

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF JESSAMINE) CASE NO. 2024-00298
SOUTH ELKHORN WATER DISTRICT FOR APPROVAL)
TO REFINANCE INDEBTEDNESS)

APPLICATION

Jessamine-South Elkhorn Water District (“JSEWD”), by counsel, petitions for an order approving the refinancing of existing loans pursuant to KRS § 278.300 for the purpose of reduction of the interest rate and related debt service costs.

In support of the Application, JSEWD states as follows:

1. JSEWD is a non-profit water district organized under Chapter 74 and has no articles of incorporation; its web page is <https://www.jsewd.com>.
2. JSEWD's office address is 802 S. Main Street, Nicholasville, KY 40356. Its principal officers are listed in its current Annual Report, which is filed with the Commission as are its prior years Reports. Its contact officers and employees are:

James F. Hall Chairman 802 South Main Street Nicholasville, Kentucky 40356 Phone: (859) 881-0589 Fax: (859) 881-5080 Email: jessamine.south@jsewd.com	Bruce E. Smith, Esq. Henry E. Smith, Esq. Bruce E. Smith Law Offices, PLLC 201 South Main Street Nicholasville, Kentucky 41018 Phone: (859) 885-3393 Fax: (859) 885-1152 Email: bruce@smithlawoffice.net henry@smithlawoffice.net
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3. A description of JSEWD's water system and its property stated at original cost by accounts is contained in its 2023 Annual Report, which is incorporated by reference.

4. JSEWD serves retail customers in Jessamine County and provides sanitary sewer collection services to a defined area of north Jessamine County, Kentucky.

5. JSEWD proposes to refinance existing loans and what would otherwise be a full payment at the maturity of its current loans. The rates and terms obtained will result in savings to the District. The loans and interest rates are reflected in the enclosed Exhibits.

6. Refinancing terms reflect JSEWD shopping lenders for a favorable rate. This refinancing will benefit JSEWD and its customers by deferring lump sum payments. No rate adjustment is being proposed in this application, but JSEWD is preparing to commission a revenue sufficiency analysis which will take into consideration this refinancing.

7. The resolution of the JSEWD Board of Commissioners approving the refinancing is attached as Exhibit 2 and opinion of counsel stating that the refinancing is necessary is attached as Exhibit 3.

8. Pursuant to 807 KAR 5:001 (14)(1), the facts relied upon to show that the application is in the public interest are as follows: See Exhibit 1 for detail on the refinancing, Exhibit 3 on the need to refinance, and Exhibit 9 for a summary of the revised payments and savings.

9. Pursuant to 807 KAR 5:001(14)(2): Articles of Incorporation – none. JSEWD is a statutorily created water district under KRS Chapter 74.

10. The following information is provided as required by 807 KAR 5:001 (18):

a. A general description of the property is contained in the 2023 Annual Report, incorporated by reference.

b. No stock is to be issued, and no bonds are to be issued. No additional funds are being borrowed. Existing loans are being refinanced.

c. There is no refunding of any obligation not related to the refinancing.

d. The proceeds of the refinancing will be used to replace debt which is due in full on September 30, 2024.

e. The par value, expenses, use of proceeds, interest rates and other information are included in Exhibits 1 and 7.

f. The notice to the state debt officer required by 807 KAR 5:001(18)(1)(g) is attached as Exhibit 10.

11. The following exhibits are provided pursuant to 807 KAR 5:001 (18)(2):

a. All current bonds are listed in Exhibit 4 and 5. Mortgage is attached as Exhibit

12.

b. No property is to be constructed or acquired.

12. The following information is provided pursuant to 807 KAR 5:001(12):

a. No stock is authorized.

b. No stock is issued.

c. There are no stock preferences.

d. Mortgages are listed in Exhibit 5.

e. Bonds are listed in Exhibits 1, 4, and 5.

f. Notes are listed in Exhibit 5.

g. Other indebtedness is listed in Exhibit 5.

h. No dividends have been paid.

i. Current balance sheet and income statement are attached as Exhibit 6.

j. The current independent audit report is attached as Exhibit 9.

For these reasons, JSEWD requests authorization to refinance its loans and any other order or authorization that may be necessary to obtain Commission approval.

RESPECTFULLY SUBMITTED:

___ /s/ Henry E. Smith _____
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District*

Exhibit List

- Exhibit 1 – Loan Terms
- Exhibit 2 – 2024 Refinancing Resolution
- Exhibit 3 – Counsel Letter
- Exhibit 4 – Summary of Debt Service with Detail
- Exhibit 5 – List of Bonds, Notes, and Other Indebtedness
- Exhibit 6 – Balance Sheet & Income Statement
- Exhibit 7 – Description of Loans
- Exhibit 8 – 2023 Audited Financial Statements
- Exhibit 9 – Summary of Savings and Revised Payments
- Exhibit 10 – Notice of Intent to Refinance
- Exhibit 11 – Affidavit
- Exhibit 12 – Mortgage