

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF:

ELECTRONIC APPLICATION OF THE MARTIN)
 COUNTY WATER DISTRICT TO ISSUE)
 SECURITIES IN THE APPROXIMATE PRINCIPAL)
 AMOUNT OF \$1,323,623.15 FOR THE PURPOSE OF) Case No. 2023-00407
 REFINANCING CERTAIN OUTSTANDING)
 OBLIGATIONS OF THE DISTRICT PURSUANT)
 TO THE PROVISIONS OF KRS 278.300 AND)
 807 KAR 5:001)

** *** **** ***** **** *** **

APPLICATION

The Applicant, Martin County Water District ("Martin District"), files this electronic Application pursuant to KRS 278.300, 807 KAR 5:001, and all other applicable laws and regulations, and requests that the Kentucky Public Service Commission (the "Commission") enter an Order authorizing Martin District to issue certain securities in the principal amount of \$1,323,623.15 for the purpose of refinancing the outstanding (i) Kentucky Infrastructure Authority Loan B293-02; and (ii) Kentucky Rural Water Finance Corporation Flexible Term Program Series 2022B Loan. **Martin District requests that the Commission issue its authorizing Order on or before January 17, 2024 for the reasons set forth in Paragraph 15 below.** In support of this Application, and in compliance with the rules and regulations of the Commission, Martin District states as follows:

1. Martin District was established in accordance with the provisions of Chapter 74 of the Kentucky Revised Statutes pursuant to an Order of the County Judge/Executive of Martin County, Kentucky which Order is on file in the County Court Order Books in the office of the Clerk

of Martin County, Kentucky. Martin District is now, and has been since its inception, regulated by the Commission, and all records and proceedings of the Commission with reference to Martin District are incorporated in this Application by reference. Martin District does not have any Articles of Incorporation due to the fact that it is a statutory entity.

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

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

Martin County Water District
c/o Mr. Craig Miller, Division Manager
387 East Main Street, Suite 140
Inez, Kentucky 41224
Phone: (606) 298-3885
Fax: (606) 298-4913
email address: cmiller@alliancewater.com

4. A general description of Martin District's system property, together with a statement of the original cost, is contained in Martin District's Annual Report for 2022 which is on file with the Commission. The Annual Report is incorporated herein by reference.

5. Martin District proposes to borrow funds from the Kentucky Infrastructure Authority ("KIA") through the Water Management Assistance Fund (Loan Number B324-001) in the principal amount of \$1,323,623.15, amortized over a 20 year term at 0.00% interest per annum with a conditional 50% principal forgiveness provision (the "WMAF Loan"), for the purpose of refinancing the outstanding (i) KIA Loan B293-02 in the original principal amount of \$1,329,826, bearing interest at the rate of 3.00% per annum (the "KIA Fund B Loan"); and (ii) Kentucky Rural Water Finance Corporation Public Projects Revenue Bonds (Flexible Term Program), Taxable Series

2022B, dated April 20, 2022, in the original principal amount of \$1,110,000, bearing interest at the rate of 3.25% per annum (the "KRWFC Loan").

6. The KRWFC Loan was issued pursuant to an Assistance Agreement dated April 20, 2022 by and between the Kentucky Rural Water Finance Corporation, now know as the Rural Water Financing Agency ("RWFA") and Martin District, which Assistance Agreement is being electronically filed with this Application. The financial schedules relating to the KRWFC Loan are attached hereto as **Exhibit "A"**. The KRWFC Loan is due and payable on February 1, 2024. The payoff letter of RWFA, dated November 3, 2023, is attached hereto as **Exhibit "B"**.

7. The KIA Fund B Loan was issued pursuant to a First Supplemental Assistance Agreement dated November 1, 1996 by and between KIA and Martin District, which First Supplemental Assistance Agreement is being electronically filed with this Application. The KIA Fund B Loan amortization schedule is attached hereto as **Exhibit "C"**. The KIA Fund B Loan is being refinanced on February 1, 2024. The payoff letter of KIA, dated November 22, 2023, is attached hereto as **Exhibit "D"**.

8. The WMAF Loan was approved pursuant to a Resolution of the Board of Directors of KIA duly adopted at its meeting held on December 7, 2023. An copy of the approved Resolution is attached hereto as **Exhibit "E"**. A signed copy of the Resolution will be filed as soon as it becomes available. Detailed terms and conditions of the WMAF Loan are contained in the KIA Executive Summary attached hereto and incorporated herein as **Exhibit "F"**.

9. The WMAF Loan proceeds will provide Martin District with the funds necessary to refinance the KIA Fund B Loan and the KRWFC Loan.

10. Martin District represents that the WMAF Loan is in the public interest and is intended to accomplish the purpose of strengthening the financial condition of Martin District by reducing current debt service payments in order to provide more operating capital for necessary repairs to the Martin District system.

11. The detailed Statements of Revenues, Expenses and Changes in Fund Net Position, Statements of Net Position, and Statements of Cash Flows for the twelve month periods ending on December 31, 2022 and 2021 are attached hereto and incorporated herein by reference as **Exhibit "G"** respectively.

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

- (i) Section 12(1)(b): Martin District states that it had less than \$5,000,000 in gross annual revenue in the immediate past calendar year and that no material changes to Martin District's financial condition have occurred since the end of the twelve (12) month period contained in Martin District's most recent annual report on file with the Commission.
- (ii) Section 12(2)(a), (b) and (c) Stock: Martin District does not have any authorized, issued or outstanding stock as of the date hereof.
- (iii) Section 12(2)(d) Mortgages: Martin District does not have any outstanding mortgages as of the date hereof.
- (iv) Section 12(2)(e), (f) and (g) Indebtedness: The information concerning the outstanding indebtedness of Martin District is contained in the 2022 Annual

Report on file with this Commission and the December 31, 2022 and 2021
Audit Report on file with this Commission.

(v) Section 12(2)(h) Dividends: Martin District has no outstanding stock and
therefore pays no dividends.

(vi) Section 12(2)(i) Financial Statements: See paragraph #11 above.

13. Pursuant to 807 KAR 5:001, Section 18, Martin District hereby responds as follows:

(i) Section 18(1)(a): Martin District has complied with the requirements of 807
KAR 5:001, Section 14.

(ii) Section 18(1)(b): A general description of Martin District's property, its field
of operation and a statement of original cost of said property and the cost to
Martin District is contained in Martin District's 2022 Annual Report on file
with this Commission.

(iii) Section 18(1)(c): Martin District is not issuing any stock as part of this
financing. The information concerning the proposed WMAF Loan is
contained in this Application and the Exhibits. The WMAF Loan will be
secured by and payable from the gross revenues of Martin District's water
system.

(iv) Section 18(1)(d): The proceeds of the WMAF Loan are being used to
refinance the outstanding KIA Fund B Loan and KRWFC Loan.

(v) Section 18(1)(e): No property is being acquired with the proceeds of the
WMAF Loan.

- (vi) Section 18(1)(f): The details of the proposed refinancing are contained in this Application and the Exhibits hereto.
- (vii) Section 18(1)(g): Written notification of the proposed issuance of the WMAF Loan is being provided to the State Local Debt Officer (see **Exhibit “H”** attached hereto).
- (viii) Section 18(2)(a): See paragraph #12 above.
- (ix) Section 18(2)(b): Martin District does not have any outstanding trust deeds or mortgages.
- (x) Section 18(2)(c): No property is being acquired with the proceeds of the WMAF Loan.


14. No rate adjustment is being requested in this Application.

15. Martin District is filing this Application as soon as possible after the KIA Board approval of the WMAF Loan which took place at the KIA Board meeting held on December 7, 2023. Due to the fact that the KIA Fund B Loan is being refinanced on February 1, 2024 and the KRWFC Loan is due and payable on February 1, 2024 and Martin District does not want to default in the repayment of said KRWFC Loan, **Martin District is requesting that the Commission expedite this Application and issue its authorizing Order on or before January 17, 2024 in order for the WMAF Loan proceeds to be available on or before February 1, 2024.** Martin District appreciates any and all efforts of the Commission and its Staff in this matter. As the Commission knows, Martin District has been diligently working to improve its financial condition and the refinancing of the KIA Fund B Loan and the KRWFC Loan through the proceeds of the WMAF Loan will definitely help achieve that goal.


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

1. Authorize the issuance of the securities requested in the Application;
 2. Due to the reasons set forth in paragraph 15 of this Application, Martin District requests that the Commission issued its Order **on or before January 17, 2024**; and
 3. Process this Application without a formal hearing in order to save time and expense.
- Martin District will promptly respond to any information requests by the Commission's staff.

Martin County Water District

By 
Jimmy Don Kerr, Chairman
387 East Main Street, Suite 140
Inez, Kentucky 41224
Phone: (606) 298-3885
Fax: (606) 298-4913
email address: cmiller@alliancewater.com


Rubin & Hays

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

STATE OF KENTUCKY)
) SS
COUNTY OF MARTIN)

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

IN TESTIMONY WHEREOF, witness the signature of the undersigned on December 11, 2023.


Jimmy Don Kerr, Chairman

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Jimmy Don Kerr, Chairman of the Martin County Water District on this December 11, 2023.

My Commission expires: 1/3/2025.


NOTARY PUBLIC

KYNP19751
NOTARY PUBLIC ID Number

EXHIBIT A

Financial Schedules for KRWFC Loan

\$1,110,000

Kentucky Rural Water Finance Corporation
Public Projects Refundign Revenue Bonds, Series 2022 B

Sources & Uses

Dated 04/20/2022 | Delivered 04/20/2022

Sources Of Funds

Par Amount of Bonds	\$1,110,000.00
Reoffering Premium	7,037.40

Total Sources **\$1,117,037.40**

Uses Of Funds

Total Underwriter's Discount (0.407%)	4,520.00
Costs of Issuance	45,000.00
Deposit to Capitalized Interest (CIF) Fund	64,233.54
Deposit to Project Construction Fund	1,000,000.00
Rounding Amount	3,283.86

Total Uses **\$1,117,037.40**

\$1,110,000

Kentucky Rural Water Finance Corporation
Public Projects Refundign Revenue Bonds, Series 2022 B

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/20/2022	-	-	-	-	-
08/01/2022	-	-	10,121.04	10,121.04	-
12/31/2022	-	-	-	-	10,121.04
02/01/2023	-	-	18,037.50	18,037.50	-
08/01/2023	-	-	18,037.50	18,037.50	-
12/31/2023	-	-	-	-	36,075.00
02/01/2024	1,110,000.00	3.250%	18,037.50	1,128,037.50	-
12/31/2024	-	-	-	-	1,128,037.50
Total	\$1,110,000.00	-	\$64,233.54	\$1,174,233.54	-

Yield Statistics

Bond Year Dollars	\$1,976.42
Average Life	1.781 Years
Average Coupon	3.2499999%
Net Interest Cost (NIC)	3.1226280%
True Interest Cost (TIC)	3.1198535%
Bond Yield for Arbitrage Purposes	2.8838002%
All Inclusive Cost (AIC)	5.5864428%

IRS Form 8038

Net Interest Cost	2.8756993%
Weighted Average Maturity	1.781 Years

\$1,110,000

Kentucky Rural Water Finance Corporation
Public Projects Refundign Revenue Bonds, Series 2022 B

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Trustee	CIF	Net New D/S	Fiscal Total
04/20/2022	-	-	-	-	-	-	-	-
08/01/2022	-	-	10,121.04	10,121.04	-	(10,121.04)	-	-
02/01/2023	-	-	18,037.50	18,037.50	450.00	(18,037.50)	450.00	-
08/01/2023	-	-	18,037.50	18,037.50	-	(18,037.50)	-	-
12/31/2023	-	-	-	-	-	-	-	450.00
02/01/2024	1,110,000.00	3.250%	18,037.50	1,128,037.50	450.00	(18,037.50)	1,110,450.00	-
12/31/2024	-	-	-	-	-	-	-	1,110,450.00
Total	\$1,110,000.00	-	\$64,233.54	\$1,174,233.54	\$900.00	(64,233.54)	\$1,110,900.00	-

Raymond James

\$1,110,000

Kentucky Rural Water Finance Corporation
Public Projects Refundign Revenue Bonds, Series 2022 B

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2024	Serial Coupon	3.250%	2.880%	1,110,000.00	100.634%	1,117,037.40
Total	-	-	-	\$1,110,000.00	-	\$1,117,037.40

Bid Information

Par Amount of Bonds	\$1,110,000.00
Reoffering Premium or (Discount)	7,037.40
Gross Production	\$1,117,037.40
Total Underwriter's Discount (0.407%)	\$(4,520.00)
Bid (100.227%)	1,112,517.40
Total Purchase Price	\$1,112,517.40
Bond Year Dollars	\$1,976.42
Average Life	1.781 Years
Average Coupon	3.2499999%
Net Interest Cost (NIC)	3.1226280%
True Interest Cost (TIC)	3.1198535%

EXHIBIT B

Payoff Letter on the KRWFC Loan



November 3, 2023

Mr. Tony Sneed
Martin County Water District
387 East Main St., Suite 140
Inez, KY 41224

Re: Payoff of the Water District's Rural Water Financing Agency (formerly the Kentucky Rural Water Finance Corporation) Flexible Term Program Series 2022 B loan.

Dear Mr. Sneed:

Below are instructions for the payoff of the loan in the amount of \$1,110,000, dated April 20, 2022, to Martin County Water District from the Kentucky Rural Water Finance Corporation's Flexible Term Finance Program. The maturity of the loan is February 1, 2024, the amount due on upon payoff (requested by January 23, 2024) is detailed below. The original amortization schedule is attached as well. Wire instructions are also listed below.

Amount Due:	Principal due for Series 2022 B:	\$1,110,000.00
	Interest due for 2/1/24 payment:	18,037.50
	Funds in Capitalized Interest Account (as of 11/3):	(20,195.84)
	Funds left in Revenue Account (as of 11/3):	<u>(3,532.00)</u>
	Amount due:	\$1,104,309.66

Wire Instructions: ABA #121000248
Wells Fargo Bank
Bank Address: 420 Montgomery Street, San Francisco CA 94104
A/C # 2020050839788
A/C name: SEI Private TR CO ACF Regions Bank
REF: CID KRWFC 2022 B

Contact: Mr. Daniel Olson
Regions Bank
Corporate Trust Department
150 Fourth Avenue North, 15th Floor
Nashville, TN 37219

615.770.4357
daniel.olson@regions.com

Please feel free to give me a call if you have any questions. I can be reached directly at 859-232-8249, or toll-free at 800-937-0160. Thank you for choosing to complete your financing through the Kentucky Rural Water Finance Corporation.

Sincerely,

A handwritten signature in cursive script that reads "Kristen Millard".

Kristen Millard

cc: Sandy Williams, Kentucky Infrastructure Authority
Dan Olson, Regions Bank
Gary Larimore, Rural Water Financing Agency

KENTUCKY RURAL WATER FINANCE CORPORATION FLEXIBLE TERM FINANCE PROGRAM SERIES 2022 B

Borrower: Martin County Water District
Closing Date: 04/20/22

Borrower Payment Schedule

Payment Date	Principal	Interest Rate	Interest	Capitalized Interest	Trustee Fees	Total	Fiscal Total
04/20/22							
08/01/22			10,121.04	(10,121.04)			
02/01/23			18,037.50	(18,037.50)	450.00		
08/01/23			18,037.50	(18,037.50)			450.00
02/01/24	1,110,000.00	3.250%	18,037.50	(18,037.50)	450.00	1,110,000.00	
							1,110,450.00
Totals	<u>1,110,000.00</u>		<u>64,233.54</u>	<u>(64,233.54)</u>	<u>900.00</u>	<u>1,110,000.00</u>	

EXHIBIT C

Amortization Schedule for KIA Fund B Loan

**Kentucky Infrastructure Authority - Loan Amortization Schedule
Martin County Water District - Loan Number B293-02**

Loan Summary					
Borrower:	Martin County Water District			Approval Date:	09-16-1991
Loan ID:	0157	KIA Loan Number:	B293-02	Maturity Date:	06-01-2027
Status:	Active	Interest Rate:	3.00%	R & M Reserve:	
Loan Amount:	\$1,329,826.43	Pmt. Frequency	Monthly		
AA Date:	05-01-1993	Supp. AA Date:			

Amortization Table									
Payment Date	Principal Due	Interest Due	Principal & Interest	Service Fee	Credit Due	Total Payment	Principal Balance	R&M Reserve Due	R&M Reserve Total
12-01-1997	\$13,821.45	\$20,002.05	\$33,823.50	\$1,329.83	\$0.00	\$35,153.33	\$1,316,004.98	\$0.00	\$66,491.32
06-01-1998	\$14,028.78	\$19,740.07	\$33,768.85	\$1,316.00	\$0.00	\$35,084.86	\$1,301,976.20	\$0.00	\$66,491.32
12-01-1998	\$14,239.21	\$19,529.64	\$33,768.85	\$1,301.98	\$0.00	\$35,070.83	\$1,287,737.00	\$0.00	\$66,491.32
06-01-1999	\$14,452.80	\$19,316.05	\$33,768.85	\$1,287.74	\$0.00	\$35,056.59	\$1,273,284.20	\$0.00	\$66,491.32
12-01-1999	\$14,669.59	\$19,099.26	\$33,768.85	\$1,273.28	\$0.00	\$35,042.14	\$1,258,614.61	\$0.00	\$66,491.32
06-01-2000	\$14,889.63	\$18,879.22	\$33,768.85	\$1,258.61	\$0.00	\$35,027.47	\$1,243,724.98	\$0.00	\$66,491.32
12-01-2000	\$15,112.98	\$18,655.87	\$33,768.85	\$1,243.72	\$0.00	\$35,012.58	\$1,228,612.00	\$0.00	\$66,491.32
06-01-2001	\$15,339.67	\$18,429.18	\$33,768.85	\$1,228.61	\$0.00	\$34,997.46	\$1,213,272.33	\$0.00	\$66,491.32
12-01-2001	\$15,569.77	\$18,199.08	\$33,768.85	\$1,213.27	\$0.00	\$34,982.12	\$1,197,702.57	\$0.00	\$66,491.32
06-01-2002	\$15,803.31	\$17,965.54	\$33,768.85	\$1,197.70	\$0.00	\$34,966.55	\$1,181,899.25	\$0.00	\$66,491.32
12-01-2002	\$16,040.36	\$17,728.49	\$33,768.85	\$1,181.90	\$0.00	\$34,950.75	\$1,165,858.89	\$0.00	\$66,491.32
06-01-2003	\$16,280.97	\$17,487.88	\$33,768.85	\$1,165.86	\$0.00	\$34,934.71	\$1,149,577.92	\$0.00	\$66,491.32
12-01-2003	\$16,525.18	\$17,243.67	\$33,768.85	\$1,149.58	\$0.00	\$34,918.43	\$1,133,052.74	\$0.00	\$66,491.32
06-01-2004	\$16,773.06	\$16,995.79	\$33,768.85	\$1,133.05	\$0.00	\$34,901.90	\$1,116,279.68	\$0.00	\$66,491.32
12-01-2004	\$17,024.66	\$16,744.20	\$33,768.86	\$1,116.28	\$0.00	\$34,885.13	\$1,099,255.03	\$0.00	\$66,491.32
06-01-2005	\$17,280.03	\$16,488.83	\$33,768.86	\$1,099.26	\$0.00	\$34,868.11	\$1,081,975.00	\$0.00	\$66,491.32
12-01-2005	\$17,539.23	\$16,229.62	\$33,768.85	\$1,081.98	\$0.00	\$34,850.83	\$1,064,435.78	\$0.00	\$66,491.32
06-01-2006	\$17,802.31	\$15,966.54	\$33,768.85	\$1,064.44	\$0.00	\$34,833.29	\$1,046,633.46	\$0.00	\$66,491.32
12-01-2006	\$18,069.35	\$15,699.50	\$33,768.85	\$1,046.63	\$0.00	\$34,815.48	\$1,028,564.11	\$0.00	\$66,491.32
06-01-2007	\$18,340.39	\$15,428.46	\$33,768.85	\$1,028.56	\$0.00	\$34,797.41	\$1,010,223.72	\$0.00	\$66,491.32
12-01-2007	\$18,615.50	\$15,153.36	\$33,768.86	\$1,010.22	\$0.00	\$34,779.07	\$991,608.23	\$0.00	\$66,491.32
06-01-2008	\$18,894.73	\$14,874.12	\$33,768.85	\$991.61	\$0.00	\$34,760.46	\$972,713.50	\$0.00	\$66,491.32
08-01-2008	\$3,188.80	\$2,431.78	\$5,620.58	\$162.12	\$0.00	\$5,782.70	\$969,524.70	\$0.00	\$66,491.32
09-01-2008	\$3,196.77	\$2,423.81	\$5,620.58	\$161.59	\$0.00	\$5,782.16	\$966,327.94	\$0.00	\$66,491.32
10-01-2008	\$3,204.76	\$2,415.82	\$5,620.58	\$161.05	\$0.00	\$5,781.63	\$963,123.18	\$0.00	\$66,491.32
11-01-2008	\$3,212.77	\$2,407.81	\$5,620.58	\$160.52	\$0.00	\$5,781.10	\$959,910.41	\$0.00	\$66,491.32
12-01-2008	\$3,220.80	\$2,399.78	\$5,620.58	\$159.99	\$0.00	\$5,780.56	\$956,689.62	\$0.00	\$66,491.32
01-01-2009	\$3,228.86	\$2,391.72	\$5,620.58	\$159.45	\$0.00	\$5,780.03	\$953,460.76	\$0.00	\$66,491.32
02-01-2009	\$3,236.93	\$2,383.65	\$5,620.58	\$158.91	\$0.00	\$5,779.49	\$950,223.83	\$0.00	\$66,491.32
03-01-2009	\$3,245.02	\$2,375.56	\$5,620.58	\$158.37	\$0.00	\$5,778.95	\$946,978.82	\$0.00	\$66,491.32
04-01-2009	\$3,253.13	\$2,367.45	\$5,620.58	\$157.83	\$0.00	\$5,778.41	\$943,725.69	\$0.00	\$66,491.32
05-01-2009	\$3,261.27	\$2,359.31	\$5,620.58	\$157.29	\$0.00	\$5,777.86	\$940,464.42	\$0.00	\$66,491.32
06-01-2009	\$3,269.42	\$2,351.16	\$5,620.58	\$156.74	\$0.00	\$5,777.32	\$937,195.01	\$0.00	\$66,491.32
07-01-2009	\$3,277.59	\$2,342.99	\$5,620.58	\$156.20	\$0.00	\$5,776.78	\$933,917.42	\$0.00	\$66,491.32
08-01-2009	\$3,285.79	\$2,334.79	\$5,620.58	\$155.65	\$0.00	\$5,776.23	\$930,631.63	\$0.00	\$66,491.32
09-01-2009	\$3,294.00	\$2,326.58	\$5,620.58	\$155.11	\$0.00	\$5,775.68	\$927,337.64	\$0.00	\$66,491.32
10-01-2009	\$3,302.24	\$2,318.34	\$5,620.58	\$154.56	\$0.00	\$5,775.13	\$924,035.40	\$0.00	\$66,491.32

**Kentucky Infrastructure Authority - Loan Amortization Schedule
Martin County Water District - Loan Number B293-02**

Amortization Table									
Payment Date	Principal Due	Interest Due	Principal & Interest	Service Fee	Credit Due	Total Payment	Principal Balance	R&M Reserve Due	R&M Reserve Total
11-01-2009	\$3,310.49	\$2,310.09	\$5,620.58	\$154.01	\$0.00	\$5,774.58	\$920,724.91	\$0.00	\$66,491.32
12-01-2009	\$3,318.77	\$2,301.81	\$5,620.58	\$153.45	\$0.00	\$5,774.03	\$917,406.14	\$0.00	\$66,491.32
01-01-2010	\$3,327.06	\$2,293.52	\$5,620.58	\$152.90	\$0.00	\$5,773.48	\$914,079.09	\$0.00	\$66,491.32
02-01-2010	\$3,335.38	\$2,285.20	\$5,620.58	\$152.35	\$0.00	\$5,772.92	\$910,743.71	\$0.00	\$66,491.32
03-01-2010	\$3,343.72	\$2,276.86	\$5,620.58	\$151.79	\$0.00	\$5,772.37	\$907,399.99	\$0.00	\$66,491.32
04-01-2010	\$3,352.08	\$2,268.50	\$5,620.58	\$151.23	\$0.00	\$5,771.81	\$904,047.92	\$0.00	\$66,491.32
05-01-2010	\$3,360.46	\$2,260.12	\$5,620.58	\$150.67	\$0.00	\$5,771.25	\$900,687.46	\$0.00	\$66,491.32
06-01-2010	\$3,368.86	\$2,251.72	\$5,620.58	\$150.11	\$0.00	\$5,770.69	\$897,318.60	\$0.00	\$66,491.32
07-01-2010	\$3,377.28	\$2,243.30	\$5,620.58	\$149.55	\$0.00	\$5,770.13	\$893,941.33	\$0.00	\$66,491.32
08-01-2010	\$3,385.73	\$2,234.85	\$5,620.58	\$148.99	\$0.00	\$5,769.57	\$890,555.60	\$0.00	\$66,491.32
09-01-2010	\$3,394.19	\$2,226.39	\$5,620.58	\$148.43	\$0.00	\$5,769.00	\$887,161.41	\$0.00	\$66,491.32
10-01-2010	\$3,402.68	\$2,217.90	\$5,620.58	\$147.86	\$0.00	\$5,768.44	\$883,758.74	\$0.00	\$66,491.32
11-01-2010	\$3,411.18	\$2,209.40	\$5,620.58	\$147.29	\$0.00	\$5,767.87	\$880,347.56	\$0.00	\$66,491.32
12-01-2010	\$3,419.71	\$2,200.87	\$5,620.58	\$146.72	\$0.00	\$5,767.30	\$876,927.85	\$0.00	\$66,491.32
01-01-2011	\$3,428.26	\$2,192.32	\$5,620.58	\$146.15	\$0.00	\$5,766.73	\$873,499.60	\$0.00	\$66,491.32
02-01-2011	\$3,436.83	\$2,183.75	\$5,620.58	\$145.58	\$0.00	\$5,766.16	\$870,062.77	\$0.00	\$66,491.32
03-01-2011	\$3,445.42	\$2,175.16	\$5,620.58	\$145.01	\$0.00	\$5,765.59	\$866,617.35	\$0.00	\$66,491.32
04-01-2011	\$3,454.04	\$2,166.54	\$5,620.58	\$144.44	\$0.00	\$5,765.01	\$863,163.32	\$0.00	\$66,491.32
05-01-2011	\$3,462.67	\$2,157.91	\$5,620.58	\$143.86	\$0.00	\$5,764.44	\$859,700.65	\$0.00	\$66,491.32
06-01-2011	\$3,471.33	\$2,149.25	\$5,620.58	\$143.28	\$0.00	\$5,763.86	\$856,229.32	\$0.00	\$66,491.32
07-01-2011	\$3,480.01	\$2,140.57	\$5,620.58	\$142.70	\$0.00	\$5,763.28	\$852,749.32	\$0.00	\$66,491.32
08-01-2011	\$3,488.71	\$2,131.87	\$5,620.58	\$142.12	\$0.00	\$5,762.70	\$849,260.61	\$0.00	\$66,491.32
09-01-2011	\$3,497.43	\$2,123.15	\$5,620.58	\$141.54	\$0.00	\$5,762.12	\$845,763.18	\$0.00	\$66,491.32
10-01-2011	\$3,506.17	\$2,114.41	\$5,620.58	\$140.96	\$0.00	\$5,761.54	\$842,257.02	\$0.00	\$66,491.32
11-01-2011	\$3,514.94	\$2,105.64	\$5,620.58	\$140.38	\$0.00	\$5,760.95	\$838,742.08	\$0.00	\$66,491.32
12-01-2011	\$3,523.72	\$2,096.86	\$5,620.58	\$139.79	\$0.00	\$5,760.37	\$835,218.36	\$0.00	\$66,491.32
01-01-2012	\$3,532.53	\$2,088.05	\$5,620.58	\$139.20	\$0.00	\$5,759.78	\$831,685.84	\$0.00	\$66,491.32
02-01-2012	\$3,541.37	\$2,079.21	\$5,620.58	\$138.61	\$0.00	\$5,759.19	\$828,144.47	\$0.00	\$66,491.32
03-01-2012	\$3,550.22	\$2,070.36	\$5,620.58	\$138.02	\$0.00	\$5,758.60	\$824,594.25	\$0.00	\$66,491.32
04-01-2012	\$3,559.09	\$2,061.49	\$5,620.58	\$137.43	\$0.00	\$5,758.01	\$821,035.17	\$0.00	\$66,491.32
05-01-2012	\$3,567.99	\$2,052.59	\$5,620.58	\$136.84	\$0.00	\$5,757.42	\$817,467.18	\$0.00	\$66,491.32
06-01-2012	\$3,576.91	\$2,043.67	\$5,620.58	\$136.24	\$0.00	\$5,756.82	\$813,890.27	\$0.00	\$66,491.32
07-01-2012	\$3,585.85	\$2,034.73	\$5,620.58	\$135.65	\$0.00	\$5,756.23	\$810,304.43	\$0.00	\$66,491.32
08-01-2012	\$3,594.82	\$2,025.76	\$5,620.58	\$135.05	\$0.00	\$5,755.63	\$806,709.61	\$0.00	\$66,491.32
09-01-2012	\$3,603.81	\$2,016.77	\$5,620.58	\$134.45	\$0.00	\$5,755.03	\$803,105.80	\$0.00	\$66,491.32
10-01-2012	\$3,612.82	\$2,007.76	\$5,620.58	\$133.85	\$0.00	\$5,754.43	\$799,492.98	\$0.00	\$66,491.32
11-01-2012	\$3,621.85	\$1,998.73	\$5,620.58	\$133.25	\$0.00	\$5,753.83	\$795,871.14	\$0.00	\$66,491.32
12-01-2012	\$3,630.90	\$1,989.68	\$5,620.58	\$132.65	\$0.00	\$5,753.22	\$792,240.24	\$0.00	\$66,491.32
01-01-2013	\$3,639.98	\$1,980.60	\$5,620.58	\$132.04	\$0.00	\$5,752.62	\$788,600.26	\$0.00	\$66,491.32
02-01-2013	\$3,649.08	\$1,971.50	\$5,620.58	\$131.43	\$0.00	\$5,752.01	\$784,951.19	\$0.00	\$66,491.32
03-01-2013	\$3,658.20	\$1,962.38	\$5,620.58	\$130.83	\$0.00	\$5,751.40	\$781,292.99	\$0.00	\$66,491.32
04-01-2013	\$3,667.35	\$1,953.23	\$5,620.58	\$130.22	\$0.00	\$5,750.79	\$777,625.64	\$0.00	\$66,491.32
05-01-2013	\$3,676.52	\$1,944.06	\$5,620.58	\$129.60	\$0.00	\$5,750.18	\$773,949.13	\$0.00	\$66,491.32
06-01-2013	\$3,685.71	\$1,934.87	\$5,620.58	\$128.99	\$0.00	\$5,749.57	\$770,263.42	\$0.00	\$66,491.32

**Kentucky Infrastructure Authority - Loan Amortization Schedule
Martin County Water District - Loan Number B293-02**

Amortization Table									
Payment Date	Principal Due	Interest Due	Principal & Interest	Service Fee	Credit Due	Total Payment	Principal Balance	R&M Reserve Due	R&M Reserve Total
07-01-2013	\$3,694.92	\$1,925.66	\$5,620.58	\$128.38	\$0.00	\$5,748.95	\$766,568.50	\$0.00	\$66,491.32
08-01-2013	\$3,704.16	\$1,916.42	\$5,620.58	\$127.76	\$0.00	\$5,748.34	\$762,864.35	\$0.00	\$66,491.32
09-01-2013	\$3,713.42	\$1,907.16	\$5,620.58	\$127.14	\$0.00	\$5,747.72	\$759,150.93	\$0.00	\$66,491.32
10-01-2013	\$3,722.70	\$1,897.88	\$5,620.58	\$126.53	\$0.00	\$5,747.10	\$755,428.23	\$0.00	\$66,491.32
11-01-2013	\$3,732.01	\$1,888.57	\$5,620.58	\$125.90	\$0.00	\$5,746.48	\$751,696.23	\$0.00	\$66,491.32
12-01-2013	\$3,741.34	\$1,879.24	\$5,620.58	\$125.28	\$0.00	\$5,745.86	\$747,954.89	\$0.00	\$66,491.32
01-01-2014	\$3,750.69	\$1,869.89	\$5,620.58	\$124.66	\$0.00	\$5,745.24	\$744,204.20	\$0.00	\$66,491.32
02-01-2014	\$3,760.07	\$1,860.51	\$5,620.58	\$124.03	\$0.00	\$5,744.61	\$740,444.14	\$0.00	\$66,491.32
03-01-2014	\$3,769.47	\$1,851.11	\$5,620.58	\$123.41	\$0.00	\$5,743.98	\$736,674.67	\$0.00	\$66,491.32
04-01-2014	\$3,778.89	\$1,841.69	\$5,620.58	\$122.78	\$0.00	\$5,743.36	\$732,895.78	\$0.00	\$66,491.32
05-01-2014	\$3,788.34	\$1,832.24	\$5,620.58	\$122.15	\$0.00	\$5,742.73	\$729,107.45	\$0.00	\$66,491.32
06-01-2014	\$3,797.81	\$1,822.77	\$5,620.58	\$121.52	\$0.00	\$5,742.09	\$725,309.64	\$0.00	\$66,491.32
07-01-2014	\$3,807.31	\$1,813.27	\$5,620.58	\$120.88	\$0.00	\$5,741.46	\$721,502.33	\$0.00	\$66,491.32
08-01-2014	\$3,816.82	\$1,803.76	\$5,620.58	\$120.25	\$0.00	\$5,740.83	\$717,685.52	\$0.00	\$66,491.32
09-01-2014	\$3,826.37	\$1,794.21	\$5,620.58	\$119.61	\$0.00	\$5,740.19	\$713,859.15	\$0.00	\$66,491.32
10-01-2014	\$3,835.93	\$1,784.65	\$5,620.58	\$118.98	\$0.00	\$5,739.55	\$710,023.22	\$0.00	\$66,491.32
11-01-2014	\$3,845.52	\$1,775.06	\$5,620.58	\$118.34	\$0.00	\$5,738.91	\$706,177.71	\$0.00	\$66,491.32
12-01-2014	\$3,855.14	\$1,765.44	\$5,620.58	\$117.70	\$0.00	\$5,738.27	\$702,322.57	\$0.00	\$66,491.32
01-01-2015	\$3,864.77	\$1,755.81	\$5,620.58	\$117.05	\$0.00	\$5,737.63	\$698,457.80	\$0.00	\$66,491.32
02-01-2015	\$3,874.44	\$1,746.14	\$5,620.58	\$116.41	\$0.00	\$5,736.99	\$694,583.37	\$0.00	\$66,491.32
03-01-2015	\$3,884.12	\$1,736.46	\$5,620.58	\$115.76	\$0.00	\$5,736.34	\$690,699.25	\$0.00	\$66,491.32
04-01-2015	\$3,893.83	\$1,726.75	\$5,620.58	\$115.12	\$0.00	\$5,735.69	\$686,805.42	\$0.00	\$66,491.32
05-01-2015	\$3,903.57	\$1,717.01	\$5,620.58	\$114.47	\$0.00	\$5,735.04	\$682,901.85	\$0.00	\$66,491.32
06-01-2015	\$3,913.33	\$1,707.25	\$5,620.58	\$113.82	\$0.00	\$5,734.39	\$678,988.53	\$0.00	\$66,491.32
07-01-2015	\$3,923.11	\$1,697.47	\$5,620.58	\$113.16	\$0.00	\$5,733.74	\$675,065.42	\$0.00	\$66,491.32
08-01-2015	\$3,932.92	\$1,687.66	\$5,620.58	\$112.51	\$0.00	\$5,733.09	\$671,132.50	\$0.00	\$66,491.32
09-01-2015	\$3,942.75	\$1,677.83	\$5,620.58	\$111.86	\$0.00	\$5,732.43	\$667,189.76	\$0.00	\$66,491.32
10-01-2015	\$3,952.61	\$1,667.97	\$5,620.58	\$111.20	\$0.00	\$5,731.78	\$663,237.15	\$0.00	\$66,491.32
11-01-2015	\$3,962.49	\$1,658.09	\$5,620.58	\$110.54	\$0.00	\$5,731.12	\$659,274.66	\$0.00	\$66,491.32
12-01-2015	\$3,972.39	\$1,648.19	\$5,620.58	\$109.88	\$0.00	\$5,730.46	\$655,302.28	\$0.00	\$66,491.32
01-01-2016	\$3,982.32	\$1,638.26	\$5,620.58	\$109.22	\$0.00	\$5,729.79	\$651,319.96	\$0.00	\$66,491.32
02-01-2016	\$3,992.28	\$1,628.30	\$5,620.58	\$108.55	\$0.00	\$5,729.13	\$647,327.68	\$0.00	\$66,491.32
03-01-2016	\$4,002.26	\$1,618.32	\$5,620.58	\$107.89	\$0.00	\$5,728.46	\$643,325.43	\$0.00	\$66,491.32
04-01-2016	\$4,012.27	\$1,608.31	\$5,620.58	\$107.22	\$0.00	\$5,727.80	\$639,313.16	\$0.00	\$66,491.32
05-01-2016	\$4,022.30	\$1,598.28	\$5,620.58	\$106.55	\$0.00	\$5,727.13	\$635,290.86	\$0.00	\$66,491.32
06-01-2016	\$4,032.35	\$1,588.23	\$5,620.58	\$105.88	\$0.00	\$5,726.46	\$631,258.52	\$0.00	\$66,491.32
07-01-2016	\$4,042.43	\$1,578.15	\$5,620.58	\$105.21	\$0.00	\$5,725.79	\$627,216.09	\$0.00	\$66,491.32
08-01-2016	\$4,052.54	\$1,568.04	\$5,620.58	\$104.54	\$0.00	\$5,725.11	\$623,163.55	\$0.00	\$66,491.32
09-01-2016	\$4,062.67	\$1,557.91	\$5,620.58	\$103.86	\$0.00	\$5,724.44	\$619,100.89	\$0.00	\$66,491.32
10-01-2016	\$4,072.83	\$1,547.75	\$5,620.58	\$103.18	\$0.00	\$5,723.76	\$615,028.06	\$0.00	\$66,491.32
11-01-2016	\$4,083.01	\$1,537.57	\$5,620.58	\$102.50	\$0.00	\$5,723.08	\$610,945.05	\$0.00	\$66,491.32
12-01-2016	\$4,093.22	\$1,527.36	\$5,620.58	\$101.82	\$0.00	\$5,722.40	\$606,851.84	\$0.00	\$66,491.32
01-01-2017	\$4,103.45	\$1,517.13	\$5,620.58	\$101.14	\$0.00	\$5,721.72	\$602,748.39	\$0.00	\$66,491.32
02-01-2017	\$4,113.71	\$1,506.87	\$5,620.58	\$100.46	\$0.00	\$5,721.03	\$598,634.68	\$0.00	\$66,491.32

**Kentucky Infrastructure Authority - Loan Amortization Schedule
Martin County Water District - Loan Number B293-02**

Amortization Table									
Payment Date	Principal Due	Interest Due	Principal & Interest	Service Fee	Credit Due	Total Payment	Principal Balance	R&M Reserve Due	R&M Reserve Total
03-01-2017	\$4,123.99	\$1,496.59	\$5,620.58	\$99.77	\$0.00	\$5,720.35	\$594,510.70	\$0.00	\$66,491.32
04-01-2017	\$4,134.30	\$1,486.28	\$5,620.58	\$99.09	\$0.00	\$5,719.66	\$590,376.40	\$0.00	\$66,491.32
05-01-2017	\$4,144.64	\$1,475.94	\$5,620.58	\$98.40	\$0.00	\$5,718.97	\$586,231.76	\$0.00	\$66,491.32
06-01-2017	\$4,155.00	\$1,465.58	\$5,620.58	\$97.71	\$0.00	\$5,718.28	\$582,076.77	\$0.00	\$66,491.32
07-01-2017	\$4,165.39	\$1,455.19	\$5,620.58	\$97.01	\$0.00	\$5,717.59	\$577,911.38	\$0.00	\$66,491.32
08-01-2017	\$4,175.80	\$1,444.78	\$5,620.58	\$96.32	\$0.00	\$5,716.90	\$573,735.58	\$0.00	\$66,491.32
09-01-2017	\$4,186.24	\$1,434.34	\$5,620.58	\$95.62	\$0.00	\$5,716.20	\$569,549.35	\$0.00	\$66,491.32
10-01-2017	\$4,196.71	\$1,423.87	\$5,620.58	\$94.92	\$0.00	\$5,715.50	\$565,352.64	\$0.00	\$66,491.32
11-01-2017	\$4,207.20	\$1,413.38	\$5,620.58	\$94.23	\$0.00	\$5,714.80	\$561,145.44	\$0.00	\$66,491.32
12-01-2017	\$4,217.72	\$1,402.86	\$5,620.58	\$93.52	\$0.00	\$5,714.10	\$556,927.72	\$0.00	\$66,491.32
01-01-2018	\$4,228.26	\$1,392.32	\$5,620.58	\$92.82	\$0.00	\$5,713.40	\$552,699.47	\$0.00	\$66,491.32
02-01-2018	\$4,238.83	\$1,381.75	\$5,620.58	\$92.12	\$0.00	\$5,712.69	\$548,460.64	\$0.00	\$66,491.32
03-01-2018	\$4,249.43	\$1,371.15	\$5,620.58	\$91.41	\$0.00	\$5,711.99	\$544,211.21	\$0.00	\$66,491.32
04-01-2018	\$4,260.05	\$1,360.53	\$5,620.58	\$90.70	\$0.00	\$5,711.28	\$539,951.17	\$0.00	\$66,491.32
05-01-2018	\$4,270.70	\$1,349.88	\$5,620.58	\$89.99	\$0.00	\$5,710.57	\$535,680.47	\$0.00	\$66,491.32
06-01-2018	\$4,281.38	\$1,339.20	\$5,620.58	\$89.28	\$0.00	\$5,709.86	\$531,399.09	\$0.00	\$66,491.32
07-01-2018	\$4,292.08	\$1,328.50	\$5,620.58	\$88.57	\$0.00	\$5,709.14	\$527,107.02	\$0.00	\$66,491.32
08-01-2018	\$4,302.81	\$1,317.77	\$5,620.58	\$87.85	\$0.00	\$5,708.43	\$522,804.21	\$0.00	\$66,491.32
09-01-2018	\$4,313.57	\$1,307.01	\$5,620.58	\$87.13	\$0.00	\$5,707.71	\$518,490.64	\$0.00	\$66,491.32
10-01-2018	\$4,324.35	\$1,296.23	\$5,620.58	\$86.42	\$0.00	\$5,706.99	\$514,166.30	\$0.00	\$66,491.32
11-01-2018	\$4,335.16	\$1,285.42	\$5,620.58	\$85.69	\$0.00	\$5,706.27	\$509,831.14	\$0.00	\$66,491.32
12-01-2018	\$4,346.00	\$1,274.58	\$5,620.58	\$84.97	\$0.00	\$5,705.55	\$505,485.14	\$0.00	\$66,491.32
01-01-2019	\$4,356.87	\$1,263.71	\$5,620.58	\$84.25	\$0.00	\$5,704.82	\$501,128.28	\$0.00	\$66,491.32
02-01-2019	\$4,367.76	\$1,252.82	\$5,620.58	\$83.52	\$0.00	\$5,704.10	\$496,760.52	\$0.00	\$66,491.32
03-01-2019	\$4,378.68	\$1,241.90	\$5,620.58	\$82.79	\$0.00	\$5,703.37	\$492,381.84	\$0.00	\$66,491.32
04-01-2019	\$4,389.63	\$1,230.95	\$5,620.58	\$82.06	\$0.00	\$5,702.64	\$487,992.22	\$0.00	\$66,491.32
05-01-2019	\$4,400.60	\$1,219.98	\$5,620.58	\$81.33	\$0.00	\$5,701.91	\$483,591.62	\$0.00	\$66,491.32
06-01-2019	\$4,411.61	\$1,208.97	\$5,620.58	\$80.60	\$0.00	\$5,701.18	\$479,180.01	\$0.00	\$66,491.32
07-01-2019	\$4,422.64	\$1,197.94	\$5,620.58	\$79.86	\$0.00	\$5,700.44	\$474,757.38	\$0.00	\$66,491.32
08-01-2019	\$4,433.70	\$1,186.88	\$5,620.58	\$79.13	\$0.00	\$5,699.70	\$470,323.68	\$0.00	\$66,491.32
09-01-2019	\$4,444.78	\$1,175.80	\$5,620.58	\$78.39	\$0.00	\$5,698.96	\$465,878.90	\$0.00	\$66,491.32
10-01-2019	\$4,455.89	\$1,164.69	\$5,620.58	\$77.65	\$0.00	\$5,698.22	\$461,423.02	\$0.00	\$66,491.32
11-01-2019	\$4,467.03	\$1,153.55	\$5,620.58	\$76.90	\$0.00	\$5,697.48	\$456,955.99	\$0.00	\$66,491.32
12-01-2019	\$4,478.20	\$1,142.38	\$5,620.58	\$76.16	\$0.00	\$5,696.74	\$452,477.79	\$0.00	\$66,491.32
01-01-2020	\$4,489.40	\$1,131.18	\$5,620.58	\$75.41	\$0.00	\$5,695.99	\$447,988.40	\$0.00	\$66,491.32
02-01-2020	\$4,500.62	\$1,119.96	\$5,620.58	\$74.66	\$0.00	\$5,695.24	\$443,487.78	\$0.00	\$66,491.32
03-01-2020	\$4,511.87	\$1,108.71	\$5,620.58	\$73.91	\$0.00	\$5,694.49	\$438,975.91	\$0.00	\$66,491.32
04-01-2020	\$4,523.15	\$1,097.43	\$5,620.58	\$73.16	\$0.00	\$5,693.74	\$434,452.77	\$0.00	\$66,491.32
05-01-2020	\$4,534.46	\$1,086.12	\$5,620.58	\$72.41	\$0.00	\$5,692.99	\$429,918.31	\$0.00	\$66,491.32
06-01-2020	\$4,545.79	\$1,074.79	\$5,620.58	\$71.65	\$0.00	\$5,692.23	\$425,372.52	\$0.00	\$66,491.32
07-01-2020	\$4,557.16	\$1,063.42	\$5,620.58	\$70.90	\$0.00	\$5,691.47	\$420,815.37	\$0.00	\$66,491.32
08-01-2020	\$4,568.55	\$1,052.03	\$5,620.58	\$70.14	\$0.00	\$5,690.71	\$416,246.82	\$0.00	\$66,491.32
09-01-2020	\$4,579.97	\$1,040.61	\$5,620.58	\$69.37	\$0.00	\$5,689.95	\$411,666.85	\$0.00	\$66,491.32
10-01-2020	\$4,591.42	\$1,029.16	\$5,620.58	\$68.61	\$0.00	\$5,689.19	\$407,075.43	\$0.00	\$66,491.32

**Kentucky Infrastructure Authority - Loan Amortization Schedule
Martin County Water District - Loan Number B293-02**

Amortization Table									
Payment Date	Principal Due	Interest Due	Principal & Interest	Service Fee	Credit Due	Total Payment	Principal Balance	R&M Reserve Due	R&M Reserve Total
11-01-2020	\$4,602.90	\$1,017.68	\$5,620.58	\$67.85	\$0.00	\$5,688.42	\$402,472.54	\$0.00	\$66,491.32
12-01-2020	\$4,614.41	\$1,006.17	\$5,620.58	\$67.08	\$0.00	\$5,687.66	\$397,858.13	\$0.00	\$66,491.32
01-01-2021	\$4,625.94	\$994.64	\$5,620.58	\$66.31	\$0.00	\$5,686.89	\$393,232.19	\$0.00	\$66,491.32
02-01-2021	\$4,637.51	\$983.07	\$5,620.58	\$65.54	\$0.00	\$5,686.12	\$388,594.69	\$0.00	\$66,491.32
03-01-2021	\$4,649.10	\$971.48	\$5,620.58	\$64.77	\$0.00	\$5,685.34	\$383,945.59	\$0.00	\$66,491.32
04-01-2021	\$4,660.73	\$959.85	\$5,620.58	\$63.99	\$0.00	\$5,684.57	\$379,284.86	\$0.00	\$66,491.32
05-01-2021	\$4,672.38	\$948.20	\$5,620.58	\$63.21	\$0.00	\$5,683.79	\$374,612.49	\$0.00	\$66,491.32
06-01-2021	\$4,684.06	\$936.52	\$5,620.58	\$62.44	\$0.00	\$5,683.01	\$369,928.43	\$0.00	\$66,491.32
07-01-2021	\$4,695.77	\$924.81	\$5,620.58	\$61.65	\$0.00	\$5,682.23	\$365,232.66	\$0.00	\$66,491.32
08-01-2021	\$4,707.51	\$913.07	\$5,620.58	\$60.87	\$0.00	\$5,681.45	\$360,525.16	\$0.00	\$66,491.32
09-01-2021	\$4,719.28	\$901.30	\$5,620.58	\$60.09	\$0.00	\$5,680.66	\$355,805.88	\$0.00	\$66,491.32
10-01-2021	\$4,731.08	\$889.50	\$5,620.58	\$59.30	\$0.00	\$5,679.88	\$351,074.80	\$0.00	\$66,491.32
11-01-2021	\$4,742.90	\$877.68	\$5,620.58	\$58.51	\$0.00	\$5,679.09	\$346,331.91	\$0.00	\$66,491.32
12-01-2021	\$4,754.76	\$865.82	\$5,620.58	\$57.72	\$0.00	\$5,678.30	\$341,577.15	\$0.00	\$66,491.32
01-01-2022	\$4,766.65	\$853.93	\$5,620.58	\$56.93	\$0.00	\$5,677.51	\$336,810.50	\$0.00	\$66,491.32
02-01-2022	\$4,778.56	\$842.02	\$5,620.58	\$56.14	\$0.00	\$5,676.71	\$332,031.95	\$0.00	\$66,491.32
03-01-2022	\$4,790.51	\$830.07	\$5,620.58	\$55.34	\$0.00	\$5,675.92	\$327,241.44	\$0.00	\$66,491.32
04-01-2022	\$4,802.49	\$818.09	\$5,620.58	\$54.54	\$0.00	\$5,675.12	\$322,438.95	\$0.00	\$66,491.32
05-01-2022	\$4,814.49	\$806.09	\$5,620.58	\$53.74	\$0.00	\$5,674.32	\$317,624.47	\$0.00	\$66,491.32
06-01-2022	\$4,826.53	\$794.05	\$5,620.58	\$52.94	\$0.00	\$5,673.51	\$312,797.94	\$0.00	\$66,491.32
07-01-2022	\$4,838.60	\$781.98	\$5,620.58	\$52.13	\$0.00	\$5,672.71	\$307,959.34	\$0.00	\$66,491.32
08-01-2022	\$4,850.69	\$769.89	\$5,620.58	\$51.33	\$0.00	\$5,671.90	\$303,108.66	\$0.00	\$66,491.32
09-01-2022	\$4,862.82	\$757.76	\$5,620.58	\$50.52	\$0.00	\$5,671.09	\$298,245.84	\$0.00	\$66,491.32
10-01-2022	\$4,874.98	\$745.60	\$5,620.58	\$49.71	\$0.00	\$5,670.28	\$293,370.86	\$0.00	\$66,491.32
11-01-2022	\$4,887.16	\$733.42	\$5,620.58	\$48.90	\$0.00	\$5,669.47	\$288,483.71	\$0.00	\$66,491.32
12-01-2022	\$4,899.38	\$721.20	\$5,620.58	\$48.08	\$0.00	\$5,668.66	\$283,584.33	\$0.00	\$66,491.32
01-01-2023	\$4,911.63	\$708.95	\$5,620.58	\$47.26	\$0.00	\$5,667.84	\$278,672.70	\$0.00	\$66,491.32
02-01-2023	\$4,923.91	\$696.67	\$5,620.58	\$46.45	\$0.00	\$5,667.02	\$273,748.80	\$0.00	\$66,491.32
03-01-2023	\$4,936.22	\$684.36	\$5,620.58	\$45.62	\$0.00	\$5,666.20	\$268,812.58	\$0.00	\$66,491.32
04-01-2023	\$4,948.56	\$672.02	\$5,620.58	\$44.80	\$0.00	\$5,665.38	\$263,864.02	\$0.00	\$66,491.32
05-01-2023	\$4,960.93	\$659.65	\$5,620.58	\$43.98	\$0.00	\$5,664.55	\$258,903.09	\$0.00	\$66,491.32
06-01-2023	\$4,973.33	\$647.25	\$5,620.58	\$43.15	\$0.00	\$5,663.73	\$253,929.77	\$0.00	\$66,491.32
07-01-2023	\$4,985.77	\$634.81	\$5,620.58	\$42.32	\$0.00	\$5,662.90	\$248,944.00	\$0.00	\$66,491.32
08-01-2023	\$4,998.23	\$622.35	\$5,620.58	\$41.49	\$0.00	\$5,662.07	\$243,945.77	\$0.00	\$66,491.32
09-01-2023	\$5,010.73	\$609.85	\$5,620.58	\$40.66	\$0.00	\$5,661.23	\$238,935.05	\$0.00	\$66,491.32
10-01-2023	\$5,023.25	\$597.33	\$5,620.58	\$39.82	\$0.00	\$5,660.40	\$233,911.80	\$0.00	\$66,491.32
11-01-2023	\$5,035.81	\$584.77	\$5,620.58	\$38.99	\$0.00	\$5,659.56	\$228,875.99	\$0.00	\$66,491.32
12-01-2023	\$5,048.40	\$572.18	\$5,620.58	\$38.15	\$0.00	\$5,658.72	\$223,827.60	\$0.00	\$66,491.32
01-01-2024	\$5,061.02	\$559.56	\$5,620.58	\$37.30	\$0.00	\$5,657.88	\$218,766.58	\$0.00	\$66,491.32
02-01-2024	\$218,766.58	\$546.91	\$5,620.58	\$0.00	\$0.00	\$5,620.58	\$0.00	\$0.00	\$66,491.32
Totals:	\$1,329,826.46	\$677,883.69	\$1,794,017.24	\$45,152.17	\$0.00	\$1,839,169.42		\$0.00	

EXHIBIT D

Payoff Letter on the KIA Fund B Loan

KENTUCKY INFRASTRUCTURE AUTHORITY

Telephone: (502) 573-0260

****INVOICE****

387 E Main St
Attn: Accounts Payable

Inez, KY 41224

LOAN NUMBER: B293-02
INVOICE DATE: 11/22/2023
PAYMENT DUE DATE: 02/01/2024
INTEREST RATE: 3.00%

PAYMENT DETAILS:

PRINCIPAL DUE:	\$218,766.58
INTEREST DUE:	\$546.91
SERVICE FEE DUE:	\$0.00
CHARGE\CREDIT:	\$0.00

TOTAL PAYMENT DUE:

\$219,313.49
(rounded to nearest .01)

REMAINING LOAN BALANCE:
(AFTER THIS PAYMENT)

\$0.00

INFORMATION ONLY. YOUR ACCOUNT WILL BE AUTO DEBITED ON THE
PAYMENT DUE DATE

If your bank, account number or ABA routing number has changed, please go to <https://kia.ky.gov/FinancialAssistance/Pages/Forms.aspx>, complete a new ACH Debit Authorization Form NO LATER THAN JANUARY 15 and email it directly to US Bank at KentuckyInfrastructureAuth@usbank.com.

EXHIBIT E

KIA Board Resolution

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING A CONDITIONAL COMMITMENT FOR A KENTUCKY WATER MANAGEMENT ASSISTANCE FUND LOAN FOR AN AMOUNT UP TO \$1,323,623.15 TO THE MARTIN COUNTY WATER DISTRICT, MARTIN COUNTY, KENTUCKY

WHEREAS, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

WHEREAS, House Bill 758 of the 2022 General Assembly amended the Act to create the Water Management Assistance Fund (the "Fund") in order to fund capital and non-capital expenses of governmental agencies that provide public drinking water or wastewater services to the public and are considered financially at risk; and

WHEREAS, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for capital and non-capital expenses, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

WHEREAS, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Kentucky Water Management Assistance Fund Loan Program with the Martin County Water District; and

NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby determines that the Martin County Water District (a) provides public drinking water or wastewater services to ratepayers in the Commonwealth; and (b) is considered financially at risk.

Section 3. The Authority hereby authorizes a Kentucky Water Management Fund loan in the amount of \$1,323,623.15, to the Martin County Water District. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 4. The principal shall be repayable over 20 years at an interest rate of 0.00%. No annual administration fee will be charged. These terms are subject to adjustment upon execution of the loan agreement.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 7th day of December, 2023.

DENNIS KEENE, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

MARGARET F. LINK, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

NATALIE LILE, ASST. GENERAL COUNSEL
KENTUCKY INFRASTRUCTURE AUTHORITY

EXHIBIT F

KIA Executive Summary

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY WATER MANAGEMENT ASSISTANCE FUND REVOLVING LOAN FUND		Reviewer Date KIA Loan Number	John Brady December 7, 2023 B324-001	
BORROWER		MARTIN COUNTY WATER DISTRICT MARTIN COUNTY		
BRIEF DESCRIPTION				
The Martin County Water District (MCWD) is requesting a Water Management Assistance Fund loan in the amount of \$1,323,623.15 to consolidate outstanding debt owed by the MCWD. Funding will be utilized to restructure KIA Loan B293-02 in the amount of \$219,313.49 and a Kentucky Rural Water Finance Corporation Flexible Term Finance Program note in an amount of \$1,104,309.66. This loan will assist the MCWD by reducing current payments and provide it more operating capital for necessary repairs.				
PROJECT FINANCING		PROJECT BUDGET		
WMAF Loan	\$1,323,623.15	KRWFC Note KIA Loan B290-02	\$1,104,309.66 \$219,313.49	
TOTAL	\$1,323,623.15	TOTAL	\$1,323,623.15	
REPAYMENT	Rate Term	0.00% 20 Years	Est. Annual Payment \$66,181	
PROFESSIONAL SERVICES	Engineer Bond Counsel	N/A Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Completion Date	N/A Feb-24		
DEBT PER CUSTOMER	Existing Proposed	\$940 \$854		
OTHER DEBT	See Attached			
RESIDENTIAL RATES	Current	Users 3,324	Avg. Bill \$62.40 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2020	(23,294)	211,143	(234,437)	-0.1
Audited 2021	51,503	215,333	(163,830)	0.2
Audited 2022	225,409	222,822	2,587	1.0
Projected 2023	274,787	183,021	91,766	1.5
Projected 2024	218,821	184,202	34,619	1.2
Projected 2025	161,736	184,202	(22,466)	0.9
Projected 2026	103,509	169,579	(66,070)	0.6
Projected 2027	44,118	169,579	(125,461)	0.3

Reviewer: John Brady
Date: December 7, 2023
Loan Number: B324-001

**KENTUCKY INFRASTRUCTURE AUTHORITY
WATER MANAGEMENT ASSISTANCE FUND (WMAF)
MARTIN COUNTY WATER DISTRICT
PROJECT REVIEW**

I. PROJECT DESCRIPTION

The Martin County Water District (MCWD) is requesting a Water Management Assistance Fund loan in the amount of \$1,323,623.15 to consolidate outstanding debt owed by the MCWD. Funding will be utilized to restructure KIA Loan B293-02 in the amount of \$219,313.49 and a Kentucky Rural Water Finance Corporation Flexible Term Finance Program note in an amount of \$1,104,309.66. This loan will assist the MCWD by reducing current payments and provide it more operating capital for necessary repairs.

The MCWD currently serves 3,043 residential customers and 281 commercial customers.

II. PROJECT BUDGET

	<u>Total</u>
KRWFC Note	\$1,104,309.66
KIA Loan B290-02	219,313.49
Total	\$1,323,623.15

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
WMAF Loan (B324-001)	\$1,323,623.15	100%
Total	\$1,323,623.15	100%

IV. KIA DEBT SERVICE

KIA Loan	\$1,323,623.15
Less: Principal Forgiveness	0
Amortized Loan Amount	<u>\$1,323,623.15</u>
Interest Rate	0.00%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 66,181.16
Administrative Fee (0.20%)	<u>0</u>
Total Estimated Annual Debt Service	\$ 66,181.16

V. PROJECT SCHEDULE

Completion date: February 1, 2024

VI. RATE STRUCTURE

A. Customers

Customers	Current
Residential	3,043
Commercial	281
Industrial	<u>0</u>
Total	3,324

B. Rates

	Current	Prior
Date of Last Rate Increase	02/08/22	11/15/19
Minimum (2,000 gallons)	\$41.42	\$33.32
Over 2,000 gallons (per 1,000)	<u>10.49</u>	<u>8.43</u>
Cost for 4,000 gallons	\$62.40	\$50.18
Increase %	24.4%	
Affordability Index (Rate/MHI)	1.8%	1.4%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility's service area population was 11,203 with a Median Household Income (MHI) of \$41,569. The MHI for the Commonwealth is \$55,454.

VIII. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2020 through June 30, 2022. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Total revenues increased 17.8% from \$2.51 million in 2020 to \$2.96 million in 2022 primarily due to a rate increase. Operating expenses increased 5.0% from \$2.54 million to \$2.66 million during the same period due to increased costs for maintenance, repairs, and general operations. The debt coverage ratio was -0.1, 0.2, and 1.0 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 1.2, a debt-to-equity ratio of 0.3, 38.7 days of sales in accounts receivable, and 1.2 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase 4.1% in 2023 due to an existing rate increase.
- 2) Operating expenses will increase 2% annually due to inflation.

The MCWD is regulated by the Public Service Commission (PSC) and will need to apply to the PSC, pursuant to KRS 278.300, for debt authorization for the loan and must receive a Certificate of Public Convenience and Necessity, pursuant to KRS 278.020.

REPLACEMENT RESERVE

No replacement reserve will be required for this loan.

IX. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
KRW Series 2015E Bonds	\$ 1,645,000	2045
KACO Equipment Lease	<u>41,222</u>	2025
Total	\$ 1,686,222	

X. CONTACTS

Legal Applicant	
Entity Name	Martin County Water District
Authorized Official	Jimmy Kerr (Chairman)
County	Martin
Email	jdandamykerr@yahoo.com
Phone	(606) 298-3885
Address	387 E Main St Inez, KY 41224

Applicant Contact	
Name	Craig Miller
Organization	Alliance Water
Email	cmiller@alliancewater.com
Phone	(606) 298-3885
Address	387 E Main St Inez, KY 41224

XI. RECOMMENDATIONS

KIA staff recommends approval of the loan with the following consideration:

KIA will provide 50% principal forgiveness on the outstanding loan balance as of July 1, 2027 if two goals are met.

1. Martin County Water District has not had a loan default on this loan through June 30, 2027, and;
2. Martin County Water District has remained in compliance with its agreements with the Public Service Commission through June 30, 2027.

MARTIN COUNTY WATER DISTRICT
 FINANCIAL SUMMARY (DECEMBER YEAR END)

	Audited <u>2020</u>	Audited <u>2021</u>	Audited <u>2022</u>	Projected <u>2023</u>	Projected <u>2024</u>	Projected <u>2025</u>	Projected <u>2026</u>	Projected <u>2027</u>
Balance Sheet								
Assets								
Current Assets	744,318	714,436	687,050	716,502	723,426	718,933	705,719	680,627
Other Assets	18,188,278	17,981,527	17,337,793	16,759,022	15,999,575	15,161,368	14,288,278	13,367,675
Total	18,932,596	18,695,963	18,024,843	17,475,524	16,723,001	15,880,301	14,993,997	14,048,302
Liabilities & Equity								
Current Liabilities	1,501,086	1,639,744	578,845	584,630	574,951	587,881	562,033	558,333
Long Term Liabilities	3,682,314	3,548,566	3,354,787	4,291,606	4,163,159	4,027,782	3,924,353	3,830,924
Total Liabilities	5,183,400	5,188,310	3,933,632	4,876,236	4,738,110	4,615,663	4,486,386	4,389,257
Net Assets	13,749,196	13,507,653	14,091,211	12,599,288	11,984,891	11,264,638	10,507,611	9,659,045
Cash Flow								
Revenues	2,517,743	2,820,768	2,966,770	3,071,017	3,071,017	3,071,017	3,071,017	3,071,017
Operating Expenses	2,541,423	2,769,377	2,743,421	2,798,290	2,854,256	2,911,341	2,969,568	3,028,959
Other Income	386	112	2,060	2,060	2,060	2,060	2,060	2,060
Cash Flow Before Debt Service	(23,294)	51,503	225,409	274,787	218,821	161,736	103,509	44,118
Debt Service								
Existing Debt Service	211,143	215,333	222,822	183,021	118,021	118,021	103,398	103,398
Proposed KIA Loan	0	0	0	0	66,181	66,181	66,181	66,181
Total Debt Service	211,143	215,333	222,822	183,021	184,202	184,202	169,579	169,579
Cash Flow After Debt Service	(234,437)	(163,830)	2,587	91,766	34,619	(22,466)	(66,070)	(125,461)
Ratios								
Current Ratio	0.5	0.4	1.2	1.2	1.3	1.2	1.3	1.2
Debt to Equity	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.5
Days Sales in Accounts Receivable	50.4	40.6	38.7	38.7	38.7	38.7	38.7	38.7
Months Operating Expenses in Unrestricted Cash	1.5	1.3	1.2	1.3	1.3	1.2	1.1	1.0
Debt Coverage Ratio	(0.1)	0.2	1.0	1.5	1.2	0.9	0.6	0.3

EXHIBIT G

Financial Statements

Martin County Water District
 Statements of Net Position
 Years Ended December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 276,298	\$ 297,677
Accounts receivable (net)	314,701	313,736
Unbilled revenue	80,438	92,562
Prepaid expenses	12,665	4,904
Inventory	2,948	5,557
Total Current Assets	\$ 687,050	\$ 714,436
Restricted Assets		
Cash - Debt retirement	\$ 196,119	\$ 131,369
Cash - Grants	63	63
Accrued interest receivable	461	2
Total Restricted Assets	\$ 196,643	\$ 131,434
Capital Assets		
Water supply & distribution system	\$ 28,399,263	\$ 28,206,274
Buildings	500,264	500,264
Equipment & furniture	6,340,341	6,369,882
Vehicles & trailers	138,773	138,773
Land	214,714	214,714
Construction in progress	-	6,237
ROU leased asset	33,935	-
	\$ 35,627,290	\$ 35,436,144
Less: Accumulated depreciation	(18,476,670)	(17,721,010)
Less: Accumulated amortization ROU leased asset	(9,470)	-
Total Capital Assets	\$ 17,141,150	\$ 17,715,134
Total Assets	\$ 18,024,843	\$ 18,561,004
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	\$ -	\$ 134,959
Total Deferred Outflows of Resources	\$ -	\$ 134,959

The accompanying notes to financial statements are an integral part of this statement.

Martin County Water District
Statements of Net Position (Concluded)
Years Ended December 31, 2022 and 2021

	2022	2021
Liabilities		
Current Liabilities		
Accounts payable	\$ 289,615	\$ 1,389,540
Accrued interest	46,026	28,151
Accrued interest - leases	68	-
Sales tax payable	8,252	6,951
Customer deposits	90,858	82,109
Current portion of lease liability	9,269	-
Current portion of long-term debt	134,757	132,993
Total Current Liabilities	\$ 578,845	\$ 1,639,744
Long-Term Liabilities		
Long-term portion of debt (net)	\$ 2,965,937	\$ 1,987,168
Long-term portion of lease liability	15,971	-
Net pension liability	-	1,080,845
Total Long-Term Liabilities	\$ 2,981,908	\$ 3,068,013
Total Liabilities	\$ 3,560,753	\$ 4,707,757
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	\$ 372,879	\$ 480,553
Total Deferred Inflows of Resources	\$ 372,879	\$ 480,553
Net Position		
Net investment in capital assets	\$ 14,040,456	\$ 15,594,973
Restricted for debt retirement	199,705	105,137
Restricted for management infrastructure	9,865	6,587
Restricted for capital projects	63	63
Unrestricted	(158,878)	(2,199,107)
Total Net Position	\$ 14,091,211	\$ 13,507,653

The accompanying notes to financial statements are an integral part of this statement.

Martin County Water District
Statements of Revenues and Expenses and Changes in Net Position
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Water sales	\$ 2,542,610	\$ 2,243,478
Connection fees	28,372	17,612
Late charge fees	70,236	58,575
Debt service surcharge	105,780	107,177
MIS Water surcharge	189,817	192,369
Other fees	29,560	39,575
Miscellaneous income	395	161,982
Total Operating Revenues	<u>\$ 2,966,770</u>	<u>\$ 2,820,768</u>
Operating Expenses		
Management & operations contract	\$ 2,132,734	\$ 2,220,673
Water purchased	74,988	65,763
Pension expense	(527,446)	-
Utilities	375,997	362,424
Insurance	34,932	35,717
Repairs and maintenance	63,171	13,181
Outside services	630	755
Legal	10,000	19,612
Accounting	7,950	7,725
Bad debt	30,948	16,733
Dues & subscriptions	3,149	4,884
Office Expense	2,676	2,804
Rental	25	8,849
Regulatory assessment fees	4,214	-
KY 811 Services	1,273	2,451
Taxes	-	5,035
Depreciation	787,143	773,206
Amortization - ROU lease assets	9,470	-
Miscellaneous	734	2,771
Total Operating Expenses	<u>\$ 3,012,588</u>	<u>\$ 3,542,583</u>
Operating Income (Expense)	<u>\$ (45,818)</u>	<u>\$ (721,815)</u>
Non-operating Income (Expense)		
Interest expense	\$ (102,107)	\$ (78,302)
Customer deposit interest expense	(46)	(3,319)
Bond trustee fees	(450)	(450)
Bond issuance costs	(47,422)	-
Gain (loss) on disposal of assets	(10,432)	(4,752)
Interest income	2,060	112
Total Non-operating Income (Expense)	<u>\$ (158,397)</u>	<u>\$ (86,711)</u>
Change in Net Position before Contributions	<u>\$ (204,215)</u>	<u>\$ (808,526)</u>
Capital grants and contributions	261,659	566,983
Change in Net Position	<u>\$ 57,444</u>	<u>\$ (241,543)</u>
Net Position - Beginning of Year	13,507,653	13,749,196
Prior Period Adjustment	526,114	-
Net Position - Ending of Year	<u>\$ 14,091,211</u>	<u>\$ 13,507,653</u>

The accompanying notes to financial statements are an integral part of this statement.

Martin County Water District
Statements of Cash Flows
Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Cash received from customers	\$ 2,986,678	\$ 2,831,506
Cash payments for goods and services	(3,847,197)	(2,635,713)
Net Cash Provided (Used) by Operating Activities	\$ (860,519)	\$ 195,793
Cash Flows from Capital and Related Financing Activities		
Payments for capital assets	\$ (199,126)	\$ (566,980)
Principal repayments	(132,993)	(131,281)
Principal payments on lease liability	(8,695)	-
Proceeds from long term debt	1,110,000	-
Interest and other charges paid	(81,134)	(84,052)
Debt issuance costs paid	(47,422)	-
Capital grants	261,659	566,983
Net Cash Provided (Used) by Capital and Related Financing Activities	\$ 902,289	\$ (215,330)
Cash Flows from Investing Activities		
Interest received	\$ 1,601	\$ 112
Net Cash Provided (Used) by Investing Activities	\$ 1,601	\$ 112
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 43,371	\$ (19,425)
Cash and Cash Equivalents - Beginning of Year	429,109	448,534
Cash and Cash Equivalents - End of Year	\$ 472,480	\$ 429,109
 Reconciliation of Cash and Cash Equivalents		
Cash and cash equivalents	\$ 276,298	\$ 297,677
Restricted cash and cash equivalents		
Cash - Debt retirement	196,119	131,369
Cash - Grants	63	63
Total Cash and Cash Equivalents	\$ 472,480	\$ 429,109
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income	\$ (45,818)	\$ (721,815)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization expense	796,613	773,206
Change in assets and liabilities:		
Accounts receivable	(965)	33,578
Unbilled receivables	12,124	(30,504)
Inventory	2,609	(991)
Prepaid expenses	(7,761)	4,146
Accounts payable	(1,099,925)	132,454
Customer deposits	8,749	7,664
Sales tax payable	1,301	(1,945)
Net pension obligation	(527,446)	-
Net Cash Provided (Used) By Operating Activities	\$ (860,519)	\$ 195,793

The accompanying notes to financial statements are an integral part of this statement.

EXHIBIT H

Notice to State Local Debt Officer

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

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

December 11, 2023

Honorable Dennis Keene
Commissioner and State Local Debt Officer
100 Airport Road, Third Floor
Frankfort, Kentucky 40601

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

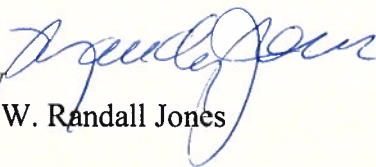
Dear Commissioner Keene:

Pursuant to the regulations of the Kentucky Public Service 807 KAR 5:001: Section 18(1)(g), please be advised that the Martin County Water District (the "District") hereby notifies the State Local Debt Officer that the District intends on issuing securities in the form of a loan from the Kentucky Infrastructure Authority for the purpose of redeeming certain outstanding indebtedness of the District.

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

Very truly yours,

Rubin & Hays

By 
W. Randall Jones

WRJ:jlm
Enclosures