rate:	2.14%, Fixed – Through Maturity
Payment	Principal & Interest Monthly
Collateral	Revenue and/or Special Assessment Bond. Revenue shall be pledged to the payment of the Bonds. The Special Assessment Bond, if issued, will not be levied nor will the lien therefore be attached until such time as it is necessary to make up any deficit in the water revenue to meet annual obligations per Article 17 of the Marion County Water District By-Laws

Refinance of Current Debt

Amount:	\$500,000
Term:	10 Years

Interest Rate	2.14% Fixed – Through Maturity
Payment	Principal & Interest Monthly
Collateral	Revenue and/or Special Assessment Bond. Revenue shall be pledged to the payment of the Bonds. The Special Assessment Bond, if issued, will not be levied nor will the lien therefore be attached until such time as it is necessary to make up any deficit in the water revenue to meet annual obligations per Article 17 of the Marion County Water District By-Laws

Terms for Both Loans

Other Terms: Qualification as Bank Qualified Tax Exempt Financing as Determined by a Bond Attorney selected by the Bank.

Annual Audited Financial Statements are to be provided upon request, no less than annually.

Approval, as required, by the Kentucky Public Service Commission, for the Project and Debt Refinancing

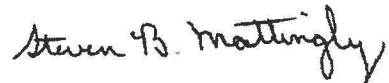
Closing Costs: Bond Counsel Fees, inclusive of cost, related to the Determination of Marion County Water District's status as an Issuer of Bank Qualified Tax Exempt Bonds – Cost not to exceed \$10,000 for both loans as long as they are closed concurrently, other fees related to the closing of loan. Farmers National Bank Closing Costs - \$1,000.

We hope these terms and conditions are satisfactory, they have been formally approved by the Farmers National Bank Board of Directors. These terms must be accepted within 30 days of the date of this letter.

This offer to finance is a joint offer by Farmers National Bank and Peoples Bank. Farmers National Bank will administer loan closing and maintenance for the life of the loan. Peoples Bank will partner with Farmers National Bank to fund the loan in support of this project to serve the customers of the Marion County Water District.

Thank you for the opportunity to earn your business. If there are any questions, please call me at (270) 692-3177 or email me at bradmattingly@farmersnational.bank.

Sincerely,



Steven B. Mattingly
Farmers National Bank of Lebanon
Executive Vice President
Chief Credit Analyst

Terms and conditions of the financing proposal outlined above are satisfactory and accepted by:

 7/22/2021
Name Date

Chairman, Board of Commissioners
Title

Report Date: 07/19/2021

FARMERS NATIONAL BANK OF LEBANON

Loan Amortization Schedule

Entered Values			Loan Summary		
Loan Amount:	\$1,600,000.00		Scheduled Payment Amount:	\$14,822.69	
Annual Interest Rate:	2.1400 %		Number Scheduled Payments:	120	
Accrual Method:	365/365		Total Interest:	\$178,898.21	
Note Type:	Reg P&I		Balloon Payment Amount:	\$14,998.10	
Loan Term (months):					
Maturity Date:	3/12/2033				
Payment Frequency:	Monthly				
Date First Payment Due:	4/12/2023				
Date Next Payment Due:	4/12/2023				
Amortization Begin Date:	3/13/2023				
Payment Amount:	\$0.00				
Extra Payment Amount:	\$0.00				

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
04/12/23	\$1,600,000.00	\$14,822.69	\$12,008.44	\$12,008.44	\$1,587,991.56
			\$2,814.25	\$2,814.25	
05/12/23	\$1,587,991.56	\$14,822.69	\$12,029.57	\$24,038.01	\$1,575,961.99
			\$2,793.12	\$5,607.37	
06/12/23	\$1,575,961.99	\$14,822.69	\$11,958.33	\$35,996.34	\$1,564,003.66
			\$2,864.36	\$8,471.73	
07/12/23	\$1,564,003.66	\$14,822.69	\$12,071.76	\$48,068.10	\$1,551,931.90
			\$2,750.93	\$11,222.66	
08/12/23	\$1,551,931.90	\$14,822.69	\$12,002.00	\$60,070.10	\$1,539,929.90
			\$2,820.69	\$14,043.35	
09/12/23	\$1,539,929.90	\$14,822.69	\$12,023.81	\$72,093.91	\$1,527,906.09
			\$2,798.88	\$16,842.23	
10/12/23	\$1,527,906.09	\$14,822.69	\$12,135.25	\$84,229.16	\$1,515,770.84
			\$2,687.44	\$19,529.67	
11/12/23	\$1,515,770.84	\$14,822.69	\$12,067.72	\$96,296.88	\$1,503,703.12
			\$2,754.97	\$22,284.64	
12/12/23	\$1,503,703.12	\$14,822.69	\$12,177.82	\$108,474.70	\$1,491,525.30
			\$2,644.87	\$24,929.51	
Year 1 totals:		\$133,404.21	\$108,474.70	\$24,929.51	

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
01/12/24	\$1,491,525.30	\$14,822.69	\$12,111.79 \$2,710.90	\$120,586.49 \$27,640.41	\$1,479,413.51
02/12/24	\$1,479,413.51	\$14,822.69	\$12,133.81 \$2,688.88	\$132,720.30 \$30,329.29	\$1,467,279.70
03/12/24	\$1,467,279.70	\$14,822.69	\$12,327.91 \$2,494.78	\$145,048.21 \$32,824.07	\$1,454,951.79
04/12/24	\$1,454,951.79	\$14,822.69	\$12,178.27 \$2,644.42	\$157,226.48 \$35,468.49	\$1,442,773.52
05/12/24	\$1,442,773.52	\$14,822.69	\$12,284.99 \$2,537.70	\$169,511.47 \$38,006.19	\$1,430,488.53
06/12/24	\$1,430,488.53	\$14,822.69	\$12,222.73 \$2,599.96	\$181,734.20 \$40,606.15	\$1,418,265.80
07/12/24	\$1,418,265.80	\$14,822.69	\$12,328.10 \$2,494.59	\$194,062.30 \$43,100.74	\$1,405,937.70
08/12/24	\$1,405,937.70	\$14,822.69	\$12,267.35 \$2,555.34	\$206,329.65 \$45,656.08	\$1,393,670.35
09/12/24	\$1,393,670.35	\$14,822.69	\$12,289.65 \$2,533.04	\$218,619.30 \$48,189.12	\$1,381,380.70
10/12/24	\$1,381,380.70	\$14,822.69	\$12,392.97 \$2,429.72	\$231,012.27 \$50,618.84	\$1,368,987.73
11/12/24	\$1,368,987.73	\$14,822.69	\$12,334.51 \$2,488.18	\$243,346.78 \$53,107.02	\$1,356,653.22
12/12/24	\$1,356,653.22	\$14,822.69	\$12,436.47 \$2,386.22	\$255,783.25 \$55,493.24	\$1,344,216.75
Year 2 totals:		\$177,872.28	\$147,308.55 \$30,563.73		
01/12/25	\$1,344,216.75	\$14,822.69	\$12,379.53 \$2,443.16	\$268,162.78 \$57,936.40	\$1,331,837.22
02/12/25	\$1,331,837.22	\$14,822.69	\$12,402.03 \$2,420.66	\$280,564.81 \$60,357.06	\$1,319,435.19
03/12/25	\$1,319,435.19	\$14,822.69	\$12,656.65 \$2,166.04	\$293,221.46 \$62,523.10	\$1,306,778.54
04/12/25	\$1,306,778.54	\$14,822.69	\$12,447.58 \$2,375.11	\$305,669.04 \$64,898.21	\$1,294,330.96
05/12/25	\$1,294,330.96	\$14,822.69	\$12,546.09 \$2,276.60	\$318,215.13 \$67,174.81	\$1,281,784.87
06/12/25	\$1,281,784.87	\$14,822.69	\$12,493.00 \$2,329.69	\$330,708.13 \$69,504.50	\$1,269,291.87
07/12/25	\$1,269,291.87	\$14,822.69	\$12,590.13 \$2,232.56	\$343,298.26 \$71,737.06	\$1,256,701.74
08/12/25	\$1,256,701.74	\$14,822.69	\$12,538.59 \$2,284.10	\$355,836.85 \$74,021.16	\$1,244,163.15

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
09/12/25	\$1,244,163.15	\$14,822.69	\$12,561.38 \$2,261.31	\$368,398.23 \$76,282.47	\$1,231,601.77
10/12/25	\$1,231,601.77	\$14,822.69	\$12,656.42 \$2,166.27	\$381,054.65 \$78,448.74	\$1,218,945.35
11/12/25	\$1,218,945.35	\$14,822.69	\$12,607.22 \$2,215.47	\$393,661.87 \$80,664.21	\$1,206,338.13
12/12/25	\$1,206,338.13	\$14,822.69	\$12,700.86 \$2,121.83	\$406,362.73 \$82,786.04	\$1,193,637.27
Year 3 totals:		\$177,872.28	\$150,579.48 \$27,292.80		
01/12/26	\$1,193,637.27	\$14,822.69	\$12,653.21 \$2,169.48	\$419,015.94 \$84,955.52	\$1,180,984.06
02/12/26	\$1,180,984.06	\$14,822.69	\$12,676.21 \$2,146.48	\$431,692.15 \$87,102.00	\$1,168,307.85
03/12/26	\$1,168,307.85	\$14,822.69	\$12,904.74 \$1,917.95	\$444,596.89 \$89,019.95	\$1,155,403.11
04/12/26	\$1,155,403.11	\$14,822.69	\$12,722.71 \$2,099.98	\$457,319.60 \$91,119.93	\$1,142,680.40
05/12/26	\$1,142,680.40	\$14,822.69	\$12,812.82 \$2,009.87	\$470,132.42 \$93,129.80	\$1,129,867.58
06/12/26	\$1,129,867.58	\$14,822.69	\$12,769.12 \$2,053.57	\$482,901.54 \$95,183.37	\$1,117,098.46
07/12/26	\$1,117,098.46	\$14,822.69	\$12,857.82 \$1,964.87	\$495,759.36 \$97,148.24	\$1,104,240.64
08/12/26	\$1,104,240.64	\$14,822.69	\$12,815.69 \$2,007.00	\$508,575.05 \$99,155.24	\$1,091,424.95
09/12/26	\$1,091,424.95	\$14,822.69	\$12,838.99 \$1,983.70	\$521,414.04 \$101,138.94	\$1,078,585.96
10/12/26	\$1,078,585.96	\$14,822.69	\$12,925.56 \$1,897.13	\$534,339.60 \$103,036.07	\$1,065,660.40
11/12/26	\$1,065,660.40	\$14,822.69	\$12,885.82 \$1,936.87	\$547,225.42 \$104,972.94	\$1,052,774.58
12/12/26	\$1,052,774.58	\$14,822.69	\$12,970.96 \$1,851.73	\$560,196.38 \$106,824.67	\$1,039,803.62
Year 4 totals:		\$177,872.28	\$153,833.65 \$24,038.63		
01/12/27	\$1,039,803.62	\$14,822.69	\$12,932.81 \$1,889.88	\$573,129.19 \$108,714.55	\$1,026,870.81
02/12/27	\$1,026,870.81	\$14,822.69	\$12,956.32 \$1,866.37	\$586,085.51 \$110,580.92	\$1,013,914.49
03/12/27	\$1,013,914.49	\$14,822.69	\$13,158.20 \$1,664.49	\$599,243.71 \$112,245.41	\$1,000,756.29

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
04/12/27	\$1,000,756.29	\$14,822.69	\$13,003.78 \$1,818.91	\$612,247.49 \$114,064.32	\$987,752.51
05/12/27	\$987,752.51	\$14,822.69	\$13,085.33 \$1,737.36	\$625,332.82 \$115,801.68	\$974,667.18
06/12/27	\$974,667.18	\$14,822.69	\$13,051.20 \$1,771.49	\$638,384.02 \$117,573.17	\$961,615.98
07/12/27	\$961,615.98	\$14,822.69	\$13,131.30 \$1,691.39	\$651,515.32 \$119,264.56	\$948,484.68
08/12/27	\$948,484.68	\$14,822.69	\$13,098.79 \$1,723.90	\$664,614.11 \$120,988.46	\$935,385.89
09/12/27	\$935,385.89	\$14,822.69	\$13,122.59 \$1,700.10	\$677,736.70 \$122,688.56	\$922,263.30
10/12/27	\$922,263.30	\$14,822.69	\$13,200.52 \$1,622.17	\$690,937.22 \$124,310.73	\$909,062.78
11/12/27	\$909,062.78	\$14,822.69	\$13,170.44 \$1,652.25	\$704,107.66 \$125,962.98	\$895,892.34
12/12/27	\$895,892.34	\$14,822.69	\$13,246.90 \$1,575.79	\$717,354.56 \$127,538.77	\$882,645.44
Year 5 totals:		\$177,872.28	\$157,158.18 \$20,714.10		
01/12/28	\$882,645.44	\$14,822.69	\$13,218.45 \$1,604.24	\$730,573.01 \$129,143.01	\$869,426.99
02/12/28	\$869,426.99	\$14,822.69	\$13,242.48 \$1,580.21	\$743,815.49 \$130,723.22	\$856,184.51
03/12/28	\$856,184.51	\$14,822.69	\$13,366.94 \$1,455.75	\$757,182.43 \$132,178.97	\$842,817.57
04/12/28	\$842,817.57	\$14,822.69	\$13,290.84 \$1,531.85	\$770,473.27 \$133,710.82	\$829,526.73
05/12/28	\$829,526.73	\$14,822.69	\$13,363.63 \$1,459.06	\$783,836.90 \$135,169.88	\$816,163.10
06/12/28	\$816,163.10	\$14,822.69	\$13,339.29 \$1,483.40	\$797,176.19 \$136,653.28	\$802,823.81
07/12/28	\$802,823.81	\$14,822.69	\$13,410.60 \$1,412.09	\$810,586.79 \$138,065.37	\$789,413.21
08/12/28	\$789,413.21	\$14,822.69	\$13,387.90 \$1,434.79	\$823,974.69 \$139,500.16	\$776,025.31
09/12/28	\$776,025.31	\$14,822.69	\$13,412.24 \$1,410.45	\$837,386.93 \$140,910.61	\$762,613.07
10/12/28	\$762,613.07	\$14,822.69	\$13,481.33 \$1,341.36	\$850,868.26 \$142,251.97	\$749,131.74
11/12/28	\$749,131.74	\$14,822.69	\$13,461.12 \$1,361.57	\$864,329.38 \$143,613.54	\$735,670.62

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
12/12/28	\$735,670.62	\$14,822.69	\$13,528.72	\$877,858.10	\$722,141.90
			\$1,293.97	\$144,907.51	
Year 6 totals:		\$177,872.28	\$160,503.54		
			\$17,368.74		
01/12/29	\$722,141.90	\$14,822.69	\$13,510.17	\$891,368.27	\$708,631.73
			\$1,312.52	\$146,220.03	
02/12/29	\$708,631.73	\$14,822.69	\$13,534.73	\$904,903.00	\$695,097.00
			\$1,287.96	\$147,507.99	
03/12/29	\$695,097.00	\$14,822.69	\$13,681.59	\$918,584.59	\$681,415.41
			\$1,141.10	\$148,649.09	
04/12/29	\$681,415.41	\$14,822.69	\$13,584.19	\$932,168.78	\$667,831.22
			\$1,238.50	\$149,887.59	
05/12/29	\$667,831.22	\$14,822.69	\$13,648.04	\$945,816.82	\$654,183.18
			\$1,174.65	\$151,062.24	
06/12/29	\$654,183.18	\$14,822.69	\$13,633.69	\$959,450.51	\$640,549.49
			\$1,189.00	\$152,251.24	
07/12/29	\$640,549.49	\$14,822.69	\$13,696.02	\$973,146.53	\$626,853.47
			\$1,126.67	\$153,377.91	
08/12/29	\$626,853.47	\$14,822.69	\$13,683.36	\$986,829.89	\$613,170.11
			\$1,139.33	\$154,517.24	
09/12/29	\$613,170.11	\$14,822.69	\$13,708.23	\$1,000,538.12	\$599,461.88
			\$1,114.46	\$155,631.70	
10/12/29	\$599,461.88	\$14,822.69	\$13,768.29	\$1,014,306.41	\$585,693.59
			\$1,054.40	\$156,686.10	
11/12/29	\$585,693.59	\$14,822.69	\$13,758.17	\$1,028,064.58	\$571,935.42
			\$1,064.52	\$157,750.62	
12/12/29	\$571,935.42	\$14,822.69	\$13,816.71	\$1,041,881.29	\$558,118.71
			\$1,005.98	\$158,756.60	
Year 7 totals:		\$177,872.28	\$164,023.19		
			\$13,849.09		
01/12/30	\$558,118.71	\$14,822.69	\$13,808.29	\$1,055,689.58	\$544,310.42
			\$1,014.40	\$159,771.00	
02/12/30	\$544,310.42	\$14,822.69	\$13,833.39	\$1,069,522.97	\$530,477.03
			\$989.30	\$160,760.30	
03/12/30	\$530,477.03	\$14,822.69	\$13,951.84	\$1,083,474.81	\$516,525.19
			\$870.85	\$161,631.15	
04/12/30	\$516,525.19	\$14,822.69	\$13,883.89	\$1,097,358.70	\$502,641.30
			\$938.80	\$162,569.95	
05/12/30	\$502,641.30	\$14,822.69	\$13,938.59	\$1,111,297.29	\$488,702.71
			\$884.10	\$163,454.05	
06/12/30	\$488,702.71	\$14,822.69	\$13,934.46	\$1,125,231.75	\$474,768.25
			\$888.23	\$164,342.28	

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
07/12/30	\$474,768.25	\$14,822.69	\$13,987.62 \$835.07	\$1,139,219.37 \$165,177.35	\$460,780.63
08/12/30	\$460,780.63	\$14,822.69	\$13,985.21 \$837.48	\$1,153,204.58 \$166,014.83	\$446,795.42
09/12/30	\$446,795.42	\$14,822.69	\$14,010.62 \$812.07	\$1,167,215.20 \$166,826.90	\$432,784.80
10/12/30	\$432,784.80	\$14,822.69	\$14,061.46 \$761.23	\$1,181,276.66 \$167,588.13	\$418,723.34
11/12/30	\$418,723.34	\$14,822.69	\$14,061.65 \$761.04	\$1,195,338.31 \$168,349.17	\$404,661.69
12/12/30	\$404,661.69	\$14,822.69	\$14,110.93 \$711.76	\$1,209,449.24 \$169,060.93	\$390,550.76
Year 8 totals:		\$177,872.28	\$167,567.95 \$10,304.33		
01/12/31	\$390,550.76	\$14,822.69	\$14,112.85 \$709.84	\$1,223,562.09 \$169,770.77	\$376,437.91
02/12/31	\$376,437.91	\$14,822.69	\$14,138.50 \$684.19	\$1,237,700.59 \$170,454.96	\$362,299.41
03/12/31	\$362,299.41	\$14,822.69	\$14,227.92 \$594.77	\$1,251,928.51 \$171,049.73	\$348,071.49
04/12/31	\$348,071.49	\$14,822.69	\$14,190.06 \$632.63	\$1,266,118.57 \$171,682.36	\$333,881.43
05/12/31	\$333,881.43	\$14,822.69	\$14,235.42 \$587.27	\$1,280,353.99 \$172,269.63	\$319,646.01
06/12/31	\$319,646.01	\$14,822.69	\$14,241.72 \$580.97	\$1,294,595.71 \$172,850.60	\$305,404.29
07/12/31	\$305,404.29	\$14,822.69	\$14,285.51 \$537.18	\$1,308,881.22 \$173,387.78	\$291,118.78
08/12/31	\$291,118.78	\$14,822.69	\$14,293.57 \$529.12	\$1,323,174.79 \$173,916.90	\$276,825.21
09/12/31	\$276,825.21	\$14,822.69	\$14,319.55 \$503.14	\$1,337,494.34 \$174,420.04	\$262,505.66
10/12/31	\$262,505.66	\$14,822.69	\$14,360.97 \$461.72	\$1,351,855.31 \$174,881.76	\$248,144.69
11/12/31	\$248,144.69	\$14,822.69	\$14,371.68 \$451.01	\$1,366,226.99 \$175,332.77	\$233,773.01
12/12/31	\$233,773.01	\$14,822.69	\$14,411.51 \$411.18	\$1,380,638.50 \$175,743.95	\$219,361.50
Year 9 totals:		\$177,872.28	\$171,189.26 \$6,683.02		
01/12/32	\$219,361.50	\$14,822.69	\$14,423.99 \$398.70	\$1,395,062.49 \$176,142.65	\$204,937.51

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
02/12/32	\$204,937.51	\$14,822.69	\$14,450.21	\$1,409,512.70	\$190,487.30
			\$372.48	\$176,515.13	
03/12/32	\$190,487.30	\$14,822.69	\$14,498.81	\$1,424,011.51	\$175,988.49
			\$323.88	\$176,839.01	
04/12/32	\$175,988.49	\$14,822.69	\$14,502.82	\$1,438,514.33	\$161,485.67
			\$319.87	\$177,158.88	
05/12/32	\$161,485.67	\$14,822.69	\$14,538.65	\$1,453,052.98	\$146,947.02
			\$284.04	\$177,442.92	
06/12/32	\$146,947.02	\$14,822.69	\$14,555.61	\$1,467,608.59	\$132,391.41
			\$267.08	\$177,710.00	
07/12/32	\$132,391.41	\$14,822.69	\$14,589.83	\$1,482,198.42	\$117,801.58
			\$232.86	\$177,942.86	
08/12/32	\$117,801.58	\$14,822.69	\$14,608.58	\$1,496,807.00	\$103,193.00
			\$214.11	\$178,156.97	
09/12/32	\$103,193.00	\$14,822.69	\$14,635.13	\$1,511,442.13	\$88,557.87
			\$187.56	\$178,344.53	
10/12/32	\$88,557.87	\$14,822.69	\$14,666.93	\$1,526,109.06	\$73,890.94
			\$155.76	\$178,500.29	
11/12/32	\$73,890.94	\$14,822.69	\$14,688.39	\$1,540,797.45	\$59,202.55
			\$134.30	\$178,634.59	
12/12/32	\$59,202.55	\$14,822.69	\$14,718.56	\$1,555,516.01	\$44,483.99
			\$104.13	\$178,738.72	
Year 10 totals:		\$177,872.28	\$174,877.51		
			\$2,994.77		
01/12/33	\$44,483.99	\$14,822.69	\$14,741.84	\$1,570,257.85	\$29,742.15
			\$80.85	\$178,819.57	
02/12/33	\$29,742.15	\$14,822.69	\$14,768.63	\$1,585,026.48	\$14,973.52
			\$54.06	\$178,873.63	
03/12/33	\$14,973.52	\$14,998.10	\$14,973.52	\$1,600,000.00	\$0.00
			\$24.58	\$178,898.21	
Year 11 totals:		\$44,643.48	\$44,483.99		
			\$159.49		

Report Date: 07/19/2021

FARMERS NATIONAL BANK OF LEBANON

Loan Amortization Schedule

Entered Values			Loan Summary		
Loan Amount:	\$488,806.83		Scheduled Payment Amount:	\$4,528.39	
Annual Interest Rate:	2.1400 %		Number Scheduled Payments:	120	
Accrual Method:	365/365		Total Interest:	\$54,586.82	
Note Type:	Reg P&I		Balloon Payment Amount:	\$0.00	
Loan Term (months):					
Maturity Date:	9/12/2031				
Payment Frequency:	Monthly				
Date First Payment Due:	10/12/2021				
Date Next Payment Due:	10/12/2021				
Amortization Begin Date:	9/13/2021				
Payment Amount:	\$0.00				
Extra Payment Amount:	\$0.00				

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
10/12/21	\$488,806.83	\$4,528.39	\$3,697.28	\$3,697.28	\$485,109.55
			\$831.11	\$831.11	
11/12/21	\$485,109.55	\$4,528.39	\$3,646.69	\$7,343.97	\$481,462.86
			\$881.70	\$1,712.81	
12/12/21	\$481,462.86	\$4,528.39	\$3,681.54	\$11,025.51	\$477,781.32
			\$846.85	\$2,559.66	
Year 1 totals:		\$13,585.17	\$11,025.51		
			\$2,559.66		
01/12/22	\$477,781.32	\$4,528.39	\$3,660.01	\$14,685.52	\$474,121.31
			\$868.38	\$3,428.04	
02/12/22	\$474,121.31	\$4,528.39	\$3,666.66	\$18,352.18	\$470,454.65
			\$861.73	\$4,289.77	
03/12/22	\$470,454.65	\$4,528.39	\$3,756.07	\$22,108.25	\$466,698.58
			\$772.32	\$5,062.09	
04/12/22	\$466,698.58	\$4,528.39	\$3,680.15	\$25,788.40	\$463,018.43
			\$848.24	\$5,910.33	
05/12/22	\$463,018.43	\$4,528.39	\$3,713.98	\$29,502.38	\$459,304.45
			\$814.41	\$6,724.74	
06/12/22	\$459,304.45	\$4,528.39	\$3,693.59	\$33,195.97	\$455,610.86
			\$834.80	\$7,559.54	

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
07/12/22	\$455,610.86	\$4,528.39	\$3,727.01 \$801.38	\$36,922.98 \$8,360.92	\$451,883.85
08/12/22	\$451,883.85	\$4,528.39	\$3,707.08 \$821.31	\$40,630.06 \$9,182.23	\$448,176.77
09/12/22	\$448,176.77	\$4,528.39	\$3,713.81 \$814.58	\$44,343.87 \$9,996.81	\$444,462.96
10/12/22	\$444,462.96	\$4,528.39	\$3,746.62 \$781.77	\$48,090.49 \$10,778.58	\$440,716.34
11/12/22	\$440,716.34	\$4,528.39	\$3,727.37 \$801.02	\$51,817.86 \$11,579.60	\$436,988.97
12/12/22	\$436,988.97	\$4,528.39	\$3,759.77 \$768.62	\$55,577.63 \$12,348.22	\$433,229.20
Year 2 totals:		\$54,340.68	\$44,552.12 \$9,788.56		
01/12/23	\$433,229.20	\$4,528.39	\$3,740.98 \$787.41	\$59,318.61 \$13,135.63	\$429,488.22
02/12/23	\$429,488.22	\$4,528.39	\$3,747.78 \$780.61	\$63,066.39 \$13,916.24	\$425,740.44
03/12/23	\$425,740.44	\$4,528.39	\$3,829.48 \$698.91	\$66,895.87 \$14,615.15	\$421,910.96
04/12/23	\$421,910.96	\$4,528.39	\$3,761.55 \$766.84	\$70,657.42 \$15,381.99	\$418,149.41
05/12/23	\$418,149.41	\$4,528.39	\$3,792.91 \$735.48	\$74,450.33 \$16,117.47	\$414,356.50
06/12/23	\$414,356.50	\$4,528.39	\$3,775.28 \$753.11	\$78,225.61 \$16,870.58	\$410,581.22
07/12/23	\$410,581.22	\$4,528.39	\$3,806.22 \$722.17	\$82,031.83 \$17,592.75	\$406,775.00
08/12/23	\$406,775.00	\$4,528.39	\$3,789.06 \$739.33	\$85,820.89 \$18,332.08	\$402,985.94
09/12/23	\$402,985.94	\$4,528.39	\$3,795.95 \$732.44	\$89,616.84 \$19,064.52	\$399,189.99
10/12/23	\$399,189.99	\$4,528.39	\$3,826.25 \$702.14	\$93,443.09 \$19,766.66	\$395,363.74
11/12/23	\$395,363.74	\$4,528.39	\$3,809.80 \$718.59	\$97,252.89 \$20,485.25	\$391,553.94
12/12/23	\$391,553.94	\$4,528.39	\$3,839.68 \$688.71	\$101,092.57 \$21,173.96	\$387,714.26
Year 3 totals:		\$54,340.68	\$45,514.94 \$8,825.74		
01/12/24	\$387,714.26	\$4,528.39	\$3,823.71 \$704.68	\$104,916.28 \$21,878.64	\$383,890.55

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
02/12/24	\$383,890.55	\$4,528.39	\$3,830.66	\$108,746.94	\$380,059.89
			\$697.73	\$22,576.37	
03/12/24	\$380,059.89	\$4,528.39	\$3,882.18	\$112,629.12	\$376,177.71
			\$646.21	\$23,222.58	
04/12/24	\$376,177.71	\$4,528.39	\$3,844.67	\$116,473.79	\$372,333.04
			\$683.72	\$23,906.30	
05/12/24	\$372,333.04	\$4,528.39	\$3,873.49	\$120,347.28	\$368,459.55
			\$654.90	\$24,561.20	
06/12/24	\$368,459.55	\$4,528.39	\$3,858.70	\$124,205.98	\$364,600.85
			\$669.69	\$25,230.89	
07/12/24	\$364,600.85	\$4,528.39	\$3,887.09	\$128,093.07	\$360,713.76
			\$641.30	\$25,872.19	
08/12/24	\$360,713.76	\$4,528.39	\$3,872.78	\$131,965.85	\$356,840.98
			\$655.61	\$26,527.80	
09/12/24	\$356,840.98	\$4,528.39	\$3,879.82	\$135,845.67	\$352,961.16
			\$648.57	\$27,176.37	
10/12/24	\$352,961.16	\$4,528.39	\$3,907.57	\$139,753.24	\$349,053.59
			\$620.82	\$27,797.19	
11/12/24	\$349,053.59	\$4,528.39	\$3,893.97	\$143,647.21	\$345,159.62
			\$634.42	\$28,431.61	
12/12/24	\$345,159.62	\$4,528.39	\$3,921.29	\$147,568.50	\$341,238.33
			\$607.10	\$29,038.71	
Year 4 totals:		\$54,340.68	\$46,475.93		
			\$7,864.75		
01/12/25	\$341,238.33	\$4,528.39	\$3,908.18	\$151,476.68	\$337,330.15
			\$620.21	\$29,658.92	
02/12/25	\$337,330.15	\$4,528.39	\$3,915.28	\$155,391.96	\$333,414.87
			\$613.11	\$30,272.03	
03/12/25	\$333,414.87	\$4,528.39	\$3,981.04	\$159,373.00	\$329,433.83
			\$547.35	\$30,819.38	
04/12/25	\$329,433.83	\$4,528.39	\$3,929.63	\$163,302.63	\$325,504.20
			\$598.76	\$31,418.14	
05/12/25	\$325,504.20	\$4,528.39	\$3,955.86	\$167,258.49	\$321,548.34
			\$572.53	\$31,990.67	
06/12/25	\$321,548.34	\$4,528.39	\$3,943.96	\$171,202.45	\$317,604.38
			\$584.43	\$32,575.10	
07/12/25	\$317,604.38	\$4,528.39	\$3,969.75	\$175,172.20	\$313,634.63
			\$558.64	\$33,133.74	
08/12/25	\$313,634.63	\$4,528.39	\$3,958.35	\$179,130.55	\$309,676.28
			\$570.04	\$33,703.78	
09/12/25	\$309,676.28	\$4,528.39	\$3,965.54	\$183,096.09	\$305,710.74
			\$562.85	\$34,266.63	

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
10/12/25	\$305,710.74	\$4,528.39	\$3,990.67	\$187,086.76	\$301,720.07
			\$537.72	\$34,804.35	
11/12/25	\$301,720.07	\$4,528.39	\$3,980.00	\$191,066.76	\$297,740.07
			\$548.39	\$35,352.74	
12/12/25	\$297,740.07	\$4,528.39	\$4,004.69	\$195,071.45	\$293,735.38
			\$523.70	\$35,876.44	
Year 5 totals:		\$54,340.68	\$47,502.95		
			\$6,837.73		
01/12/26	\$293,735.38	\$4,528.39	\$3,994.52	\$199,065.97	\$289,740.86
			\$533.87	\$36,410.31	
02/12/26	\$289,740.86	\$4,528.39	\$4,001.78	\$203,067.75	\$285,739.08
			\$526.61	\$36,936.92	
03/12/26	\$285,739.08	\$4,528.39	\$4,059.31	\$207,127.06	\$281,679.77
			\$469.08	\$37,406.00	
04/12/26	\$281,679.77	\$4,528.39	\$4,016.43	\$211,143.49	\$277,663.34
			\$511.96	\$37,917.96	
05/12/26	\$277,663.34	\$4,528.39	\$4,040.01	\$215,183.50	\$273,623.33
			\$488.38	\$38,406.34	
06/12/26	\$273,623.33	\$4,528.39	\$4,031.07	\$219,214.57	\$269,592.26
			\$497.32	\$38,903.66	
07/12/26	\$269,592.26	\$4,528.39	\$4,054.20	\$223,268.77	\$265,538.06
			\$474.19	\$39,377.85	
08/12/26	\$265,538.06	\$4,528.39	\$4,045.77	\$227,314.54	\$261,492.29
			\$482.62	\$39,860.47	
09/12/26	\$261,492.29	\$4,528.39	\$4,053.12	\$231,367.66	\$257,439.17
			\$475.27	\$40,335.74	
10/12/26	\$257,439.17	\$4,528.39	\$4,075.58	\$235,443.24	\$253,363.59
			\$452.81	\$40,788.55	
11/12/26	\$253,363.59	\$4,528.39	\$4,067.89	\$239,511.13	\$249,295.70
			\$460.50	\$41,249.05	
12/12/26	\$249,295.70	\$4,528.39	\$4,089.90	\$243,601.03	\$245,205.80
			\$438.49	\$41,687.54	
Year 6 totals:		\$54,340.68	\$48,529.58		
			\$5,811.10		
01/12/27	\$245,205.80	\$4,528.39	\$4,082.72	\$247,683.75	\$241,123.08
			\$445.67	\$42,133.21	
02/12/27	\$241,123.08	\$4,528.39	\$4,090.14	\$251,773.89	\$237,032.94
			\$438.25	\$42,571.46	
03/12/27	\$237,032.94	\$4,528.39	\$4,139.27	\$255,913.16	\$232,893.67
			\$389.12	\$42,960.58	
04/12/27	\$232,893.67	\$4,528.39	\$4,105.10	\$260,018.26	\$228,788.57
			\$423.29	\$43,383.87	

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
05/12/27	\$228,788.57	\$4,528.39	\$4,125.97 \$402.42	\$264,144.23 \$43,786.29	\$224,662.60
06/12/27	\$224,662.60	\$4,528.39	\$4,120.06 \$408.33	\$268,264.29 \$44,194.62	\$220,542.54
07/12/27	\$220,542.54	\$4,528.39	\$4,140.48 \$387.91	\$272,404.77 \$44,582.53	\$216,402.06
08/12/27	\$216,402.06	\$4,528.39	\$4,135.07 \$393.32	\$276,539.84 \$44,975.85	\$212,266.99
09/12/27	\$212,266.99	\$4,528.39	\$4,142.59 \$385.80	\$280,682.43 \$45,361.65	\$208,124.40
10/12/27	\$208,124.40	\$4,528.39	\$4,162.32 \$366.07	\$284,844.75 \$45,727.72	\$203,962.08
11/12/27	\$203,962.08	\$4,528.39	\$4,157.68 \$370.71	\$289,002.43 \$46,098.43	\$199,804.40
12/12/27	\$199,804.40	\$4,528.39	\$4,176.95 \$351.44	\$293,179.38 \$46,449.87	\$195,627.45
Year 7 totals:		\$54,340.68	\$49,578.35 \$4,762.33		
01/12/28	\$195,627.45	\$4,528.39	\$4,172.83 \$355.56	\$297,352.21 \$46,805.43	\$191,454.62
02/12/28	\$191,454.62	\$4,528.39	\$4,180.41 \$347.98	\$301,532.62 \$47,153.41	\$187,274.21
03/12/28	\$187,274.21	\$4,528.39	\$4,209.97 \$318.42	\$305,742.59 \$47,471.83	\$183,064.24
04/12/28	\$183,064.24	\$4,528.39	\$4,195.66 \$332.73	\$309,938.25 \$47,804.56	\$178,868.58
05/12/28	\$178,868.58	\$4,528.39	\$4,213.78 \$314.61	\$314,152.03 \$48,119.17	\$174,654.80
06/12/28	\$174,654.80	\$4,528.39	\$4,210.95 \$317.44	\$318,362.98 \$48,436.61	\$170,443.85
07/12/28	\$170,443.85	\$4,528.39	\$4,228.60 \$299.79	\$322,591.58 \$48,736.40	\$166,215.25
08/12/28	\$166,215.25	\$4,528.39	\$4,226.29 \$302.10	\$326,817.87 \$49,038.50	\$161,988.96
09/12/28	\$161,988.96	\$4,528.39	\$4,233.97 \$294.42	\$331,051.84 \$49,332.92	\$157,754.99
10/12/28	\$157,754.99	\$4,528.39	\$4,250.91 \$277.48	\$335,302.75 \$49,610.40	\$153,504.08
11/12/28	\$153,504.08	\$4,528.39	\$4,249.39 \$279.00	\$339,552.14 \$49,889.40	\$149,254.69
12/12/28	\$149,254.69	\$4,528.39	\$4,265.87 \$262.52	\$343,818.01 \$50,151.92	\$144,988.82

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
Year 8 totals:		\$54,340.68	\$50,638.63 \$3,702.05		
01/12/29	\$144,988.82	\$4,528.39	\$4,264.87 \$263.52	\$348,082.88 \$50,415.44	\$140,723.95
02/12/29	\$140,723.95	\$4,528.39	\$4,272.62 \$255.77	\$352,355.50 \$50,671.21	\$136,451.33
03/12/29	\$136,451.33	\$4,528.39	\$4,304.39 \$224.00	\$356,659.89 \$50,895.21	\$132,146.94
04/12/29	\$132,146.94	\$4,528.39	\$4,288.21 \$240.18	\$360,948.10 \$51,135.39	\$127,858.73
05/12/29	\$127,858.73	\$4,528.39	\$4,303.50 \$224.89	\$365,251.60 \$51,360.28	\$123,555.23
06/12/29	\$123,555.23	\$4,528.39	\$4,303.82 \$224.57	\$369,555.42 \$51,584.85	\$119,251.41
07/12/29	\$119,251.41	\$4,528.39	\$4,318.64 \$209.75	\$373,874.06 \$51,794.60	\$114,932.77
08/12/29	\$114,932.77	\$4,528.39	\$4,319.50 \$208.89	\$378,193.56 \$52,003.49	\$110,613.27
09/12/29	\$110,613.27	\$4,528.39	\$4,327.35 \$201.04	\$382,520.91 \$52,204.53	\$106,285.92
10/12/29	\$106,285.92	\$4,528.39	\$4,341.44 \$186.95	\$386,862.35 \$52,391.48	\$101,944.48
11/12/29	\$101,944.48	\$4,528.39	\$4,343.10 \$185.29	\$391,205.45 \$52,576.77	\$97,601.38
12/12/29	\$97,601.38	\$4,528.39	\$4,356.72 \$171.67	\$395,562.17 \$52,748.44	\$93,244.66
Year 9 totals:		\$54,340.68	\$51,744.16 \$2,596.52		
01/12/30	\$93,244.66	\$4,528.39	\$4,358.91 \$169.48	\$399,921.08 \$52,917.92	\$88,885.75
02/12/30	\$88,885.75	\$4,528.39	\$4,366.84 \$161.55	\$404,287.92 \$53,079.47	\$84,518.91
03/12/30	\$84,518.91	\$4,528.39	\$4,389.64 \$138.75	\$408,677.56 \$53,218.22	\$80,129.27
04/12/30	\$80,129.27	\$4,528.39	\$4,382.75 \$145.64	\$413,060.31 \$53,363.86	\$75,746.52
05/12/30	\$75,746.52	\$4,528.39	\$4,395.16 \$133.23	\$417,455.47 \$53,497.09	\$71,351.36
06/12/30	\$71,351.36	\$4,528.39	\$4,398.71 \$129.68	\$421,854.18 \$53,626.77	\$66,952.65
07/12/30	\$66,952.65	\$4,528.39	\$4,410.63 \$117.76	\$426,264.81 \$53,744.53	\$62,542.02

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
08/12/30	\$62,542.02	\$4,528.39	\$4,414.72	\$430,679.53	\$58,127.30
			\$113.67	\$53,858.20	
09/12/30	\$58,127.30	\$4,528.39	\$4,422.74	\$435,102.27	\$53,704.56
			\$105.65	\$53,963.85	
10/12/30	\$53,704.56	\$4,528.39	\$4,433.93	\$439,536.20	\$49,270.63
			\$94.46	\$54,058.31	
11/12/30	\$49,270.63	\$4,528.39	\$4,438.84	\$443,975.04	\$44,831.79
			\$89.55	\$54,147.86	
12/12/30	\$44,831.79	\$4,528.39	\$4,449.54	\$448,424.58	\$40,382.25
			\$78.85	\$54,226.71	
Year 10 totals:		\$54,340.68	\$52,862.41		
			\$1,478.27		
01/12/31	\$40,382.25	\$4,528.39	\$4,454.99	\$452,879.57	\$35,927.26
			\$73.40	\$54,300.11	
02/12/31	\$35,927.26	\$4,528.39	\$4,463.09	\$457,342.66	\$31,464.17
			\$65.30	\$54,365.41	
03/12/31	\$31,464.17	\$4,528.39	\$4,476.74	\$461,819.40	\$26,987.43
			\$51.65	\$54,417.06	
04/12/31	\$26,987.43	\$4,528.39	\$4,479.34	\$466,298.74	\$22,508.09
			\$49.05	\$54,466.11	
05/12/31	\$22,508.09	\$4,528.39	\$4,488.80	\$470,787.54	\$18,019.29
			\$39.59	\$54,505.70	
06/12/31	\$18,019.29	\$4,528.39	\$4,495.64	\$475,283.18	\$13,523.65
			\$32.75	\$54,538.45	
07/12/31	\$13,523.65	\$4,528.39	\$4,504.60	\$479,787.78	\$9,019.05
			\$23.79	\$54,562.24	
08/12/31	\$9,019.05	\$4,528.39	\$4,512.00	\$484,299.78	\$4,507.05
			\$16.39	\$54,578.63	
09/12/31	\$4,507.05	\$4,515.24	\$4,507.05	\$488,806.83	\$0.00
			\$8.19	\$54,586.82	
Year 11 totals:		\$40,742.36	\$40,382.25		
			\$360.11		

EXHIBIT H

BONDS

DATE OF ISSUE
 AMOUNT OF ISSUE
 INTEREST RATE
 DATE OF FIRST PAYMENT

Loan 91-17

6/9/2010
 \$1,433,000
 3.250%
 7/1/2010

Marion Co. Water District

This payment schedule is an estimate only based upon the bond schedule and is for planning purposes only.

Notices will be mailed prior to the scheduled payment dates which state the required payment amount.

Pmt Date	Interest	Principal	Total Payment	Outstanding Principal
07/01/10	\$2,846.10		\$2,846.10	\$1,433,000
01/01/11	\$23,286.25		\$23,286.25	\$1,433,000
07/01/11	\$23,286.25		\$23,286.25	\$1,433,000
01/01/12	\$23,286.25		\$23,286.25	\$1,433,000
07/01/12	\$23,286.25		\$23,286.25	\$1,433,000
01/01/13	\$23,286.25	\$18,000	\$41,286.25	\$1,415,000
07/01/13	\$22,993.75		\$22,993.75	\$1,415,000
01/01/14	\$22,993.75	\$19,000	\$41,993.75	\$1,396,000
07/01/14	\$22,685.00		\$22,685.00	\$1,396,000
01/01/15	\$22,685.00	\$19,000	\$41,685.00	\$1,377,000
07/01/15	\$22,376.25		\$22,376.25	\$1,377,000
01/01/16	\$22,376.25	\$20,000	\$42,376.25	\$1,357,000
07/01/16	\$22,051.25		\$22,051.25	\$1,357,000
01/01/17	\$22,051.25	\$21,000	\$43,051.25	\$1,336,000
07/01/17	\$21,710.00		\$21,710.00	\$1,336,000
01/01/18	\$21,710.00	\$22,000	\$43,710.00	\$1,314,000
07/01/18	\$21,352.50		\$21,352.50	\$1,314,000
01/01/19	\$21,352.50	\$22,000	\$43,352.50	\$1,292,000
07/01/19	\$20,995.00		\$20,995.00	\$1,292,000
01/01/20	\$20,995.00	\$23,000	\$43,995.00	\$1,269,000
07/01/20	\$20,621.25		\$20,621.25	\$1,269,000
01/01/21	\$20,621.25	\$24,000	\$44,621.25	\$1,245,000
07/01/21	\$20,231.25		\$20,231.25	\$1,245,000
01/01/22	\$20,231.25	\$25,000	\$45,231.25	\$1,220,000
07/01/22	\$19,825.00		\$19,825.00	\$1,220,000
01/01/23	\$19,825.00	\$26,000	\$45,825.00	\$1,194,000
07/01/23	\$19,402.50		\$19,402.50	\$1,194,000
01/01/24	\$19,402.50	\$27,000	\$46,402.50	\$1,167,000
07/01/24	\$18,963.75		\$18,963.75	\$1,167,000
01/01/25	\$18,963.75	\$28,000	\$46,963.75	\$1,139,000
07/01/25	\$18,508.75		\$18,508.75	\$1,139,000
01/01/26	\$18,508.75	\$29,000	\$47,508.75	\$1,110,000
07/01/26	\$18,037.50		\$18,037.50	\$1,110,000
01/01/27	\$18,037.50	\$30,000	\$48,037.50	\$1,080,000
07/01/27	\$17,550.00		\$17,550.00	\$1,080,000
01/01/28	\$17,550.00	\$31,000	\$48,550.00	\$1,049,000
07/01/28	\$17,046.25		\$17,046.25	\$1,049,000
01/01/29	\$17,046.25	\$32,000	\$49,046.25	\$1,017,000
07/01/29	\$16,526.25		\$16,526.25	\$1,017,000
01/01/30	\$16,526.25	\$33,000	\$49,526.25	\$984,000
07/01/30	\$15,990.00		\$15,990.00	\$984,000
01/01/31	\$15,990.00	\$34,000	\$49,990.00	\$950,000
07/01/31	\$15,437.50		\$15,437.50	\$950,000
01/01/32	\$15,437.50	\$36,000	\$51,437.50	\$914,000
07/01/32	\$14,852.50		\$14,852.50	\$914,000

BONDS

DATE OF ISSUE
 AMOUNT OF ISSUE
 INTEREST RATE
 DATE OF FIRST PAYMENT

Loan 91-17

6/9/2010
 \$1,433,000
 3.250%
 7/1/2010

Pmt Date	Interest	Principal	Total Payment	Outstanding Principal
01/01/33	\$14,852.50	\$37,000	\$51,852.50	\$877,000
07/01/33	\$14,251.25		\$14,251.25	\$877,000
01/01/34	\$14,251.25	\$38,000	\$52,251.25	\$839,000
07/01/34	\$13,633.75		\$13,633.75	\$839,000
01/01/35	\$13,633.75	\$40,000	\$53,633.75	\$799,000
07/01/35	\$12,983.75		\$12,983.75	\$799,000
01/01/36	\$12,983.75	\$41,000	\$53,983.75	\$758,000
07/01/36	\$12,317.50		\$12,317.50	\$758,000
01/01/37	\$12,317.50	\$43,000	\$55,317.50	\$715,000
07/01/37	\$11,618.75		\$11,618.75	\$715,000
01/01/38	\$11,618.75	\$44,000	\$55,618.75	\$671,000
07/01/38	\$10,903.75		\$10,903.75	\$671,000
01/01/39	\$10,903.75	\$46,000	\$56,903.75	\$625,000
07/01/39	\$10,156.25		\$10,156.25	\$625,000
01/01/40	\$10,156.25	\$47,000	\$57,156.25	\$578,000
07/01/40	\$9,392.50		\$9,392.50	\$578,000
01/01/41	\$9,392.50	\$49,000	\$58,392.50	\$529,000
07/01/41	\$8,596.25		\$8,596.25	\$529,000
01/01/42	\$8,596.25	\$51,000	\$59,596.25	\$478,000
07/01/42	\$7,767.50		\$7,767.50	\$478,000
01/01/43	\$7,767.50	\$53,000	\$60,767.50	\$425,000
07/01/43	\$6,906.25		\$6,906.25	\$425,000
01/01/44	\$6,906.25	\$55,000	\$61,906.25	\$370,000
07/01/44	\$6,012.50		\$6,012.50	\$370,000
01/01/45	\$6,012.50	\$57,000	\$63,012.50	\$313,000
07/01/45	\$5,086.25		\$5,086.25	\$313,000
01/01/46	\$5,086.25	\$59,000	\$64,086.25	\$254,000
07/01/46	\$4,127.50		\$4,127.50	\$254,000
01/01/47	\$4,127.50	\$61,000	\$65,127.50	\$193,000
07/01/47	\$3,136.25		\$3,136.25	\$193,000
01/01/48	\$3,136.25	\$63,000	\$66,136.25	\$130,000
07/01/48	\$2,112.50		\$2,112.50	\$130,000
01/01/49	\$2,112.50	\$65,000	\$67,112.50	\$65,000
07/01/49	\$1,056.25		\$1,056.25	\$65,000
1/1/1950	\$1,056.25	\$65,000	\$66,056.25	

KENTUCKY INFRASTRUCTURE AUTHORITY
REPAYMENT SCHEDULE
LOAN #B12-06
MARION COUNTY WATER DISTRICT
FINAL

1.75% Rate
\$16,301.67 P & I Calculation

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$548,180.00		
12/01/14	\$11,505.09	\$4,797.50	1.75%	\$16,302.59	\$548.18	\$0.00	\$16,850.77	\$536,674.91	\$1,370.00	\$1,370.00
06/01/15	\$11,605.76	\$4,695.91	1.75%	\$16,301.67	\$536.67	\$0.00	\$16,838.34	\$525,069.15	\$0.00	\$1,370.00
12/01/15	\$11,707.31	\$4,594.36	1.75%	\$16,301.67	\$525.07	\$0.00	\$16,826.74	\$513,361.84	\$1,370.00	\$2,740.00
06/01/16	\$11,809.75	\$4,491.92	1.75%	\$16,301.67	\$513.36	\$0.00	\$16,815.03	\$501,552.09	\$0.00	\$2,740.00
12/01/16	\$11,913.09	\$4,388.58	1.75%	\$16,301.67	\$501.55	\$0.00	\$16,803.22	\$489,639.00	\$1,370.00	\$4,110.00
06/01/17	\$12,017.33	\$4,284.34	1.75%	\$16,301.67	\$489.64	\$0.00	\$16,791.31	\$477,621.67	\$0.00	\$4,110.00
12/01/17	\$12,122.48	\$4,179.19	1.75%	\$16,301.67	\$477.62	\$0.00	\$16,779.29	\$465,499.19	\$1,370.00	\$5,480.00
06/01/18	\$12,228.55	\$4,073.12	1.75%	\$16,301.67	\$465.50	\$0.00	\$16,767.17	\$453,270.64	\$0.00	\$5,480.00
12/01/18	\$12,335.55	\$3,966.12	1.75%	\$16,301.67	\$453.27	\$0.00	\$16,754.94	\$440,935.09	\$1,370.00	\$6,850.00
06/01/19	\$12,443.49	\$3,858.18	1.75%	\$16,301.67	\$440.94	\$0.00	\$16,742.61	\$428,491.60	\$0.00	\$6,850.00
12/01/19	\$12,552.37	\$3,749.30	1.75%	\$16,301.67	\$428.49	\$0.00	\$16,730.16	\$415,939.23	\$1,370.00	\$8,220.00
06/01/20	\$12,662.20	\$3,639.47	1.75%	\$16,301.67	\$415.94	\$0.00	\$16,717.61	\$403,277.03	\$0.00	\$8,220.00
12/01/20	\$12,773.00	\$3,528.67	1.75%	\$16,301.67	\$403.28	\$0.00	\$16,704.95	\$390,504.03	\$1,370.00	\$9,590.00
06/01/21	\$12,884.76	\$3,416.91	1.75%	\$16,301.67	\$390.50	\$0.00	\$16,692.17	\$377,619.27	\$0.00	\$9,590.00
12/01/21	\$12,997.50	\$3,304.17	1.75%	\$16,301.67	\$377.62	\$0.00	\$16,679.29	\$364,621.77	\$1,370.00	\$10,960.00
06/01/22	\$13,111.23	\$3,190.44	1.75%	\$16,301.67	\$364.62	\$0.00	\$16,666.29	\$351,510.54	\$0.00	\$10,960.00
12/01/22	\$13,225.95	\$3,075.72	1.75%	\$16,301.67	\$351.51	\$0.00	\$16,653.18	\$338,284.59	\$1,370.00	\$12,330.00
06/01/23	\$13,341.68	\$2,959.99	1.75%	\$16,301.67	\$338.28	\$0.00	\$16,639.95	\$324,942.91	\$0.00	\$12,330.00
12/01/23	\$13,458.42	\$2,843.25	1.75%	\$16,301.67	\$324.94	\$0.00	\$16,626.61	\$311,484.49	\$1,370.00	\$13,700.00
06/01/24	\$13,576.18	\$2,725.49	1.75%	\$16,301.67	\$311.48	\$0.00	\$16,613.15	\$297,908.31	\$0.00	\$13,700.00
12/01/24	\$13,694.97	\$2,606.70	1.75%	\$16,301.67	\$297.91	\$0.00	\$16,599.58	\$284,213.34	\$0.00	\$13,700.00
06/01/25	\$13,814.80	\$2,486.87	1.75%	\$16,301.67	\$284.21	\$0.00	\$16,585.88	\$270,398.54	\$0.00	\$13,700.00
12/01/25	\$13,935.68	\$2,365.99	1.75%	\$16,301.67	\$270.40	\$0.00	\$16,572.07	\$256,462.86	\$0.00	\$13,700.00
06/01/26	\$14,057.62	\$2,244.05	1.75%	\$16,301.67	\$256.46	\$0.00	\$16,558.13	\$242,405.24	\$0.00	\$13,700.00
12/01/26	\$14,180.62	\$2,121.05	1.75%	\$16,301.67	\$242.41	\$0.00	\$16,544.08	\$228,224.62	\$0.00	\$13,700.00
06/01/27	\$14,304.70	\$1,996.97	1.75%	\$16,301.67	\$228.22	\$0.00	\$16,529.89	\$213,919.92	\$0.00	\$13,700.00
12/01/27	\$14,429.87	\$1,871.80	1.75%	\$16,301.67	\$213.92	\$0.00	\$16,515.59	\$199,490.05	\$0.00	\$13,700.00
06/01/28	\$14,556.13	\$1,745.54	1.75%	\$16,301.67	\$199.49	\$0.00	\$16,501.16	\$184,933.92	\$0.00	\$13,700.00
12/01/28	\$14,683.50	\$1,618.17	1.75%	\$16,301.67	\$184.93	\$0.00	\$16,486.60	\$170,250.42	\$0.00	\$13,700.00
06/01/29	\$14,811.98	\$1,489.69	1.75%	\$16,301.67	\$170.25	\$0.00	\$16,471.92	\$155,438.44	\$0.00	\$13,700.00
12/01/29	\$14,941.58	\$1,360.09	1.75%	\$16,301.67	\$155.44	\$0.00	\$16,457.11	\$140,496.86	\$0.00	\$13,700.00
06/01/30	\$15,072.32	\$1,229.35	1.75%	\$16,301.67	\$140.50	\$0.00	\$16,442.17	\$125,424.54	\$0.00	\$13,700.00
12/01/30	\$15,204.21	\$1,097.46	1.75%	\$16,301.67	\$125.42	\$0.00	\$16,427.09	\$110,220.33	\$0.00	\$13,700.00
06/01/31	\$15,337.24	\$964.43	1.75%	\$16,301.67	\$110.22	\$0.00	\$16,411.89	\$94,883.09	\$0.00	\$13,700.00
12/01/31	\$15,471.44	\$830.23	1.75%	\$16,301.67	\$94.88	\$0.00	\$16,396.55	\$79,411.65	\$0.00	\$13,700.00
06/01/32	\$15,606.82	\$694.85	1.75%	\$16,301.67	\$79.41	\$0.00	\$16,381.08	\$63,804.83	\$0.00	\$13,700.00
12/01/32	\$15,743.38	\$558.29	1.75%	\$16,301.67	\$63.80	\$0.00	\$16,365.47	\$48,061.45	\$0.00	\$13,700.00
06/01/33	\$15,881.13	\$420.54	1.75%	\$16,301.67	\$48.06	\$0.00	\$16,349.73	\$32,180.32	\$0.00	\$13,700.00
12/01/33	\$16,020.09	\$281.58	1.75%	\$16,301.67	\$32.18	\$0.00	\$16,333.85	\$16,160.23	\$0.00	\$13,700.00
06/01/34	\$16,160.23	\$141.44	1.75%	\$16,301.67	\$16.16	\$0.00	\$16,317.83	\$0.00	\$0.00	\$13,700.00
Totals	\$548,180.00	\$103,887.72		\$652,067.72	\$11,872.73	\$0.00	\$663,940.45		\$13,700.00	

KENTUCKY INFRASTRUCTURE AUTHORITY
 REPAYMENT SCHEDULE
 LOAN #B18-010
 MARION COUNTY WATER DISTRICT
 FINAL

1.75% Interest
 \$28,250.91 P & I Calculation

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$950,000.00		
12/01/20	\$19,938.41	\$8,298.13	1.75%	\$28,236.54	\$690.39	\$0.00	\$28,926.93	\$930,061.59	\$2,400.00	\$2,400.00
06/01/21	\$20,112.87	\$8,138.04	1.75%	\$28,250.91	\$930.06	\$0.00	\$29,180.97	\$909,948.72	\$0.00	\$2,400.00
12/01/21	\$20,288.86	\$7,962.05	1.75%	\$28,250.91	\$909.95	\$0.00	\$29,160.86	\$889,659.86	\$2,400.00	\$4,800.00
06/01/22	\$20,466.39	\$7,784.52	1.75%	\$28,250.91	\$889.66	\$0.00	\$29,140.57	\$869,193.47	\$0.00	\$4,800.00
12/01/22	\$20,645.47	\$7,605.44	1.75%	\$28,250.91	\$869.19	\$0.00	\$29,120.10	\$848,548.00	\$2,400.00	\$7,200.00
06/01/23	\$20,826.11	\$7,424.80	1.75%	\$28,250.91	\$848.55	\$0.00	\$29,099.46	\$827,721.89	\$0.00	\$7,200.00
12/01/23	\$21,008.34	\$7,242.57	1.75%	\$28,250.91	\$827.72	\$0.00	\$29,078.63	\$806,713.55	\$2,400.00	\$9,600.00
06/01/24	\$21,192.17	\$7,058.74	1.75%	\$28,250.91	\$806.71	\$0.00	\$29,057.62	\$785,521.38	\$0.00	\$9,600.00
12/01/24	\$21,377.60	\$6,873.31	1.75%	\$28,250.91	\$785.52	\$0.00	\$29,036.43	\$764,143.78	\$2,400.00	\$12,000.00
06/01/25	\$21,564.65	\$6,686.26	1.75%	\$28,250.91	\$764.14	\$0.00	\$29,015.05	\$742,579.13	\$0.00	\$12,000.00
12/01/25	\$21,753.34	\$6,497.57	1.75%	\$28,250.91	\$742.58	\$0.00	\$28,993.49	\$720,825.79	\$2,400.00	\$14,400.00
06/01/26	\$21,943.68	\$6,307.23	1.75%	\$28,250.91	\$720.83	\$0.00	\$28,971.74	\$698,882.11	\$0.00	\$14,400.00
12/01/26	\$22,135.69	\$6,115.22	1.75%	\$28,250.91	\$698.88	\$0.00	\$28,949.79	\$676,746.42	\$2,400.00	\$16,800.00
06/01/27	\$22,329.38	\$5,921.53	1.75%	\$28,250.91	\$676.75	\$0.00	\$28,927.66	\$654,417.04	\$0.00	\$16,800.00
12/01/27	\$22,524.76	\$5,726.15	1.75%	\$28,250.91	\$654.42	\$0.00	\$28,905.33	\$631,892.28	\$2,400.00	\$19,200.00
06/01/28	\$22,721.85	\$5,529.06	1.75%	\$28,250.91	\$631.89	\$0.00	\$28,882.80	\$609,170.43	\$0.00	\$19,200.00
12/01/28	\$22,920.67	\$5,330.24	1.75%	\$28,250.91	\$609.17	\$0.00	\$28,860.08	\$586,249.76	\$2,400.00	\$21,600.00
06/01/29	\$23,121.22	\$5,129.69	1.75%	\$28,250.91	\$586.25	\$0.00	\$28,837.16	\$563,128.54	\$0.00	\$21,600.00
12/01/29	\$23,323.54	\$4,927.37	1.75%	\$28,250.91	\$563.13	\$0.00	\$28,814.04	\$539,805.00	\$2,400.00	\$24,000.00
06/01/30	\$23,527.62	\$4,723.29	1.75%	\$28,250.91	\$539.81	\$0.00	\$28,790.72	\$516,277.38	\$0.00	\$24,000.00
12/01/30	\$23,733.48	\$4,517.43	1.75%	\$28,250.91	\$516.28	\$0.00	\$28,767.19	\$492,543.90	\$2,400.00	\$26,400.00
06/01/31	\$23,941.15	\$4,309.76	1.75%	\$28,250.91	\$492.54	\$0.00	\$28,743.45	\$468,602.75	\$0.00	\$26,400.00
12/01/31	\$24,150.64	\$4,100.27	1.75%	\$28,250.91	\$468.60	\$0.00	\$28,719.51	\$444,452.11	\$2,400.00	\$28,800.00
06/01/32	\$24,361.95	\$3,888.96	1.75%	\$28,250.91	\$444.45	\$0.00	\$28,695.36	\$420,090.16	\$0.00	\$28,800.00
12/01/32	\$24,575.12	\$3,675.79	1.75%	\$28,250.91	\$420.09	\$0.00	\$28,671.00	\$395,515.04	\$2,400.00	\$31,200.00
06/01/33	\$24,790.15	\$3,460.76	1.75%	\$28,250.91	\$395.52	\$0.00	\$28,646.43	\$370,724.89	\$0.00	\$31,200.00
12/01/33	\$25,007.07	\$3,243.84	1.75%	\$28,250.91	\$370.72	\$0.00	\$28,621.63	\$345,717.82	\$2,400.00	\$33,600.00
06/01/34	\$25,225.88	\$3,025.03	1.75%	\$28,250.91	\$345.72	\$0.00	\$28,596.63	\$320,491.94	\$0.00	\$33,600.00
12/01/34	\$25,446.61	\$2,804.30	1.75%	\$28,250.91	\$320.49	\$0.00	\$28,571.40	\$295,045.33	\$2,400.00	\$36,000.00
06/01/35	\$25,669.26	\$2,581.65	1.75%	\$28,250.91	\$295.05	\$0.00	\$28,545.96	\$269,376.07	\$0.00	\$36,000.00
12/01/35	\$25,893.87	\$2,357.04	1.75%	\$28,250.91	\$269.38	\$0.00	\$28,520.29	\$243,482.20	\$2,400.00	\$38,400.00
06/01/36	\$26,120.44	\$2,130.47	1.75%	\$28,250.91	\$243.48	\$0.00	\$28,494.39	\$217,361.76	\$0.00	\$38,400.00
12/01/36	\$26,348.99	\$1,901.92	1.75%	\$28,250.91	\$217.36	\$0.00	\$28,468.27	\$191,012.77	\$2,400.00	\$40,800.00
06/01/37	\$26,579.55	\$1,671.36	1.75%	\$28,250.91	\$191.01	\$0.00	\$28,441.92	\$164,433.22	\$0.00	\$40,800.00
12/01/37	\$26,812.12	\$1,438.79	1.75%	\$28,250.91	\$164.43	\$0.00	\$28,415.34	\$137,621.10	\$2,400.00	\$43,200.00
06/01/38	\$27,046.73	\$1,204.18	1.75%	\$28,250.91	\$137.62	\$0.00	\$28,388.53	\$110,574.37	\$0.00	\$43,200.00
12/01/38	\$27,283.38	\$967.53	1.75%	\$28,250.91	\$110.57	\$0.00	\$28,361.48	\$83,290.99	\$2,400.00	\$45,600.00
06/01/39	\$27,522.11	\$728.80	1.75%	\$28,250.91	\$83.29	\$0.00	\$28,334.20	\$55,768.88	\$0.00	\$45,600.00
12/01/39	\$27,762.93	\$487.98	1.75%	\$28,250.91	\$55.77	\$0.00	\$28,306.68	\$28,005.95	\$2,400.00	\$48,000.00
06/01/40	\$28,005.95	\$244.96	1.75%	\$28,250.91	\$28.01	\$0.00	\$28,278.92	\$0.00	\$0.00	\$48,000.00
Totals	\$950,000.00	\$180,022.03		\$1,130,022.03	\$20,315.98	\$0.00	\$1,150,338.01		\$48,000.00	

CNB LOAN PAYABLE

Compound Period : Monthly

Nominal Annual Rate : 3.500 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	12/11/2015	726,050.64	1		
2 Payment	01/12/2016	5,227.69	177	Monthly	09/12/2030
3 Payment	10/12/2030	6,996.61	1		

AMORTIZATION SCHEDULE - Normal Amortization

Date	Payment	Interest	Principal	Balance
Loan 12/11/2015				726,050.64
2015 Totals	0.00	0.00	0.00	
1 01/12/2016	5,227.69	2,187.47	3,040.22	723,010.42
2 02/12/2016	5,227.69	2,108.78	3,118.91	719,891.51
3 03/12/2016	5,227.69	2,099.68	3,128.01	716,763.50
4 04/12/2016	5,227.69	2,090.56	3,137.13	713,626.37
5 05/12/2016	5,227.69	2,081.41	3,146.28	710,480.09
6 06/12/2016	5,227.69	2,072.23	3,155.46	707,324.63
7 07/12/2016	5,227.69	2,063.03	3,164.66	704,159.97
8 08/12/2016	5,227.69	2,053.80	3,173.89	700,986.08
9 09/12/2016	5,227.69	2,044.54	3,183.15	697,802.93
10 10/12/2016	5,227.69	2,035.26	3,192.43	694,610.50
11 11/12/2016	5,227.69	2,025.95	3,201.74	691,408.76
12 12/12/2016	5,227.69	2,016.61	3,211.08	688,197.68
2016 Totals	62,732.28	24,879.32	37,852.96	
13 01/12/2017	5,227.69	2,007.24	3,220.45	684,977.23
14 02/12/2017	5,227.69	1,997.85	3,229.84	681,747.39
15 03/12/2017	5,227.69	1,988.43	3,239.26	678,508.13
16 04/12/2017	5,227.69	1,978.98	3,248.71	675,259.42
17 05/12/2017	5,227.69	1,969.51	3,258.18	672,001.24
18 06/12/2017	5,227.69	1,960.00	3,267.69	668,733.55
19 07/12/2017	5,227.69	1,950.47	3,277.22	665,456.33
20 08/12/2017	5,227.69	1,940.91	3,286.78	662,169.55
21 09/12/2017	5,227.69	1,931.33	3,296.36	658,873.19
22 10/12/2017	5,227.69	1,921.71	3,305.98	655,567.21
23 11/12/2017	5,227.69	1,912.07	3,315.62	652,251.59
24 12/12/2017	5,227.69	1,902.40	3,325.29	648,926.30
2017 Totals	62,732.28	23,460.90	39,271.38	
25 01/12/2018	5,227.69	1,892.70	3,334.99	645,591.31
26 02/12/2018	5,227.69	1,882.97	3,344.72	642,246.59
27 03/12/2018	5,227.69	1,873.22	3,354.47	638,892.12
28 04/12/2018	5,227.69	1,863.44	3,364.25	635,527.87

CNB LOAN PAYABLE

	Date	Payment	Interest	Principal	Balance
	29 05/12/2018	5,227.69	1,853.62	3,374.07	632,153.80
	30 06/12/2018	5,227.69	1,843.78	3,383.91	628,769.89
	31 07/12/2018	5,227.69	1,833.91	3,393.78	625,376.11
	32 08/12/2018	5,227.69	1,824.01	3,403.68	621,972.43
	33 09/12/2018	5,227.69	1,814.09	3,413.60	618,558.83
	34 10/12/2018	5,227.69	1,804.13	3,423.56	615,135.27
	35 11/12/2018	5,227.69	1,794.14	3,433.55	611,701.72
	36 12/12/2018	5,227.69	1,784.13	3,443.56	608,258.16
	2018 Totals	62,732.28	22,064.14	40,668.14	
	37 01/12/2019	5,227.69	1,774.09	3,453.60	604,804.56
	38 02/12/2019	5,227.69	1,764.01	3,463.68	601,340.88
	39 03/12/2019	5,227.69	1,753.91	3,473.78	597,867.10
	40 04/12/2019	5,227.69	1,743.78	3,483.91	594,383.19
	41 05/12/2019	5,227.69	1,733.62	3,494.07	590,889.12
	42 06/12/2019	5,227.69	1,723.43	3,504.26	587,384.86
	43 07/12/2019	5,227.69	1,713.21	3,514.48	583,870.38
	44 08/12/2019	5,227.69	1,702.96	3,524.73	580,345.65
	45 09/12/2019	5,227.69	1,692.67	3,535.02	576,810.63
	46 10/12/2019	5,227.69	1,682.36	3,545.33	573,265.30
	47 11/12/2019	5,227.69	1,672.02	3,555.67	569,709.63
	48 12/12/2019	5,227.69	1,661.65	3,566.04	566,143.59
	2019 Totals	62,732.28	20,617.71	42,114.57	
	49 01/12/2020	5,227.69	1,651.25	3,576.44	562,567.15
	50 02/12/2020	5,227.69	1,640.82	3,586.87	558,980.28
	51 03/12/2020	5,227.69	1,630.36	3,597.33	555,382.95
	52 04/12/2020	5,227.69	1,619.87	3,607.82	551,775.13
	53 05/12/2020	5,227.69	1,609.34	3,618.35	548,156.78
	54 06/12/2020	5,227.69	1,598.79	3,628.90	544,527.88
	55 07/12/2020	5,227.69	1,588.21	3,639.48	540,888.40
	56 08/12/2020	5,227.69	1,577.59	3,650.10	537,238.30
	57 09/12/2020	5,227.69	1,566.95	3,660.74	533,577.56
	58 10/12/2020	5,227.69	1,556.27	3,671.42	529,906.14
	59 11/12/2020	5,227.69	1,545.56	3,682.13	526,224.01
	60 12/12/2020	5,227.69	1,534.82	3,692.87	522,531.14
	2020 Totals	62,732.28	19,119.83	43,612.45	
	61 01/12/2021	5,227.69	1,524.05	3,703.64	518,827.50
	62 02/12/2021	5,227.69	1,513.25	3,714.44	515,113.06
	63 03/12/2021	5,227.69	1,502.41	3,725.28	511,387.78
	64 04/12/2021	5,227.69	1,491.55	3,736.14	507,651.64
	65 05/12/2021	5,227.69	1,480.65	3,747.04	503,904.60
	66 06/12/2021	5,227.69	1,469.72	3,757.97	500,146.63
	67 07/12/2021	5,227.69	1,458.76	3,768.93	496,377.70
	68 08/12/2021	5,227.69	1,447.77	3,779.92	492,597.78
	69 09/12/2021	5,227.69	1,436.74	3,790.95	488,806.83
	70 10/12/2021	5,227.69	1,425.69	3,802.00	485,004.83
	71 11/12/2021	5,227.69	1,414.60	3,813.09	481,191.74

CNB LOAN PAYABLE

Date	Payment	Interest	Principal	Balance
72 12/12/2021	5,227.69	1,403.48	3,824.21	477,367.53
2021 Totals	62,732.28	17,568.67	45,163.61	
73 01/12/2022	5,227.69	1,392.32	3,835.37	473,532.16
74 02/12/2022	5,227.69	1,381.14	3,846.55	469,685.61
75 03/12/2022	5,227.69	1,369.92	3,857.77	465,827.84
76 04/12/2022	5,227.69	1,358.66	3,869.03	461,958.81
77 05/12/2022	5,227.69	1,347.38	3,880.31	458,078.50
78 06/12/2022	5,227.69	1,336.06	3,891.63	454,186.87
79 07/12/2022	5,227.69	1,324.71	3,902.98	450,283.89
80 08/12/2022	5,227.69	1,313.33	3,914.36	446,369.53
81 09/12/2022	5,227.69	1,301.91	3,925.78	442,443.75
82 10/12/2022	5,227.69	1,290.46	3,937.23	438,506.52
83 11/12/2022	5,227.69	1,278.98	3,948.71	434,557.81
84 12/12/2022	5,227.69	1,267.46	3,960.23	430,597.58
2022 Totals	62,732.28	15,962.33	46,769.95	
85 01/12/2023	5,227.69	1,255.91	3,971.78	426,625.80
86 02/12/2023	5,227.69	1,244.33	3,983.36	422,642.44
87 03/12/2023	5,227.69	1,232.71	3,994.98	418,647.46
88 04/12/2023	5,227.69	1,221.06	4,006.63	414,640.83
89 05/12/2023	5,227.69	1,209.37	4,018.32	410,622.51
90 06/12/2023	5,227.69	1,197.65	4,030.04	406,592.47
91 07/12/2023	5,227.69	1,185.89	4,041.80	402,550.67
92 08/12/2023	5,227.69	1,174.11	4,053.58	398,497.09
93 09/12/2023	5,227.69	1,162.28	4,065.41	394,431.68
94 10/12/2023	5,227.69	1,150.43	4,077.26	390,354.42
95 11/12/2023	5,227.69	1,138.53	4,089.16	386,265.26
96 12/12/2023	5,227.69	1,126.61	4,101.08	382,164.18
2023 Totals	62,732.28	14,298.88	48,433.40	
97 01/12/2024	5,227.69	1,114.65	4,113.04	378,051.14
98 02/12/2024	5,227.69	1,102.65	4,125.04	373,926.10
99 03/12/2024	5,227.69	1,090.62	4,137.07	369,789.03
100 04/12/2024	5,227.69	1,078.55	4,149.14	365,639.89
101 05/12/2024	5,227.69	1,066.45	4,161.24	361,478.65
102 06/12/2024	5,227.69	1,054.31	4,173.38	357,305.27
103 07/12/2024	5,227.69	1,042.14	4,185.55	353,119.72
104 08/12/2024	5,227.69	1,029.93	4,197.76	348,921.96
105 09/12/2024	5,227.69	1,017.69	4,210.00	344,711.96
106 10/12/2024	5,227.69	1,005.41	4,222.28	340,489.68
107 11/12/2024	5,227.69	993.09	4,234.60	336,255.08
108 12/12/2024	5,227.69	980.74	4,246.95	332,008.13
2024 Totals	62,732.28	12,576.23	50,156.05	
109 01/12/2025	5,227.69	968.36	4,259.33	327,748.80
110 02/12/2025	5,227.69	955.93	4,271.76	323,477.04
111 03/12/2025	5,227.69	943.47	4,284.22	319,192.82
112 04/12/2025	5,227.69	930.98	4,296.71	314,896.11

CNB LOAN PAYABLE

	Date	Payment	Interest	Principal	Balance
113	05/12/2025	5,227.69	918.45	4,309.24	310,586.87
114	06/12/2025	5,227.69	905.88	4,321.81	306,265.06
115	07/12/2025	5,227.69	893.27	4,334.42	301,930.64
116	08/12/2025	5,227.69	880.63	4,347.06	297,583.58
117	09/12/2025	5,227.69	867.95	4,359.74	293,223.84
118	10/12/2025	5,227.69	855.24	4,372.45	288,851.39
119	11/12/2025	5,227.69	842.48	4,385.21	284,466.18
120	12/12/2025	5,227.69	829.69	4,398.00	280,068.18
2025 Totals		62,732.28	10,792.33	51,939.95	
121	01/12/2026	5,227.69	816.87	4,410.82	275,657.36
122	02/12/2026	5,227.69	804.00	4,423.69	271,233.67
123	03/12/2026	5,227.69	791.10	4,436.59	266,797.08
124	04/12/2026	5,227.69	778.16	4,449.53	262,347.55
125	05/12/2026	5,227.69	765.18	4,462.51	257,885.04
126	06/12/2026	5,227.69	752.16	4,475.53	253,409.51
127	07/12/2026	5,227.69	739.11	4,488.58	248,920.93
128	08/12/2026	5,227.69	726.02	4,501.67	244,419.26
129	09/12/2026	5,227.69	712.89	4,514.80	239,904.46
130	10/12/2026	5,227.69	699.72	4,527.97	235,376.49
131	11/12/2026	5,227.69	686.51	4,541.18	230,835.31
132	12/12/2026	5,227.69	673.27	4,554.42	226,280.89
2026 Totals		62,732.28	8,944.99	53,787.29	
133	01/12/2027	5,227.69	659.99	4,567.70	221,713.19
134	02/12/2027	5,227.69	646.66	4,581.03	217,132.16
135	03/12/2027	5,227.69	633.30	4,594.39	212,537.77
136	04/12/2027	5,227.69	619.90	4,607.79	207,929.98
137	05/12/2027	5,227.69	606.46	4,621.23	203,308.75
138	06/12/2027	5,227.69	592.98	4,634.71	198,674.04
139	07/12/2027	5,227.69	579.47	4,648.22	194,025.82
140	08/12/2027	5,227.69	565.91	4,661.78	189,364.04
141	09/12/2027	5,227.69	552.31	4,675.38	184,688.66
142	10/12/2027	5,227.69	538.68	4,689.01	179,999.65
143	11/12/2027	5,227.69	525.00	4,702.69	175,296.96
144	12/12/2027	5,227.69	511.28	4,716.41	170,580.55
2027 Totals		62,732.28	7,031.94	55,700.34	
145	01/12/2028	5,227.69	497.53	4,730.16	165,850.39
146	02/12/2028	5,227.69	483.73	4,743.96	161,106.43
147	03/12/2028	5,227.69	469.89	4,757.80	156,348.63
148	04/12/2028	5,227.69	456.02	4,771.67	151,576.96
149	05/12/2028	5,227.69	442.10	4,785.59	146,791.37
150	06/12/2028	5,227.69	428.14	4,799.55	141,991.82
151	07/12/2028	5,227.69	414.14	4,813.55	137,178.27
152	08/12/2028	5,227.69	400.10	4,827.59	132,350.68
153	09/12/2028	5,227.69	386.02	4,841.67	127,509.01
154	10/12/2028	5,227.69	371.90	4,855.79	122,653.22
155	11/12/2028	5,227.69	357.74	4,869.95	117,783.27

CNB LOAN PAYABLE

	Date	Payment	Interest	Principal	Balance
	156 12/12/2028	5,227.69	343.53	4,884.16	112,899.11
	2028 Totals	62,732.28	5,050.84	57,681.44	
	157 01/12/2029	5,227.69	329.29	4,898.40	108,000.71
	158 02/12/2029	5,227.69	315.00	4,912.69	103,088.02
	159 03/12/2029	5,227.69	300.67	4,927.02	98,161.00
	160 04/12/2029	5,227.69	286.30	4,941.39	93,219.61
	161 05/12/2029	5,227.69	271.89	4,955.80	88,263.81
	162 06/12/2029	5,227.69	257.44	4,970.25	83,293.56
	163 07/12/2029	5,227.69	242.94	4,984.75	78,308.81
	164 08/12/2029	5,227.69	228.40	4,999.29	73,309.52
	165 09/12/2029	5,227.69	213.82	5,013.87	68,295.65
	166 10/12/2029	5,227.69	199.20	5,028.49	63,267.16
	167 11/12/2029	5,227.69	184.53	5,043.16	58,224.00
	168 12/12/2029	5,227.69	169.82	5,057.87	53,166.13
	2029 Totals	62,732.28	2,999.30	59,732.98	
	169 01/12/2030	5,227.69	155.07	5,072.62	48,093.51
	170 02/12/2030	5,227.69	140.27	5,087.42	43,006.09
	171 03/12/2030	5,227.69	125.43	5,102.26	37,903.83
	172 04/12/2030	5,227.69	110.55	5,117.14	32,786.69
	173 05/12/2030	5,227.69	95.63	5,132.06	27,654.63
	174 06/12/2030	5,227.69	80.66	5,147.03	22,507.60
	175 07/12/2030	5,227.69	65.65	5,162.04	17,345.56
	176 08/12/2030	5,227.69	50.59	5,177.10	12,168.46
	177 09/12/2030	5,227.69	35.49	5,192.20	6,976.26
	178 10/12/2030	6,996.61	20.35	6,976.26	0.00
	2030 Totals	54,045.82	879.69	53,166.13	
	Grand Totals	932,297.74	206,247.10	726,050.64	

Report Date: 07/19/2021

FARMERS NATIONAL BANK OF LEBANON

Loan Amortization Schedule

Entered Values			Loan Summary		
Loan Amount:	\$488,806.83		Scheduled Payment Amount:	\$4,528.39	
Annual Interest Rate:	2.1400 %		Number Scheduled Payments:	120	
Accrual Method:	365/365		Total Interest:	\$54,586.82	
Note Type:	Reg P&I		Balloon Payment Amount:	\$0.00	
Loan Term (months):					
Maturity Date:	9/12/2031				
Payment Frequency:	Monthly				
Date First Payment Due:	10/12/2021				
Date Next Payment Due:	10/12/2021				
Amortization Begin Date:	9/13/2021				
Payment Amount:	\$0.00				
Extra Payment Amount:	\$0.00				
Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
10/12/21	\$488,806.83	\$4,528.39	\$3,697.28 \$831.11	\$3,697.28 \$831.11	\$485,109.55
11/12/21	\$485,109.55	\$4,528.39	\$3,646.69 \$881.70	\$7,343.97 \$1,712.81	\$481,462.86
12/12/21	\$481,462.86	\$4,528.39	\$3,681.54 \$846.85	\$11,025.51 \$2,559.66	\$477,781.32
Year 1 totals:		\$13,585.17	\$11,025.51 \$2,559.66		
01/12/22	\$477,781.32	\$4,528.39	\$3,660.01 \$868.38	\$14,685.52 \$3,428.04	\$474,121.31
02/12/22	\$474,121.31	\$4,528.39	\$3,666.66 \$861.73	\$18,352.18 \$4,289.77	\$470,454.65
03/12/22	\$470,454.65	\$4,528.39	\$3,756.07 \$772.32	\$22,108.25 \$5,062.09	\$466,698.58
04/12/22	\$466,698.58	\$4,528.39	\$3,680.15 \$848.24	\$25,788.40 \$5,910.33	\$463,018.43
05/12/22	\$463,018.43	\$4,528.39	\$3,713.98 \$814.41	\$29,502.38 \$6,724.74	\$459,304.45
06/12/22	\$459,304.45	\$4,528.39	\$3,693.59 \$834.80	\$33,195.97 \$7,559.54	\$455,610.86

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
07/12/22	\$455,610.86	\$4,528.39	\$3,727.01 \$801.38	\$36,922.98 \$8,360.92	\$451,883.85
08/12/22	\$451,883.85	\$4,528.39	\$3,707.08 \$821.31	\$40,630.06 \$9,182.23	\$448,176.77
09/12/22	\$448,176.77	\$4,528.39	\$3,713.81 \$814.58	\$44,343.87 \$9,996.81	\$444,462.96
10/12/22	\$444,462.96	\$4,528.39	\$3,746.62 \$781.77	\$48,090.49 \$10,778.58	\$440,716.34
11/12/22	\$440,716.34	\$4,528.39	\$3,727.37 \$801.02	\$51,817.86 \$11,579.60	\$436,988.97
12/12/22	\$436,988.97	\$4,528.39	\$3,759.77 \$768.62	\$55,577.63 \$12,348.22	\$433,229.20
Year 2 totals:		\$54,340.68	\$44,552.12 \$9,788.56		
01/12/23	\$433,229.20	\$4,528.39	\$3,740.98 \$787.41	\$59,318.61 \$13,135.63	\$429,488.22
02/12/23	\$429,488.22	\$4,528.39	\$3,747.78 \$780.61	\$63,066.39 \$13,916.24	\$425,740.44
03/12/23	\$425,740.44	\$4,528.39	\$3,829.48 \$698.91	\$66,895.87 \$14,615.15	\$421,910.96
04/12/23	\$421,910.96	\$4,528.39	\$3,761.55 \$766.84	\$70,657.42 \$15,381.99	\$418,149.41
05/12/23	\$418,149.41	\$4,528.39	\$3,792.91 \$735.48	\$74,450.33 \$16,117.47	\$414,356.50
06/12/23	\$414,356.50	\$4,528.39	\$3,775.28 \$753.11	\$78,225.61 \$16,870.58	\$410,581.22
07/12/23	\$410,581.22	\$4,528.39	\$3,806.22 \$722.17	\$82,031.83 \$17,592.75	\$406,775.00
08/12/23	\$406,775.00	\$4,528.39	\$3,789.06 \$739.33	\$85,820.89 \$18,332.08	\$402,985.94
09/12/23	\$402,985.94	\$4,528.39	\$3,795.95 \$732.44	\$89,616.84 \$19,064.52	\$399,189.99
10/12/23	\$399,189.99	\$4,528.39	\$3,826.25 \$702.14	\$93,443.09 \$19,766.66	\$395,363.74
11/12/23	\$395,363.74	\$4,528.39	\$3,809.80 \$718.59	\$97,252.89 \$20,485.25	\$391,553.94
12/12/23	\$391,553.94	\$4,528.39	\$3,839.68 \$688.71	\$101,092.57 \$21,173.96	\$387,714.26
Year 3 totals:		\$54,340.68	\$45,514.94 \$8,825.74		
01/12/24	\$387,714.26	\$4,528.39	\$3,823.71 \$704.68	\$104,916.28 \$21,878.64	\$383,890.55

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
02/12/24	\$383,890.55	\$4,528.39	\$3,830.66 \$697.73	\$108,746.94 \$22,576.37	\$380,059.89
03/12/24	\$380,059.89	\$4,528.39	\$3,882.18 \$646.21	\$112,629.12 \$23,222.58	\$376,177.71
04/12/24	\$376,177.71	\$4,528.39	\$3,844.67 \$683.72	\$116,473.79 \$23,906.30	\$372,333.04
05/12/24	\$372,333.04	\$4,528.39	\$3,873.49 \$654.90	\$120,347.28 \$24,561.20	\$368,459.55
06/12/24	\$368,459.55	\$4,528.39	\$3,858.70 \$669.69	\$124,205.98 \$25,230.89	\$364,600.85
07/12/24	\$364,600.85	\$4,528.39	\$3,887.09 \$641.30	\$128,093.07 \$25,872.19	\$360,713.76
08/12/24	\$360,713.76	\$4,528.39	\$3,872.78 \$655.61	\$131,965.85 \$26,527.80	\$356,840.98
09/12/24	\$356,840.98	\$4,528.39	\$3,879.82 \$648.57	\$135,845.67 \$27,176.37	\$352,961.16
10/12/24	\$352,961.16	\$4,528.39	\$3,907.57 \$620.82	\$139,753.24 \$27,797.19	\$349,053.59
11/12/24	\$349,053.59	\$4,528.39	\$3,893.97 \$634.42	\$143,647.21 \$28,431.61	\$345,159.62
12/12/24	\$345,159.62	\$4,528.39	\$3,921.29 \$607.10	\$147,568.50 \$29,038.71	\$341,238.33
Year 4 totals:		\$54,340.68	\$46,475.93 \$7,864.75		
01/12/25	\$341,238.33	\$4,528.39	\$3,908.18 \$620.21	\$151,476.68 \$29,658.92	\$337,330.15
02/12/25	\$337,330.15	\$4,528.39	\$3,915.28 \$613.11	\$155,391.96 \$30,272.03	\$333,414.87
03/12/25	\$333,414.87	\$4,528.39	\$3,981.04 \$547.35	\$159,373.00 \$30,819.38	\$329,433.83
04/12/25	\$329,433.83	\$4,528.39	\$3,929.63 \$598.76	\$163,302.63 \$31,418.14	\$325,504.20
05/12/25	\$325,504.20	\$4,528.39	\$3,955.86 \$572.53	\$167,258.49 \$31,990.67	\$321,548.34
06/12/25	\$321,548.34	\$4,528.39	\$3,943.96 \$584.43	\$171,202.45 \$32,575.10	\$317,604.38
07/12/25	\$317,604.38	\$4,528.39	\$3,969.75 \$558.64	\$175,172.20 \$33,133.74	\$313,634.63
08/12/25	\$313,634.63	\$4,528.39	\$3,958.35 \$570.04	\$179,130.55 \$33,703.78	\$309,676.28
09/12/25	\$309,676.28	\$4,528.39	\$3,965.54 \$562.85	\$183,096.09 \$34,266.63	\$305,710.74

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
10/12/25	\$305,710.74	\$4,528.39	\$3,990.67	\$187,086.76	\$301,720.07
			\$537.72	\$34,804.35	
11/12/25	\$301,720.07	\$4,528.39	\$3,980.00	\$191,066.76	\$297,740.07
			\$548.39	\$35,352.74	
12/12/25	\$297,740.07	\$4,528.39	\$4,004.69	\$195,071.45	\$293,735.38
			\$523.70	\$35,876.44	
Year 5 totals:		\$54,340.68	\$47,502.95		
			\$6,837.73		
01/12/26	\$293,735.38	\$4,528.39	\$3,994.52	\$199,065.97	\$289,740.86
			\$533.87	\$36,410.31	
02/12/26	\$289,740.86	\$4,528.39	\$4,001.78	\$203,067.75	\$285,739.08
			\$526.61	\$36,936.92	
03/12/26	\$285,739.08	\$4,528.39	\$4,059.31	\$207,127.06	\$281,679.77
			\$469.08	\$37,406.00	
04/12/26	\$281,679.77	\$4,528.39	\$4,016.43	\$211,143.49	\$277,663.34
			\$511.96	\$37,917.96	
05/12/26	\$277,663.34	\$4,528.39	\$4,040.01	\$215,183.50	\$273,623.33
			\$488.38	\$38,406.34	
06/12/26	\$273,623.33	\$4,528.39	\$4,031.07	\$219,214.57	\$269,592.26
			\$497.32	\$38,903.66	
07/12/26	\$269,592.26	\$4,528.39	\$4,054.20	\$223,268.77	\$265,538.06
			\$474.19	\$39,377.85	
08/12/26	\$265,538.06	\$4,528.39	\$4,045.77	\$227,314.54	\$261,492.29
			\$482.62	\$39,860.47	
09/12/26	\$261,492.29	\$4,528.39	\$4,053.12	\$231,367.66	\$257,439.17
			\$475.27	\$40,335.74	
10/12/26	\$257,439.17	\$4,528.39	\$4,075.58	\$235,443.24	\$253,363.59
			\$452.81	\$40,788.55	
11/12/26	\$253,363.59	\$4,528.39	\$4,067.89	\$239,511.13	\$249,295.70
			\$460.50	\$41,249.05	
12/12/26	\$249,295.70	\$4,528.39	\$4,089.90	\$243,601.03	\$245,205.80
			\$438.49	\$41,687.54	
Year 6 totals:		\$54,340.68	\$48,529.58		
			\$5,811.10		
01/12/27	\$245,205.80	\$4,528.39	\$4,082.72	\$247,683.75	\$241,123.08
			\$445.67	\$42,133.21	
02/12/27	\$241,123.08	\$4,528.39	\$4,090.14	\$251,773.89	\$237,032.94
			\$438.25	\$42,571.46	
03/12/27	\$237,032.94	\$4,528.39	\$4,139.27	\$255,913.16	\$232,893.67
			\$389.12	\$42,960.58	
04/12/27	\$232,893.67	\$4,528.39	\$4,105.10	\$260,018.26	\$228,788.57
			\$423.29	\$43,383.87	

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
05/12/27	\$228,788.57	\$4,528.39	\$4,125.97 \$402.42	\$264,144.23 \$43,786.29	\$224,662.60
06/12/27	\$224,662.60	\$4,528.39	\$4,120.06 \$408.33	\$268,264.29 \$44,194.62	\$220,542.54
07/12/27	\$220,542.54	\$4,528.39	\$4,140.48 \$387.91	\$272,404.77 \$44,582.53	\$216,402.06
08/12/27	\$216,402.06	\$4,528.39	\$4,135.07 \$393.32	\$276,539.84 \$44,975.85	\$212,266.99
09/12/27	\$212,266.99	\$4,528.39	\$4,142.59 \$385.80	\$280,682.43 \$45,361.65	\$208,124.40
10/12/27	\$208,124.40	\$4,528.39	\$4,162.32 \$366.07	\$284,844.75 \$45,727.72	\$203,962.08
11/12/27	\$203,962.08	\$4,528.39	\$4,157.68 \$370.71	\$289,002.43 \$46,098.43	\$199,804.40
12/12/27	\$199,804.40	\$4,528.39	\$4,176.95 \$351.44	\$293,179.38 \$46,449.87	\$195,627.45
Year 7 totals:		\$54,340.68	\$49,578.35 \$4,762.33		
01/12/28	\$195,627.45	\$4,528.39	\$4,172.83 \$355.56	\$297,352.21 \$46,805.43	\$191,454.62
02/12/28	\$191,454.62	\$4,528.39	\$4,180.41 \$347.98	\$301,532.62 \$47,153.41	\$187,274.21
03/12/28	\$187,274.21	\$4,528.39	\$4,209.97 \$318.42	\$305,742.59 \$47,471.83	\$183,064.24
04/12/28	\$183,064.24	\$4,528.39	\$4,195.66 \$332.73	\$309,938.25 \$47,804.56	\$178,868.58
05/12/28	\$178,868.58	\$4,528.39	\$4,213.78 \$314.61	\$314,152.03 \$48,119.17	\$174,654.80
06/12/28	\$174,654.80	\$4,528.39	\$4,210.95 \$317.44	\$318,362.98 \$48,436.61	\$170,443.85
07/12/28	\$170,443.85	\$4,528.39	\$4,228.60 \$299.79	\$322,591.58 \$48,736.40	\$166,215.25
08/12/28	\$166,215.25	\$4,528.39	\$4,226.29 \$302.10	\$326,817.87 \$49,038.50	\$161,988.96
09/12/28	\$161,988.96	\$4,528.39	\$4,233.97 \$294.42	\$331,051.84 \$49,332.92	\$157,754.99
10/12/28	\$157,754.99	\$4,528.39	\$4,250.91 \$277.48	\$335,302.75 \$49,610.40	\$153,504.08
11/12/28	\$153,504.08	\$4,528.39	\$4,249.39 \$279.00	\$339,552.14 \$49,889.40	\$149,254.69
12/12/28	\$149,254.69	\$4,528.39	\$4,265.87 \$262.52	\$343,818.01 \$50,151.92	\$144,988.82

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
Year 8 totals:		\$54,340.68	\$50,638.63 \$3,702.05		
01/12/29	\$144,988.82	\$4,528.39	\$4,264.87 \$263.52	\$348,082.88 \$50,415.44	\$140,723.95
02/12/29	\$140,723.95	\$4,528.39	\$4,272.62 \$255.77	\$352,355.50 \$50,671.21	\$136,451.33
03/12/29	\$136,451.33	\$4,528.39	\$4,304.39 \$224.00	\$356,659.89 \$50,895.21	\$132,146.94
04/12/29	\$132,146.94	\$4,528.39	\$4,288.21 \$240.18	\$360,948.10 \$51,135.39	\$127,858.73
05/12/29	\$127,858.73	\$4,528.39	\$4,303.50 \$224.89	\$365,251.60 \$51,360.28	\$123,555.23
06/12/29	\$123,555.23	\$4,528.39	\$4,303.82 \$224.57	\$369,555.42 \$51,584.85	\$119,251.41
07/12/29	\$119,251.41	\$4,528.39	\$4,318.64 \$209.75	\$373,874.06 \$51,794.60	\$114,932.77
08/12/29	\$114,932.77	\$4,528.39	\$4,319.50 \$208.89	\$378,193.56 \$52,003.49	\$110,613.27
09/12/29	\$110,613.27	\$4,528.39	\$4,327.35 \$201.04	\$382,520.91 \$52,204.53	\$106,285.92
10/12/29	\$106,285.92	\$4,528.39	\$4,341.44 \$186.95	\$386,862.35 \$52,391.48	\$101,944.48
11/12/29	\$101,944.48	\$4,528.39	\$4,343.10 \$185.29	\$391,205.45 \$52,576.77	\$97,601.38
12/12/29	\$97,601.38	\$4,528.39	\$4,356.72 \$171.67	\$395,562.17 \$52,748.44	\$93,244.66
Year 9 totals:		\$54,340.68	\$51,744.16 \$2,596.52		
01/12/30	\$93,244.66	\$4,528.39	\$4,358.91 \$169.48	\$399,921.08 \$52,917.92	\$88,885.75
02/12/30	\$88,885.75	\$4,528.39	\$4,366.84 \$161.55	\$404,287.92 \$53,079.47	\$84,518.91
03/12/30	\$84,518.91	\$4,528.39	\$4,389.64 \$138.75	\$408,677.56 \$53,218.22	\$80,129.27
04/12/30	\$80,129.27	\$4,528.39	\$4,382.75 \$145.64	\$413,060.31 \$53,363.86	\$75,746.52
05/12/30	\$75,746.52	\$4,528.39	\$4,395.16 \$133.23	\$417,455.47 \$53,497.09	\$71,351.36
06/12/30	\$71,351.36	\$4,528.39	\$4,398.71 \$129.68	\$421,854.18 \$53,626.77	\$66,952.65
07/12/30	\$66,952.65	\$4,528.39	\$4,410.63 \$117.76	\$426,264.81 \$53,744.53	\$62,542.02

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
08/12/30	\$62,542.02	\$4,528.39	\$4,414.72	\$430,679.53	\$58,127.30
			\$113.67	\$53,858.20	
09/12/30	\$58,127.30	\$4,528.39	\$4,422.74	\$435,102.27	\$53,704.56
			\$105.65	\$53,963.85	
10/12/30	\$53,704.56	\$4,528.39	\$4,433.93	\$439,536.20	\$49,270.63
			\$94.46	\$54,058.31	
11/12/30	\$49,270.63	\$4,528.39	\$4,438.84	\$443,975.04	\$44,831.79
			\$89.55	\$54,147.86	
12/12/30	\$44,831.79	\$4,528.39	\$4,449.54	\$448,424.58	\$40,382.25
			\$78.85	\$54,226.71	
Year 10 totals:		\$54,340.68	\$52,862.41		
			\$1,478.27		
01/12/31	\$40,382.25	\$4,528.39	\$4,454.99	\$452,879.57	\$35,927.26
			\$73.40	\$54,300.11	
02/12/31	\$35,927.26	\$4,528.39	\$4,463.09	\$457,342.66	\$31,464.17
			\$65.30	\$54,365.41	
03/12/31	\$31,464.17	\$4,528.39	\$4,476.74	\$461,819.40	\$26,987.43
			\$51.65	\$54,417.06	
04/12/31	\$26,987.43	\$4,528.39	\$4,479.34	\$466,298.74	\$22,508.09
			\$49.05	\$54,466.11	
05/12/31	\$22,508.09	\$4,528.39	\$4,488.80	\$470,787.54	\$18,019.29
			\$39.59	\$54,505.70	
06/12/31	\$18,019.29	\$4,528.39	\$4,495.64	\$475,283.18	\$13,523.65
			\$32.75	\$54,538.45	
07/12/31	\$13,523.65	\$4,528.39	\$4,504.60	\$479,787.78	\$9,019.05
			\$23.79	\$54,562.24	
08/12/31	\$9,019.05	\$4,528.39	\$4,512.00	\$484,299.78	\$4,507.05
			\$16.39	\$54,578.63	
09/12/31	\$4,507.05	\$4,515.24	\$4,507.05	\$488,806.83	\$0.00
			\$8.19	\$54,586.82	
Year 11 totals:		\$40,742.36	\$40,382.25		
			\$360.11		

Report Date: 07/19/2021

FARMERS NATIONAL BANK OF LEBANON

Loan Amortization Schedule

Entered Values		Loan Summary	
Loan Amount:	\$1,600,000.00	Scheduled Payment Amount:	\$14,822.69
Annual Interest Rate:	2.1400 %	Number Scheduled Payments:	120
Accrual Method:	365/365	Total Interest:	\$178,898.21
Note Type:	Reg P&I	Balloon Payment Amount:	\$14,998.10
Loan Term (months):			
Maturity Date:	3/12/2033		
Payment Frequency:	Monthly		
Date First Payment Due:	4/12/2023		
Date Next Payment Due:	4/12/2023		
Amortization Begin Date:	3/13/2023		
Payment Amount:	\$0.00		
Extra Payment Amount:	\$0.00		

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
04/12/23	\$1,600,000.00	\$14,822.69	\$12,008.44	\$12,008.44	\$1,587,991.56
			\$2,814.25	\$2,814.25	
05/12/23	\$1,587,991.56	\$14,822.69	\$12,029.57	\$24,038.01	\$1,575,961.99
			\$2,793.12	\$5,607.37	
06/12/23	\$1,575,961.99	\$14,822.69	\$11,958.33	\$35,996.34	\$1,564,003.66
			\$2,864.36	\$8,471.73	
07/12/23	\$1,564,003.66	\$14,822.69	\$12,071.76	\$48,068.10	\$1,551,931.90
			\$2,750.93	\$11,222.66	
08/12/23	\$1,551,931.90	\$14,822.69	\$12,002.00	\$60,070.10	\$1,539,929.90
			\$2,820.69	\$14,043.35	
09/12/23	\$1,539,929.90	\$14,822.69	\$12,023.81	\$72,093.91	\$1,527,906.09
			\$2,798.88	\$16,842.23	
10/12/23	\$1,527,906.09	\$14,822.69	\$12,135.25	\$84,229.16	\$1,515,770.84
			\$2,687.44	\$19,529.67	
11/12/23	\$1,515,770.84	\$14,822.69	\$12,067.72	\$96,296.88	\$1,503,703.12
			\$2,754.97	\$22,284.64	
12/12/23	\$1,503,703.12	\$14,822.69	\$12,177.82	\$108,474.70	\$1,491,525.30
			\$2,644.87	\$24,929.51	
Year 1 totals:		\$133,404.21	\$108,474.70		
			\$24,929.51		

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
01/12/24	\$1,491,525.30	\$14,822.69	\$12,111.79 \$2,710.90	\$120,586.49 \$27,640.41	\$1,479,413.51
02/12/24	\$1,479,413.51	\$14,822.69	\$12,133.81 \$2,688.88	\$132,720.30 \$30,329.29	\$1,467,279.70
03/12/24	\$1,467,279.70	\$14,822.69	\$12,327.91 \$2,494.78	\$145,048.21 \$32,824.07	\$1,454,951.79
04/12/24	\$1,454,951.79	\$14,822.69	\$12,178.27 \$2,644.42	\$157,226.48 \$35,468.49	\$1,442,773.52
05/12/24	\$1,442,773.52	\$14,822.69	\$12,284.99 \$2,537.70	\$169,511.47 \$38,006.19	\$1,430,488.53
06/12/24	\$1,430,488.53	\$14,822.69	\$12,222.73 \$2,599.96	\$181,734.20 \$40,606.15	\$1,418,265.80
07/12/24	\$1,418,265.80	\$14,822.69	\$12,328.10 \$2,494.59	\$194,062.30 \$43,100.74	\$1,405,937.70
08/12/24	\$1,405,937.70	\$14,822.69	\$12,267.35 \$2,555.34	\$206,329.65 \$45,656.08	\$1,393,670.35
09/12/24	\$1,393,670.35	\$14,822.69	\$12,289.65 \$2,533.04	\$218,619.30 \$48,189.12	\$1,381,380.70
10/12/24	\$1,381,380.70	\$14,822.69	\$12,392.97 \$2,429.72	\$231,012.27 \$50,618.84	\$1,368,987.73
11/12/24	\$1,368,987.73	\$14,822.69	\$12,334.51 \$2,488.18	\$243,346.78 \$53,107.02	\$1,356,653.22
12/12/24	\$1,356,653.22	\$14,822.69	\$12,436.47 \$2,386.22	\$255,783.25 \$55,493.24	\$1,344,216.75
Year 2 totals:		\$177,872.28	\$147,308.55 \$30,563.73		
01/12/25	\$1,344,216.75	\$14,822.69	\$12,379.53 \$2,443.16	\$268,162.78 \$57,936.40	\$1,331,837.22
02/12/25	\$1,331,837.22	\$14,822.69	\$12,402.03 \$2,420.66	\$280,564.81 \$60,357.06	\$1,319,435.19
03/12/25	\$1,319,435.19	\$14,822.69	\$12,656.65 \$2,166.04	\$293,221.46 \$62,523.10	\$1,306,778.54
04/12/25	\$1,306,778.54	\$14,822.69	\$12,447.58 \$2,375.11	\$305,669.04 \$64,898.21	\$1,294,330.96
05/12/25	\$1,294,330.96	\$14,822.69	\$12,546.09 \$2,276.60	\$318,215.13 \$67,174.81	\$1,281,784.87
06/12/25	\$1,281,784.87	\$14,822.69	\$12,493.00 \$2,329.69	\$330,708.13 \$69,504.50	\$1,269,291.87
07/12/25	\$1,269,291.87	\$14,822.69	\$12,590.13 \$2,232.56	\$343,298.26 \$71,737.06	\$1,256,701.74
08/12/25	\$1,256,701.74	\$14,822.69	\$12,538.59 \$2,284.10	\$355,836.85 \$74,021.16	\$1,244,163.15

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
09/12/25	\$1,244,163.15	\$14,822.69	\$12,561.38 \$2,261.31	\$368,398.23 \$76,282.47	\$1,231,601.77
10/12/25	\$1,231,601.77	\$14,822.69	\$12,656.42 \$2,166.27	\$381,054.65 \$78,448.74	\$1,218,945.35
11/12/25	\$1,218,945.35	\$14,822.69	\$12,607.22 \$2,215.47	\$393,661.87 \$80,664.21	\$1,206,338.13
12/12/25	\$1,206,338.13	\$14,822.69	\$12,700.86 \$2,121.83	\$406,362.73 \$82,786.04	\$1,193,637.27
Year 3 totals:		\$177,872.28	\$150,579.48 \$27,292.80		
01/12/26	\$1,193,637.27	\$14,822.69	\$12,653.21 \$2,169.48	\$419,015.94 \$84,955.52	\$1,180,984.06
02/12/26	\$1,180,984.06	\$14,822.69	\$12,676.21 \$2,146.48	\$431,692.15 \$87,102.00	\$1,168,307.85
03/12/26	\$1,168,307.85	\$14,822.69	\$12,904.74 \$1,917.95	\$444,596.89 \$89,019.95	\$1,155,403.11
04/12/26	\$1,155,403.11	\$14,822.69	\$12,722.71 \$2,099.98	\$457,319.60 \$91,119.93	\$1,142,680.40
05/12/26	\$1,142,680.40	\$14,822.69	\$12,812.82 \$2,009.87	\$470,132.42 \$93,129.80	\$1,129,867.58
06/12/26	\$1,129,867.58	\$14,822.69	\$12,769.12 \$2,053.57	\$482,901.54 \$95,183.37	\$1,117,098.46
07/12/26	\$1,117,098.46	\$14,822.69	\$12,857.82 \$1,964.87	\$495,759.36 \$97,148.24	\$1,104,240.64
08/12/26	\$1,104,240.64	\$14,822.69	\$12,815.69 \$2,007.00	\$508,575.05 \$99,155.24	\$1,091,424.95
09/12/26	\$1,091,424.95	\$14,822.69	\$12,838.99 \$1,983.70	\$521,414.04 \$101,138.94	\$1,078,585.96
10/12/26	\$1,078,585.96	\$14,822.69	\$12,925.56 \$1,897.13	\$534,339.60 \$103,036.07	\$1,065,660.40
11/12/26	\$1,065,660.40	\$14,822.69	\$12,885.82 \$1,936.87	\$547,225.42 \$104,972.94	\$1,052,774.58
12/12/26	\$1,052,774.58	\$14,822.69	\$12,970.96 \$1,851.73	\$560,196.38 \$106,824.67	\$1,039,803.62
Year 4 totals:		\$177,872.28	\$153,833.65 \$24,038.63		
01/12/27	\$1,039,803.62	\$14,822.69	\$12,932.81 \$1,889.88	\$573,129.19 \$108,714.55	\$1,026,870.81
02/12/27	\$1,026,870.81	\$14,822.69	\$12,956.32 \$1,866.37	\$586,085.51 \$110,580.92	\$1,013,914.49
03/12/27	\$1,013,914.49	\$14,822.69	\$13,158.20 \$1,664.49	\$599,243.71 \$112,245.41	\$1,000,756.29

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
04/12/27	\$1,000,756.29	\$14,822.69	\$13,003.78 \$1,818.91	\$612,247.49 \$114,064.32	\$987,752.51
05/12/27	\$987,752.51	\$14,822.69	\$13,085.33 \$1,737.36	\$625,332.82 \$115,801.68	\$974,667.18
06/12/27	\$974,667.18	\$14,822.69	\$13,051.20 \$1,771.49	\$638,384.02 \$117,573.17	\$961,615.98
07/12/27	\$961,615.98	\$14,822.69	\$13,131.30 \$1,691.39	\$651,515.32 \$119,264.56	\$948,484.68
08/12/27	\$948,484.68	\$14,822.69	\$13,098.79 \$1,723.90	\$664,614.11 \$120,988.46	\$935,385.89
09/12/27	\$935,385.89	\$14,822.69	\$13,122.59 \$1,700.10	\$677,736.70 \$122,688.56	\$922,263.30
10/12/27	\$922,263.30	\$14,822.69	\$13,200.52 \$1,622.17	\$690,937.22 \$124,310.73	\$909,062.78
11/12/27	\$909,062.78	\$14,822.69	\$13,170.44 \$1,652.25	\$704,107.66 \$125,962.98	\$895,892.34
12/12/27	\$895,892.34	\$14,822.69	\$13,246.90 \$1,575.79	\$717,354.56 \$127,538.77	\$882,645.44
Year 5 totals:		\$177,872.28	\$157,158.18 \$20,714.10		
01/12/28	\$882,645.44	\$14,822.69	\$13,218.45 \$1,604.24	\$730,573.01 \$129,143.01	\$869,426.99
02/12/28	\$869,426.99	\$14,822.69	\$13,242.48 \$1,580.21	\$743,815.49 \$130,723.22	\$856,184.51
03/12/28	\$856,184.51	\$14,822.69	\$13,366.94 \$1,455.75	\$757,182.43 \$132,178.97	\$842,817.57
04/12/28	\$842,817.57	\$14,822.69	\$13,290.84 \$1,531.85	\$770,473.27 \$133,710.82	\$829,526.73
05/12/28	\$829,526.73	\$14,822.69	\$13,363.63 \$1,459.06	\$783,836.90 \$135,169.88	\$816,163.10
06/12/28	\$816,163.10	\$14,822.69	\$13,339.29 \$1,483.40	\$797,176.19 \$136,653.28	\$802,823.81
07/12/28	\$802,823.81	\$14,822.69	\$13,410.60 \$1,412.09	\$810,586.79 \$138,065.37	\$789,413.21
08/12/28	\$789,413.21	\$14,822.69	\$13,387.90 \$1,434.79	\$823,974.69 \$139,500.16	\$776,025.31
09/12/28	\$776,025.31	\$14,822.69	\$13,412.24 \$1,410.45	\$837,386.93 \$140,910.61	\$762,613.07
10/12/28	\$762,613.07	\$14,822.69	\$13,481.33 \$1,341.36	\$850,868.26 \$142,251.97	\$749,131.74
11/12/28	\$749,131.74	\$14,822.69	\$13,461.12 \$1,361.57	\$864,329.38 \$143,613.54	\$735,670.62

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
12/12/28	\$735,670.62	\$14,822.69	\$13,528.72	\$877,858.10	\$722,141.90
			\$1,293.97	\$144,907.51	
Year 6 totals:		\$177,872.28	\$160,503.54		
			\$17,368.74		
01/12/29	\$722,141.90	\$14,822.69	\$13,510.17	\$891,368.27	\$708,631.73
			\$1,312.52	\$146,220.03	
02/12/29	\$708,631.73	\$14,822.69	\$13,534.73	\$904,903.00	\$695,097.00
			\$1,287.96	\$147,507.99	
03/12/29	\$695,097.00	\$14,822.69	\$13,681.59	\$918,584.59	\$681,415.41
			\$1,141.10	\$148,649.09	
04/12/29	\$681,415.41	\$14,822.69	\$13,584.19	\$932,168.78	\$667,831.22
			\$1,238.50	\$149,887.59	
05/12/29	\$667,831.22	\$14,822.69	\$13,648.04	\$945,816.82	\$654,183.18
			\$1,174.65	\$151,062.24	
06/12/29	\$654,183.18	\$14,822.69	\$13,633.69	\$959,450.51	\$640,549.49
			\$1,189.00	\$152,251.24	
07/12/29	\$640,549.49	\$14,822.69	\$13,696.02	\$973,146.53	\$626,853.47
			\$1,126.67	\$153,377.91	
08/12/29	\$626,853.47	\$14,822.69	\$13,683.36	\$986,829.89	\$613,170.11
			\$1,139.33	\$154,517.24	
09/12/29	\$613,170.11	\$14,822.69	\$13,708.23	\$1,000,538.12	\$599,461.88
			\$1,114.46	\$155,631.70	
10/12/29	\$599,461.88	\$14,822.69	\$13,768.29	\$1,014,306.41	\$585,693.59
			\$1,054.40	\$156,686.10	
11/12/29	\$585,693.59	\$14,822.69	\$13,758.17	\$1,028,064.58	\$571,935.42
			\$1,064.52	\$157,750.62	
12/12/29	\$571,935.42	\$14,822.69	\$13,816.71	\$1,041,881.29	\$558,118.71
			\$1,005.98	\$158,756.60	
Year 7 totals:		\$177,872.28	\$164,023.19		
			\$13,849.09		
01/12/30	\$558,118.71	\$14,822.69	\$13,808.29	\$1,055,689.58	\$544,310.42
			\$1,014.40	\$159,771.00	
02/12/30	\$544,310.42	\$14,822.69	\$13,833.39	\$1,069,522.97	\$530,477.03
			\$989.30	\$160,760.30	
03/12/30	\$530,477.03	\$14,822.69	\$13,951.84	\$1,083,474.81	\$516,525.19
			\$870.85	\$161,631.15	
04/12/30	\$516,525.19	\$14,822.69	\$13,883.89	\$1,097,358.70	\$502,641.30
			\$938.80	\$162,569.95	
05/12/30	\$502,641.30	\$14,822.69	\$13,938.59	\$1,111,297.29	\$488,702.71
			\$884.10	\$163,454.05	
06/12/30	\$488,702.71	\$14,822.69	\$13,934.46	\$1,125,231.75	\$474,768.25
			\$888.23	\$164,342.28	

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
07/12/30	\$474,768.25	\$14,822.69	\$13,987.62 \$835.07	\$1,139,219.37 \$165,177.35	\$460,780.63
08/12/30	\$460,780.63	\$14,822.69	\$13,985.21 \$837.48	\$1,153,204.58 \$166,014.83	\$446,795.42
09/12/30	\$446,795.42	\$14,822.69	\$14,010.62 \$812.07	\$1,167,215.20 \$166,826.90	\$432,784.80
10/12/30	\$432,784.80	\$14,822.69	\$14,061.46 \$761.23	\$1,181,276.66 \$167,588.13	\$418,723.34
11/12/30	\$418,723.34	\$14,822.69	\$14,061.65 \$761.04	\$1,195,338.31 \$168,349.17	\$404,661.69
12/12/30	\$404,661.69	\$14,822.69	\$14,110.93 \$711.76	\$1,209,449.24 \$169,060.93	\$390,550.76
Year 8 totals:		\$177,872.28	\$167,567.95 \$10,304.33		
01/12/31	\$390,550.76	\$14,822.69	\$14,112.85 \$709.84	\$1,223,562.09 \$169,770.77	\$376,437.91
02/12/31	\$376,437.91	\$14,822.69	\$14,138.50 \$684.19	\$1,237,700.59 \$170,454.96	\$362,299.41
03/12/31	\$362,299.41	\$14,822.69	\$14,227.92 \$594.77	\$1,251,928.51 \$171,049.73	\$348,071.49
04/12/31	\$348,071.49	\$14,822.69	\$14,190.06 \$632.63	\$1,266,118.57 \$171,682.36	\$333,881.43
05/12/31	\$333,881.43	\$14,822.69	\$14,235.42 \$587.27	\$1,280,353.99 \$172,269.63	\$319,646.01
06/12/31	\$319,646.01	\$14,822.69	\$14,241.72 \$580.97	\$1,294,595.71 \$172,850.60	\$305,404.29
07/12/31	\$305,404.29	\$14,822.69	\$14,285.51 \$537.18	\$1,308,881.22 \$173,387.78	\$291,118.78
08/12/31	\$291,118.78	\$14,822.69	\$14,293.57 \$529.12	\$1,323,174.79 \$173,916.90	\$276,825.21
09/12/31	\$276,825.21	\$14,822.69	\$14,319.55 \$503.14	\$1,337,494.34 \$174,420.04	\$262,505.66
10/12/31	\$262,505.66	\$14,822.69	\$14,360.97 \$461.72	\$1,351,855.31 \$174,881.76	\$248,144.69
11/12/31	\$248,144.69	\$14,822.69	\$14,371.68 \$451.01	\$1,366,226.99 \$175,332.77	\$233,773.01
12/12/31	\$233,773.01	\$14,822.69	\$14,411.51 \$411.18	\$1,380,638.50 \$175,743.95	\$219,361.50
Year 9 totals:		\$177,872.28	\$171,189.26 \$6,683.02		
01/12/32	\$219,361.50	\$14,822.69	\$14,423.99 \$398.70	\$1,395,062.49 \$176,142.65	\$204,937.51

Loan Amortization Schedule

Payment Date	Begin Balance	Sched Payment	Principal Interest	Cumulative Principal Interest	Ending Balance
02/12/32	\$204,937.51	\$14,822.69	\$14,450.21	\$1,409,512.70	\$190,487.30
			\$372.48	\$176,515.13	
03/12/32	\$190,487.30	\$14,822.69	\$14,498.81	\$1,424,011.51	\$175,988.49
			\$323.88	\$176,839.01	
04/12/32	\$175,988.49	\$14,822.69	\$14,502.82	\$1,438,514.33	\$161,485.67
			\$319.87	\$177,158.88	
05/12/32	\$161,485.67	\$14,822.69	\$14,538.65	\$1,453,052.98	\$146,947.02
			\$284.04	\$177,442.92	
06/12/32	\$146,947.02	\$14,822.69	\$14,555.61	\$1,467,608.59	\$132,391.41
			\$267.08	\$177,710.00	
07/12/32	\$132,391.41	\$14,822.69	\$14,589.83	\$1,482,198.42	\$117,801.58
			\$232.86	\$177,942.86	
08/12/32	\$117,801.58	\$14,822.69	\$14,608.58	\$1,496,807.00	\$103,193.00
			\$214.11	\$178,156.97	
09/12/32	\$103,193.00	\$14,822.69	\$14,635.13	\$1,511,442.13	\$88,557.87
			\$187.56	\$178,344.53	
10/12/32	\$88,557.87	\$14,822.69	\$14,666.93	\$1,526,109.06	\$73,890.94
			\$155.76	\$178,500.29	
11/12/32	\$73,890.94	\$14,822.69	\$14,688.39	\$1,540,797.45	\$59,202.55
			\$134.30	\$178,634.59	
12/12/32	\$59,202.55	\$14,822.69	\$14,718.56	\$1,555,516.01	\$44,483.99
			\$104.13	\$178,738.72	
Year 10 totals:		\$177,872.28	\$174,877.51		
			\$2,994.77		
01/12/33	\$44,483.99	\$14,822.69	\$14,741.84	\$1,570,257.85	\$29,742.15
			\$80.85	\$178,819.57	
02/12/33	\$29,742.15	\$14,822.69	\$14,768.63	\$1,585,026.48	\$14,973.52
			\$54.06	\$178,873.63	
03/12/33	\$14,973.52	\$14,998.10	\$14,973.52	\$1,600,000.00	\$0.00
			\$24.58	\$178,898.21	
Year 11 totals:		\$44,643.48	\$44,483.99		
			\$159.49		

EXHIBIT I

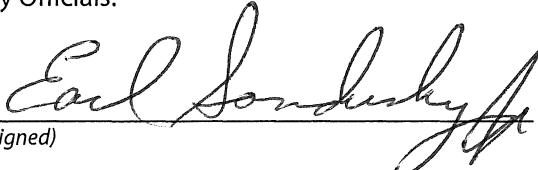
**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
Spalding Meter Reading Service	Contract for reading water meters	\$36,700.03
Barbara May	Reimburse for water district expense	\$70.61
Glenn Thompson	Reimburse for water district expense	\$86.66
James Everett Thomas	Reimburse for water district expense	\$27.08

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

Earl Sandusky, Jr
(Print Name)


(Signed)

Chairman
(Position/Office)

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

SUPPLEMENTAL SHEET
STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS

Name: Earl Sandusky, Jr.

Position: Chairman

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
James Lee Mudd	Reimburse for water district expense	\$27.31
Toby Spalding	Reimburse for water district expense	\$50.17

COMMONWEALTH OF KENTUCKY

COUNTY OF Marion

Subscribed and sworn to before me by Earl Sandusky, Jr.
(Name)

this 12th day of October, 2021.

Cheryl Sullivan
NOTARY PUBLIC
State-at-Large

**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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James Everett Thomas
(Print Name)

James Everett Thomas
(Signed)

Commissioner
(Position/Office)

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SUPPLEMENTAL SHEET
STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS

Name: James Everett Thomas

Position: Commissioner

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
James Lee Mudd	Reimburse for water district expense	\$27.31
Toby Spalding	Reimburse for water district expense	\$50.17

COMMONWEALTH OF KENTUCKY

COUNTY OF Marion

Subscribed and sworn to before me by James Everett Thomas
(Name)

this 12th day of October, 2021.

Cheryl Sullivan
NOTARY PUBLIC
State-at-Large

**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Cody Rakes
(Print Name)


(Signed)

Commissioner
(Position/Office)

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SUPPLEMENTAL SHEET
STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS

Name: _____ Cody Rakes _____

Position: _____ Commissioner _____

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
James Lee Mudd	Reimburse for water district expense	\$27.31
Toby Spalding	Reimburse for water district expense	\$50.17

COMMONWEALTH OF KENTUCKY

COUNTY OF Marion

Subscribed and sworn to before me by Cody Rakes
(Name)

this 12th day of October, 2021.

Cheryl Sullivan
NOTARY PUBLIC
State-at-Large

**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Michael Spalding
(Print Name)


(Signed)

Commissioner
(Position/Office)

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SUPPLEMENTAL SHEET
STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS

Name: Michael Spalding

Position: Commissioner

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
James Lee Mudd	Reimburse for water district expense	\$27.31
Toby Spalding	Reimburse for water district expense	\$50.17

COMMONWEALTH OF KENTUCKY

COUNTY OF Marion

Subscribed and sworn to before me by Michael Spalding
(Name)

this 12th day of October, 2021.

Cheryl Sullivan
NOTARY PUBLIC
State-at-Large

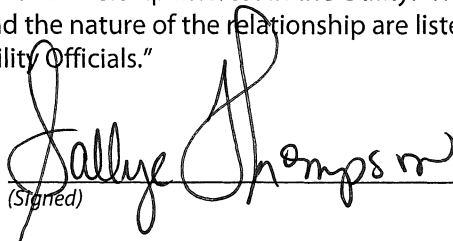
**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Sallye Thompson
(Print Name)


(Signed)

Commissioner
(Position/Office)

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SUPPLEMENTAL SHEET
STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS

Name: _____ Sallye Thompson _____

Position: _____ Commissioner _____

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
James Lee Mudd	Reimburse for water district expense	\$27.31
Toby Spalding	Reimburse for water district expense	\$50.17

COMMONWEALTH OF KENTUCKY

COUNTY OF Marion

Subscribed and sworn to before me by Sallye Thompson
(Name)

this 12th day of October, 2021.

Cheryl Sullivan
NOTARY PUBLIC
State-at-Large

**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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

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Toby Spalding
(Print Name)

Toby Spalding
(Signed)

Manager
(Position/Office)

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SUPPLEMENTAL SHEET
STATEMENT OF DISCLOSURE OF RELATED PARTY TRANSACTIONS

Name: Toby Spalding

Position: Manager

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
James Lee Mudd	Reimburse for water district expense	\$27.31
Toby Spalding	Reimburse for water district expense	\$50.17

COMMONWEALTH OF KENTUCKY

COUNTY OF Marion

Subscribed and sworn to before me by Toby Spalding
(Name)

this 12th day of October, 2021.

Cheryl Sullivan
NOTARY PUBLIC
State-at-Large

EXHIBIT J

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE MARION COUNTY WATER DISTRICT PROPOSING ADJUSTMENTS TO ITS WATER RATES AND CHARGES AND AUTHORIZING ITS CHAIRMAN TO FILE AN APPLICATION WITH THE PSC SEEKING APPROVAL OF THE PROPOSED RATE ADJUSTMENT

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

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

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

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

Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

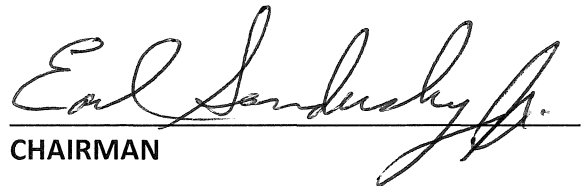
Section 2. The District proposes to adjust its monthly water rates and charges as set forth in Appendix A, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The proposed rates and charges set forth in Appendix A are subject to any minor adjustments that may be made by the PSC. The proposed rate adjustment shall not become effective until PSC approval has been obtained.

Section 3. The Chairman and Manager are hereby authorized and directed to prepare, execute, and file with the PSC, by utilizing the Alternative Rate Adjustment Procedure for Small Utilities set forth in 807 KAR 5:076, an Alternative Rate Filing ("ARF") Application, Tariff Sheets, and all other documents that may be required by the PSC.

Section 4. The Chairman, Manager, and all others to whom the Chairman may delegate certain responsibilities are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement this Resolution.

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

ADOPTED BY THE COMMISSION OF THE MARION COUNTY WATER DISTRICT at a meeting held on October 12, 2021, signed by the Chairman, and attested by the Secretary.


CHAIRMAN

ATTEST:


SECRETARY

CERTIFICATION

I, Secretary of the Marion County Water District (the "District"), do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the District at a meeting properly held on October 12, 2021, signed by the Chairman of the District, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 12th day of October 2021


SECRETARY

**APPENDIX A
CURRENT AND PROPOSED RATES
Marion County Water District**

CURRENT RATE SCHEDULE

Customer Charge (Minimum Bill)

5/8" x 3/4" Meters	\$ 7.45
1" Meters	\$ 16.20
2" Meters	\$ 25.68
3" Meters	\$ 40.73
4" Meters	\$ 64.60
6" Meters	\$ 162.59

Water Charge

All Usage, Per Gallon	\$ 0.00688
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PROPOSED RATE SCHEDULE

Customer Charge (Minimum Bill)

5/8" x 3/4" Meters	\$ 9.34
1" Meters	\$ 20.30
2" Meters	\$ 32.18
3" Meters	\$ 51.04
4" Meters	\$ 80.96
6" Meters	\$ 203.76

Water Charge

All Usage, Per Gallon	\$ 0.00862
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EXHIBIT K

COMPLIANCE WITH 807 KAR 5:076, SECTION 5

In accordance with 807 KAR 5:075 Section 5(2)(b), Marion County Water District has caused the notice on the next page to be published in a prominent manner in the Lebanon Enterprise, a newspaper of general circulation in Marion County Water District's service area, once a week for three (3) consecutive weeks, beginning October 26, 2021.

In accordance with 807 KAR 5:076, Section 5(1)(a), Marion County Water District has posted at its office a copy of the notice on the next page as of October 26, 2021.

As of October 26, 2021., in accordance with 807 KAR 5:076, Section 5(1)(b), Marion County Water has posted on its website a copy of the notice on the next page and a hyperlink to the location on the Public Service Commission's website where the case documents are available.

LEGAL NOTICE REGARDING THE MARION COUNTY WATER DISTRICT

Notice is hereby given that the Marion County Water District expects to file an application with the Kentucky Public Service Commission on or about October 27, 2021, seeking approval of a proposed rate adjustment to its water rates. The proposed rates shall not become effective until the Public Service Commission has issued an order approving these rates.

The proposed rates are as follows:

	<u>Existing Rates</u>	<u>Proposed Rates</u>	<u>Increase (\$)</u>	<u>Increase (%)</u>
<u>Customer Charge (Minimum Bill)</u>				
5/8 Inch x 3/4 Inch Meter	\$7.45	\$9.34	\$1.89	25.37%
1 Inch Meter	\$16.20	\$20.30	\$4.10	25.31%
2 Inch Meter	\$25.68	\$32.18	\$6.50	25.31%
3 Inch Meter	\$40.73	\$51.04	\$10.31	25.31%
4 Inch Meter	\$64.60	\$80.96	\$16.36	25.33%
6 Inch Meter	\$162.59	\$203.76	\$41.17	25.32%
<u>Water Charge</u>				
All Usage, Per Gallon:	\$0.00688	\$0.00862	\$0.00174	25.29%

If the Public Service Commission approves the proposed water rates, then the monthly bill for an average customer using 4,154 gallons of water each month will increase from \$36.03 to \$45.15. This is an increase of \$9.12 or 25.31%.

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

Any person may examine this application at the offices of the Marion County Water District office located at 1835 Campbellsville Road, Lebanon, KY 40033. In addition, any person may also examine the application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's website at <http://psc.ky.gov>. Any comments regarding the application may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. The Public Service Commission can also be contacted at 502-564-3940.

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

MARION COUNTY WATER DISTRICT
s/Earl Sandusky, Chairman