

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF	)	
LARUE COUNTY WATER DISTRICT	)	CASE NO.
#1 FOR FINANCING APPROVAL	)	2026-00173
PURSUANT TO KRS 278.300	)	

VERIFIED APPLICATION

Comes now, Larue County Water District #1 (“Larue County Water” or “the District”), by and through the undersigned counsel, pursuant to KRS 278.300, 807 KAR 5:001 and other applicable law, and hereby respectfully requests an Order from the Kentucky Public Service Commission (“Commission”) approving a \$1,692,500 loan with the Kentucky Infrastructure Authority (“KIA”). In support of this Application, Larue County states as follows:

INTRODUCTION

1. Pursuant to 807 KAR 5:001, Section 14(2), Larue County Water was established in accordance with the provisions of Kentucky Revised Statutes, Chapter 74, pursuant to an Order of the Larue County Judge Executive. Since its inception, Larue County Water has been regulated by the Commission. Larue County Water does not have Articles of Incorporation due to the fact it is an entity created by statute.

2. Larue County Water is engaged in the distribution and sale of water. As of December 31, 2025, Larue County Water provided retail water service to approximately 4,368 residential and 137 commercial customers in Larue and Nelson Counties. Larue County Water does not produce its own water and purchases water from the City of Bardstown, Campbellsville Municipal Water and Sewer System, the City of Hodgenville, Green River Valley Water District,

Green-Taylor Water District, and Hardin County Water District #1. The District owns and operates five pumping stations, ten water storage tanks, and approximately 400 miles of water mains.

3. Larue County Water's business address is 421 Strange Road, Hodgenville, Kentucky 42748 and its electronic mail address is rebecca@laruecountywater.com. Larue County Water's telephone number is (270) 491-5248 and the fax number is (270) 491-5253. Larue County Water requests the following individuals be added to the service list:

Tim Bartley, General Manager:

tim@laruecountywater.com

L. Allyson Honaker, Heather S. Temple, and Meredith Cave, Counsel for Larue County Water:

allyson@hloky.com

heather@hloky.com

meredith@hloky.com

4. Pursuant to 807 KAR 5:001, Section 14(1) the facts upon which this application is based are as follows:

Larue County Water is requesting authority to enter into a loan agreement with the KIA. The loan amount is \$1,692,500 and shall bear interest in the amount of 2.25% per annum and will be repaid over a period not to exceed 20 years. Interest on the loan will accrue from the time Larue County Water begins drawing funds. Larue County Water is eligible for principal forgiveness of 50% not to exceed \$885,397. The purpose of the loan is for the planning and design of a new water treatment plant. After the planning and design phase is completed and financing is secured, Larue County Water will file an Application for a Certificate of Public Convenience and Necessity

(“CPCN”) for approval of the project. A copy of the KIA Conditional Commitment Letter is attached as **Exhibit 1**.

REQUEST TO ISSUE EVIDENCE OF INDEBTEDNESS

5. Pursuant to 807 KAR 5:001, Section 14(2), Larue County Water was established in accordance with the provisions of Kentucky Revised Statutes, Chapter 74 and therefore does not have articles of incorporation.

6. Pursuant to 807 KAR 5:001, Section 18(1)(b), a general description of Larue County Water’s property, field of operation, and statement of original cost of the same and the cost to the Applicant’s are found in Larue County Water’s 2025 Annual Report, which is on file with the Commission and provided here as **Exhibit 2**.

7. Pursuant to 807 KAR 5:001, Section 18(1)(c), Larue County Water states it is not issuing any stock.

8. Pursuant to 807 KAR 5:001 Section 18(1)(d), the use to be made of the proceeds of the proposed transaction(s) is for the planning and design of a water treatment plant.

9. Pursuant to 807 KAR 5:001 Section 18(1)(e), there is no property proposed to be purchased. The purpose of the loan is to engage an engineering consultant to assist in the planning and design of a water treatment plant. The funds will not be used for the acquisition of property, construction, completion, or improvement of facilities.

10. Pursuant to 807 KAR 5:001, Section 18(1)(f), the loan funds will not be utilized to discharge or refund obligations. The proceeds from the transaction will be utilized for payment of an engineering firm for the planning and design of a water treatment plan.

10. Pursuant to 807 KAR 5:001, Section 12(1)(b), and Section 18, Larue County Water includes with this Application **Exhibit 2**, a copy of Larue County Water’s most recent annual

report on file with the Commission, the 2025 Annual Report.

11. Since the amendment of 807 KAR 5:001, Section 12 in 2014,¹ the Commission consistently accepts the use of a utility's most recently filed annual report as a financial exhibit provided that the utility had less than \$5,000,000 in gross annual revenue in the immediate past calendar year and the application contains a statement that no material changes have occurred since the end of that 12-month period.²

13. In the immediate past calendar year (the 12-month period ending December 31, 2025), Larue County Water had less than \$5,000,000 in gross annual revenues.

14. No material changes in Larue County Water's operations have occurred since December 31, 2025.

15. **Exhibit 2**, the 2025 Annual Report, contains a detailed income statement and balance sheet for the 12-month period ending December 31, 2025, as required by 807 KAR 5:001, Section 12(2)(i), and the Bond information required by 807 KAR 5:001, Section 12(2)(e).

16. Larue County Water has no outstanding mortgages.

17. Please see **Exhibit 2**, "Long Term Debt (Ref Page: 22)," for the notes outstanding.

¹ 40 Ky. Admin. Reg. 686, 690 (Sept. 2013) (creating an exception to financial exhibit requirements for utilities with gross annual revenues of less than \$5,000,000); 40 Ky. Admin Reg 1109, 113 (final version of amended regulation).

² *Electronic Application of Knox County Utility Commission for Authorization to Execute An Assistance Agreement with the Kentucky Infrastructure Authority and for A Certificate of Public Convenience and Necessity to Construct the Barbourville Connection-KY 225 Project*, Case No. 2023-00003 (Ky. PSC filed Jan. 30, 2023); *Electronic Application of McCreary County Water District for Authorization to Execute A Supplemental Assistance Agreement with the Kentucky Infrastructure Authority to Increase the Amount Borrowed Under An Existing Assistance Agreement and for Approval of Changes To A Plan of Construction*, Case No. 2022-00247 (Ky. PSC filed Aug. 18, 2022); *Electronic Application of Morgan County Water District for the Issuance of A Certificate of Public Convenience and Necessity to Construct A Water System Improvements Project and An Order Authorizing the Issuance of Securities Pursuant to the Provisions of KRS 278.020, KRS 278.300, and 807 KAR 5:001*, Case No. 2022-00245 (Ky. PSC filed Aug. 9, 2022); *Electronic Application of the Adair County Water District for the Issuance of A Certificate of Public Convenience and Necessity to Construct A Water System Improvements Project and An Order Authorizing the Issuance of Securities Pursuant to the Provisions of KRS 278.020, KRS 278.300 and 807 KAR 5:001*, Case No. 2021-00176 (Ky. PSC Apr. 27, 2021); *Electronic Application of the Adair County Water District for the Issuance of A Certificate of Public Convenience and Necessity to Construct Sewer System Improvements Project and An Order Authorizing the Issuance of Securities Pursuant to the Provisions of KRS 278.020, KRS 278.300 and 807 KAR 5:001*, Case No. 2021-00156 (Ky. PSC Apr. 14, 2021).

18. Larue County Water has no authorized, issued, or outstanding stock.
19. Larue County Water has paid no dividends in the five previous fiscal years.
20. Larue County Water proposes to secure the KIA Loan with a pledge of revenues from its water operations.
21. Pursuant to 807 KAR 5:001, Section 18(g), Larue County Water's written notification to the State Local Debt Officer by the submission of Form SLDO-1 is included as **Exhibit 3**.
22. There is no property to be acquired, so there is no estimate of the acquired property arranged according to the Uniform System of Accounts for Class A and B Water Districts and Associations attached.
23. The execution of an Assistance Agreement with KIA to borrow \$1,692,500 with principal forgiveness of 50% not to exceed \$885,397 is for a lawful objective within Larue County Water's corporate purposes; is necessary, appropriate for, and consistent with Larue County Water's proper performance of its service to the public; and will not impair Larue County Water's ability to perform that service; and is reasonably necessary and appropriate for such purpose. A copy of this agreement is attached to the Application as **Exhibit 1**.
24. The proposed loan will not require Larue County Water to seek an immediate rate adjustment.
25. Resolutions from the Larue County Water's Board of Commissioners for this Application and the issuance of indebtedness are attached as **Exhibit 4**.

WHEREFORE, on the basis of the foregoing, Larue County Water request that the Commission:

1. Place this matter at the head of the Commission's docket and render a decision

within sixty-days (60) as prescribed in KRS 278.300(2);

2. Authorize Larue County Water to enter into and execute an Assistance Agreement with KIA to borrow a sum no greater than \$1,692,5000; and
3. Grant any other relief to which Larue County Water may be entitled.

This the 7th day of July 2026.

Respectfully submitted,

Heather S. Temple

L. Allyson Honaker
Heather S. Temple
Meredith Cave
HONAKER LAW OFFICE, PLLC
1795 Alysheba Way, Suite, 1203
Lexington, KY 40509
(859) 368-8803
allyson@hloky.com
heather@hloky.com
meredith@hloky.com

Counsel for Larue County Water District #1

CERTIFICATE OF SERVICE

This is to certify that foregoing electronic filing was transmitted to the Commission on July 7, 2026, that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of the filing will be made.

Heather S. Temple

Counsel for Larue County Water District #1

VERIFICATION

STATE OF KENTUCKY)
)
COUNTY OF LARUE)

The undersigned, John Detre, being duly sworn, deposes and says that he is the Chairman of the Board of Commissioners of Larue County Water District #1, that he has personal knowledge of the matters set forth in the foregoing, and that the information contained therein is true and correct to the best of his knowledge, information, and belief.

LARUE COUNTY WATER, INC.

By: John Detre
John Detre, Chairman

Subscribed and sworn to before me by John Detre, Chairman of the Board of Commissioners of Larue County Water District #1 on this 6 day of July, 2026.

Rebecca Harben KYNP163639
NOTARY PUBLIC

My Commission Expires: 12/19/2026

Exhibit 1



KENTUCKY INFRASTRUCTURE AUTHORITY

Andy Beshear
Governor

100 Airport Road
Frankfort, Kentucky 40601
(502) 573-0260
kia.ky.gov

Sandy Williams
Executive Director

June 24, 2026

Mr John Detre, Chairperson
LaRue County Water District #1
421 Strange Rd
Hodgenville, KY 42748

KENTUCKY INFRASTRUCTURE AUTHORITY FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER (F24-006) EXTENSION

Dear Mr. Detre:

The Kentucky Infrastructure Authority ("the Authority") has approved an extension of the **Fund** Water State Revolving Fund (DWSRF) loan F24-006 for the LCWD- New Treatment Plant Project. The Authority has extended the deadline for the District to meet the conditions set forth in the conditional commitment letter for a period of six (6) months. The original expiration date was April 12, 2025. The new expiration date will be December 24, 2026. If the project does not meet the conditions by the new expiration date, the commitment may be rescinded.

All original terms and conditions from the commitment letter dated April 12, 2024, shall remain in effect.

Please inform the Authority of any changes in your financing plan as soon as possible. We wish you every success for this project to benefit both your community and the Commonwealth.

Sincerely,

A handwritten signature in blue ink that reads "Milward Dedman".

Milward Dedman
Deputy Executive Director



An Equal Opportunity Employer M/F/D

Commitment Letter Extension
Larue County Water Dist #1
June 24, 2026
Page 2

Please sign and return a copy of this letter indicating your acceptance of this commitment letter extension and its terms.

John Detre
Accepted

June 24, 2026
Date



KENTUCKY INFRASTRUCTURE AUTHORITY

Andy Beshear
Governor

100 Airport Road
Frankfort, Kentucky 40601
(502) 573-0260
kia.ky.gov

Sandy Williams
Executive Director

April 12, 2024

The Honorable John Detre, Chairperson
LaRue County Water District #1
421 Strange Road
Hodgenville, KY 42748

KENTUCKY INFRASTRUCTURE AUTHORITY FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER (F24-006)

Dear Mr. Detre:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On April 11, 2024, the Authority approved your loan for the LCWD - New Treatment Plant project subject to the conditions stated in Attachment A to this letter. The total cost of the project shall not exceed \$1,692,500, without prior authorization, of which the Authority is the sole source of the funding. The final loan amount will be equal to the amount of funds disbursed for the project. Attachment B incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the LaRue County Water District #1 upon satisfactory performance of the conditions set forth in Attachment A. You must meet the conditions set forth in Attachment A and enter into an Assistance Agreement by April 12, 2025 (twelve months from the date of this letter). A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after the execution of the Assistance Agreement.



Mr Detre
April 12, 2024
Page 2

Please inform the Authority of any changes in your financing plan as soon as possible. We wish you every success for this project which will benefit both your community and the Commonwealth as a whole.

Sincerely,



Milward Dedman
Deputy Executive Director

Attachments

cc: Tim Bartley, LaRue County Water District #1

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms along with the completed "Transparency Act Reporting Information Form". Complete the attached "Authorization for Electronic Deposit of Vendor Payment Form" and the "ACH Debit Authorization Form" **and return to the US Bank address at the bottom of each form.** Also included are the "Legal Counsel Certification Letter" sample and the "Statement of Approval of Projections of Revenue and Expenses" for you to complete at the appropriate time. These forms and an SRF loan checklist guide can be found in Attachment C of this letter.


Accepted

11-14-2025
Date

ATTACHMENT A

Conditions

LaRue County Water District #1 F24-006

The Assistance Agreement and this commitment shall be subject, but not limited to, the following terms:

1. The Authority project loan shall not exceed \$1,692,500 without prior authorization.
2. Principal forgiveness of 50.0% of the assistance amount, not to exceed \$885,397 will be credited to the loan balance upon the advance of the loan funds from time to time from the Authority to the Borrower.
3. The loan shall bear interest at the rate of 2.25% per annum commencing with the first draw of funds.
4. Interest shall be payable on the unforgiven amount of actual funds received. The first payment shall be due on June 1, or December 1, immediately succeeding the date of the initial draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1, or December 1, which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid. KIA requires the use of Automated Clearing House (ACH) debits for payment of all balances due on the loan. This will ensure that payments are credited timely to your account without the risk of incurring late payment fees. If the due date falls on a weekend or holiday your account will be debited on the next business day. Please complete and return the "ACH Debit Authorization" form in Attachment C of this letter to U.S. Bank for processing.
5. Full principal payments will commence on the appropriate June 1, or December 1, within twelve months from initiation of operation. Full payments will be due each six months thereafter until the loan is repaid.
6. The loan shall be repaid over a period not to exceed 5 years from the date of initiation of operation for the project.
7. A loan servicing fee of 0.30% of the outstanding loan balance shall be payable to the Authority as a part of each interest payment.
8. Loan funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.

9. The Authority loan funds must be expended within six months of the official date of initiation of operation.
10. Fund "F" loan funds may be considered to be federal funds. If more than \$750,000 of federal funds is disbursed during any one of Borrower's fiscal years, the Borrower is required to have a single or program-specific audit conducted for that year in accordance with 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
11. The Authority requires that an annual financial audit be provided for the life of the loan.
12. The final Assistance Agreement must be approved by ordinance or resolution, as applicable, of the city council or appropriate governing board.
13. The Borrower must maintain a 1.1 debt coverage ratio throughout the life of the KIA loan. All borrowers are subject to at least an annual financial review for compliance.

The following is a list of the standard conditions to be satisfied prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. Any required documentation must be submitted to the party designated.

1. The Authority to Award (bid) package must be submitted to the Division of Water for approval within 14 days of bid opening.
2. The Assistance Agreement must be executed within six (6) months from bid opening.
3. Documentation of final funding commitments from all parties other than the Authority as reflected in the credit analysis shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported and may cause this loan to be subject to further consideration.
4. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the State's execution of the Assistance Agreement. The committee meets monthly. Any special conditions listed in Attachment B must be satisfied before the project is presented before the Committee.
5. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the

adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.

6. The Borrower must complete and return the "Authorization for Electronic Deposit of Borrower Payment" form in Attachment C of this letter to U.S. Bank.
7. The Borrower must provide documentation of Eclearinghouse Endorsement and Eclearinghouse Comments.
8. Prior to the project bid, an environmental review shall be conducted by the Division of Water for all construction projects receiving State Revolving Funds ("SRF") money.
9. Technical plans and specifications and a complete SRF specifications checklist shall be approved by the Division of Water prior to project bid.
10. All easements or purchases of land shall be completed prior to commencement of construction. Clear Site Certification of all land or easement acquisitions shall be provided to the Division of Water. DOW representatives shall be notified for attendance of the pre-construction conference.
11. Project changes or additions deviating from the original scope of work described in the Project Profile may require a new or amended environmental review and change order review before they can be included in the SRF loan project.
12. The Borrower must provide certification from their legal counsel stating that they have prepared construction specifications in accordance with all applicable state or federal wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable federal, state and local procurement laws.
13. The Borrower shall implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
14. The Borrower shall comply with all Davis Bacon related monitoring and reporting and require all contractors to pay wages pursuant to applicable prevailing wage rates for all work relating to the subject Project.
15. The project shall comply with the reporting requirements of the Transparency Act, and shall complete the Transparency Act Reporting

Information Form in Attachment C of this letter and provide to the Authority no later than 30 days after the KIA Board approval date of your loan.

16. Based on the final “as-bid” project budget, the Borrower must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The “as bid” project budget shall be reviewed and approved by the consulting engineer.
17. The Project shall comply with all federal requirements applicable to the Loan (including those imposed by P.L. 113-76, Consolidated Appropriations Act, 2014 (the “2014 Appropriations Act”) and / or the Build America, Buy America Act (“BABA”)) and related Program policy guidelines). The Borrower understands that, among other requirements, (a) all of the iron and steel products used in the Project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Borrower has requested and obtained a waiver from the Authority and the United States Environmental Protection Agency pertaining to the Project or (ii) the Authority has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the Project; and / or (b) (i) all iron and steel items used in projects must be produced in the United States pursuant to BABA, (ii) all manufactured products must be produced in the United States, and (iii) all construction materials must be manufactured in the United States (“BABA Requirements”); unless (y) the Borrower has requested and obtained a waiver from the Authority and the United States Environmental Protection Agency pertaining to the Project or (z) the Authority has otherwise advised the Borrower in writing that the BABA Requirements are not applicable to the Project.
18. If the Project includes a private-side lead pipe replacement component, the Borrower must obtain a final inspection from the Division of Plumbing of the Department of Housing, Building and Construction.

ATTACHMENT B

Executive Summary and Credit Analysis

LaRue County Water District #1
F24-006

EXECUTIVE SUMMARY			Reviewer		Sandy Sanders
KENTUCKY INFRASTRUCTURE AUTHORITY			Date		April 11, 2024
FUND F, FEDERALLY ASSISTED DRINKING WATER			KIA Loan Number		F24-006
REVOLVING LOAN FUND			WRIS Number		WX21123030
BORROWER		LARUE COUNTY WATER DISTRICT #1 LARUE COUNTY			
BRIEF DESCRIPTION					
The LaRue County Water District #1 is requesting a Fund F loan in the amount of \$1,692,500 for the planning and design phase of the New Treatment Plant project. The district proposes to construct a new 4.0 MGD water treatment plant, raw water intake and new pumping facility. LCWD currently purchases from 8 different wholesale suppliers to resale to its customers. Divergent treatment processes among the suppliers causes difficulties in managing adequate distribution and movement with the system. A new water treatment facility will help insure a more reliable and standard supply of finished water allowing the LCWD to better meet water quality standards and enhance supply based upon usage and need as opposed to availability.					
PROJECT FINANCING		PROJECT BUDGET			
Fund F Loan	\$1,692,500	Planning	\$42,500		
		Eng - Design / Const	1,650,000		
TOTAL	\$1,692,500	TOTAL	\$1,692,500		
REPAYMENT	Rate	2.25%	Est. Annual Payment	\$173,997	
	Term	5 Years	1st Payment	6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Dinsmore & Shohl, LLP			
	Bond Counsel				
PROJECT SCHEDULE	Bid Opening	Aug-24			
	Construction Start	Oct-24			
	Construction Stop	Dec-26			
DEBT PER CUSTOMER	Existing	\$1,276			
	Proposed	\$1,080			
OTHER DEBT		See Attached			
RESIDENTIAL RATES		Users	Avg. Bill		
	Current	3,573	\$44.73 (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	561,883	191,374	370,509		2.9
Audited 2021	676,879	488,936	187,943		1.4
Audited 2022	748,838	272,221	476,617		2.8
Projected 2023	727,631	277,913	449,718		2.6
Projected 2024	700,072	279,207	420,865		2.5
Projected 2025	671,961	280,828	391,133		2.4
Projected 2026	643,288	280,905	362,383		2.3
Projected 2027	614,042	367,628	246,414		1.7

LARUE COUNTY WATER DISTRICT #1
FINANCIAL SUMMARY (DECEMBER YEAR END)

	Audited	Audited	Audited	Projected	Projected	Projected	Projected	Projected
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Balance Sheet								
Assets								
Current Assets	833,413	906,569	875,438	921,083	1,005,256	1,083,483	1,155,960	1,205,243
Other Assets	11,483,630	13,119,084	14,287,995	14,261,008	14,210,939	14,137,084	14,040,229	15,543,099
Total	12,317,043	14,025,653	15,163,433	15,182,091	15,216,195	15,220,567	15,196,189	16,748,342
Liabilities & Equity								
Current Liabilities	439,188	280,689	307,341	313,782	320,682	327,582	334,582	507,587
Long Term Liabilities	4,019,346	5,732,080	5,561,579	5,396,496	5,225,413	5,048,330	4,865,247	4,845,577
Total Liabilities	4,458,534	6,012,769	5,868,920	5,710,278	5,546,095	5,375,912	5,199,829	5,353,164
Net Assets	7,858,509	8,012,884	9,294,513	9,471,813	9,670,100	9,844,655	9,996,360	11,395,178
Cash Flow								
Revenues	1,708,759	1,946,839	2,090,559	2,096,371	2,096,371	2,096,371	2,096,371	2,096,371
Operating Expenses	1,172,985	1,279,312	1,350,944	1,377,963	1,405,522	1,433,633	1,462,306	1,491,552
Other Income	26,109	9,352	9,223	9,223	9,223	9,223	9,223	9,223
Cash Flow Before Debt Service	561,883	676,879	748,838	727,631	700,072	671,961	643,288	614,042
Debt Service								
Existing Debt Service	191,374	488,936	272,221	277,913	279,207	280,828	280,905	280,629
Proposed KIA Loan	0	0	0	0	0	0	0	86,999
Total Debt Service	191,374	488,936	272,221	277,913	279,207	280,828	280,905	367,628
Cash Flow After Debt Service	370,509	187,943	476,617	449,718	420,865	391,133	362,383	246,414
Ratios								
Current Ratio	1.9	3.2	2.8	2.9	3.1	3.3	3.5	2.4
Debt to Equity	0.6	0.8	0.6	0.6	0.6	0.5	0.5	0.5
Days Sales in Accounts Receivable	27.3	24.1	26.1	26.1	26.1	26.1	26.1	26.1
Months Operating Expenses in Unrestricted Cash	3.7	4.0	2.7	3.5	4.1	4.7	5.2	5.5
Debt Coverage Ratio	2.9	1.4	2.8	2.6	2.5	2.4	2.3	1.7

Reviewer: Sandy Sanders
Date: April 11, 2024
Loan Number: F24-006

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
LARUE COUNTY WATER DISTRICT #1, LARUE COUNTY
PROJECT REVIEW
WX21123030**

I. PROJECT DESCRIPTION

The LaRue County Water District #1 is requesting a Fund F loan in the amount of \$1,692,500 for the planning and design phase of the New Treatment Plant project. The district proposes to construct a new 4.0 MGD water treatment plant, raw water intake and new pumping facility. LCWD currently purchases from 8 different wholesale suppliers to resale to its customers. Divergent treatment processes among the suppliers causes difficulties in managing adequate distribution and movement with the system. A new water treatment facility will help insure a more reliable and standard supply of finished water allowing the LCWD to better meet water quality standards and enhance supply based upon usage and need as opposed to availability.

The LCWD currently serves approximately 3,505 residential and 68 commercial and industrial customers. They purchase water from 8 different wholesale suppliers.

II. PROJECT BUDGET

	Total
Planning	\$ 42,500
Engineering Fees - Design	1,650,000
Total	\$ 1,692,500

III. PROJECT FUNDING

	Amount	%
Fund F Loan	\$ 1,692,500	100%
Total	\$ 1,692,500	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 1,692,500
Less: Principal Forgiveness	885,397
Amortized Loan Amount	\$ 807,103
Interest Rate	2.25%
Loan Term (Years)	5
Estimated Annual Debt Service	\$ 171,576
Administrative Fee (0.30%)	2,421
Total Estimated Annual Debt Service	\$ 173,997

V. PROJECT SCHEDULE

Bid Opening:	August 2024
Construction Start:	October 2024
Construction Stop:	December 2026

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	3,505
Commercial	68
Industrial	0
Total	3,573

B) Rates

	Current	Prior	Prior
Date of Last Rate Increase	07/01/23	09/28/22	7/1/2022
Minimum, includes first 1,000 Gallons	\$18.66	\$18.63	\$18.59
Next 4,000 Gallons	0.00869	0.00866	0.00862
Cost for 4,000 gallons	\$44.73	\$44.61	\$44.45
Increase %	0.3%	0.4%	
Affordability Index (Rate/MHI)	1.0%	1.0%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility's service area population was 10,663 with a Median Household Income (MHI) of \$55,374. The MHI for the Commonwealth is \$55,454. The project will qualify for a 2.25% interest rate.

VIII. 2023 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a “green” requirement.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness \$885,397 will be credited to the loan balance.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended December 31, 2020, through December 31, 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 water revenues increased 22.3% from \$1.7 million in 2020 to \$2.1 million in 2022 due to rate adjustments for water services. Operating expenses increased 17.5% from \$1.5 million to \$1.7 million during the same period mostly due to higher costs associated with utilities and general and administrative expenses. The debt coverage ratio was 2.9, 1.4, and 2.8 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 2.8, a debt-to-equity ratio of 0.6, 26.1 days of sales in accounts receivable, and 2.7 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues will increase 0.3% in 2023 due to existing rate adjustments.
- 2) Purchased water and operating expenses will increase 2.0% annually due to inflation.
- 3) Debt service coverage is 1.7 in 2027 when principal and interest repayments begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

The LCWD 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 \$1,692,500 loan and must receive a Certificate of Public Convenience and Necessity, pursuant to KRS 278.020.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
2012 Note Series F	\$ 1,798,751	2040
2020 Revenue Bonds	2,751,000	2061
Unamortized Premium	8,370	0
KIA Loan F24-006 (i.a.o. \$1,692,500)	0	TBD
Total	\$ 4,558,121	

XI. CONTACTS

Legal Applicant

Entity Name	LaRue County Water District #1
Authorized Official	John Detre (Chairperson)
County	Larue
Email	jmd42748@yahoo.com
Phone	270-491-5248
Address	421 Strange Road Hodgenville, KY 42748

Applicant Contact

Name	Tim Bartley
Organization	LaRue County Water District #1
Email	tim@laruecountywater.com
Phone	270-325-3242
Address	421 Strange Road Hodgenville, KY 42748

Project Administrator

Name	Tim Bartley
Organization	LaRue County Water District #1
Email	tim@laruecountywater.com
Phone	270-325-3242
Address	421 Strange Road Hodgenville, KY 42748

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

ATTACHMENT C

Forms

LaRue County Water District #1
F24-006

SRF LOAN CONDITIONS CHECKLIST

Congratulations on receiving a conditional commitment of funding from the State Revolving Fund (SRF) Program. Borrowers will now be assigned a Compliance Analyst to help guide them through the rest of the loan process based on which Area Development District (ADD) they are located. Please submit all documents to one of the following contacts:

- Julie Bickers (Julie.Bickers@ky.gov, 502-892-3455): Purchase, Pennyrite, Green River, Barren River, Lake Cumberland, Big Sandy, Cumberland Valley, KY River
- Debbie Landrum (Debbie.Landrum@ky.gov, 502-892-3454): Lincoln Trail, KIPDA, Northern KY, Bluegrass, Buffalo Trace, Gateway, FIVCO

After all of the conditions of the Conditional Commitment Letter have been fulfilled, KIA will initiate the Assistance Agreement with the borrower. The Assistance Agreement must be fully executed before any funds may be disbursed. The following is a list of items needed to process your loan (forms can be found here <https://kia.ky.gov/FinancialAssistance/Pages/Forms.aspx>):

Before bid opening, submit the following items to the designated Compliance Analyst/DOW Contact:

Submit To:		
KIA	☐	Conditional Commitment Letter (this letter is sent to the borrower via email shortly following KIA board approval and is to be signed by the authorizing official);
USBANK	☐	Authorization for Electronic Deposit/Debit of Borrower Disbursements/ Payment (these forms are attached to the loan commitment letter sent after KIA board approval and are to be signed by the authorizing official and forwarded directly to US Bank via Email: KentuckyInfrastructureAuth@usbank.com)
KIA	☐	Transparency Form (this form is attached to the loan commitment letter sent after KIA board approval)
DOW	☐	Fiscal Sustainability Plan Certification and Cost and Effectiveness Certification (required for "A" loans only, prior to plans approval)
DOW	☐	Environmental review (Kentucky Division of Water will review and is required prior to plans approval. KIA will need copy of approval letter)
DOW	☐	Plans and specifications (Kentucky Division of Water will review and KIA will need copy of approval letter)
KIA	☐	Proof of compliance with any special condition identified in the Conditional Commitment Letter (e.g. adopted ordinance)

After the project has opened bids, please submit the following items to the designated Compliance Analyst/DOW Contact. It is imperative that the remaining standard conditions are fulfilled by the deadlines set forth in the Conditional Commitment Letter.

Submit To:		
DOW	☐	Authority to Award (ATA) Package , the Kentucky Division of Water will review and forward approval to KIA.
DOW	☐	Davis-Bacon prevailing wage rates , the Kentucky Division of Water will review and forward approval to KIA.
KIA	☐	Procurement and Wage Certification (KIA sends to borrower after bid opening.)
KIA	☐	Certification of obtainable revenue projections (KIA sends to borrower after bid opening.)
DOW	☐	Certification of clear site (DOW will forward to KIA.)
	☐	Plans and specifications approval from the Kentucky Division of Water (DOW will send approval to KIA.)
KIA	☐	Public Service Commission (PSC) approval , (CPCN and Authorization to Incur Debt) if applicable.

TRANSPARENCY ACT REPORTING INFORMATION FORM

CLEAN WATER STATE REVOLVING FUND AND DRINKING WATER STATE REVOLVING FUND

This form is required for projects funded in whole or in part from the Clean Water State Revolving Fund or the Drinking Water State Revolving Fund. This form is to be completed and returned with the signed Conditional Commitment Letter from the Kentucky Infrastructure Authority.

Borrower Information:

Name:	
Unique Entity ID (generated by SAM.gov)*:	
KIA Loan Number:	
Street Address	
City, State and Zip (Zip must include 4 digit extension)	
Federal Congressional District(s) of Borrower Utility Service Area:	

*If the Unique Entity ID provided above is registered under a different name than the recipient of funding, please provide the registration name below:

Unique Entity ID Name	
-----------------------	--

*If the recipient has not yet obtained a Unique Entity ID, please do so no later than 30 days after the KIA Board approval date of your loan request and provide notification to KIA of the number once issued.

Physical Location of Project (Primary Place of Performance)

Street Address	
City, State and Zip (Zip must include 4 digit extension)	
Federal Congressional District(s) of Project Location	

Reliance upon Federal Assistance (please answer the below questions Yes or No):

Did recipient receive 80% or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	
Did recipient receive \$25 million or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	
Does the public have access to compensation of senior executives of the recipient through periodic reports filed under Section 13A or 15D of the Securities Exchange Act of 1934 or Section 6104 of the Internal Revenue Code of 1986?	

Unique Entity ID Registration Information: <https://sam.gov>

KIA Loan # _____

ACH DEBIT AUTHORIZATION FORM

**AUTHORIZATION AGREEMENT FOR PRE-ARRANGED PAYMENTS
(DEBITS)**

The undersigned hereby authorizes U.S. Bank National Association Corporate Trust Department (“U.S. Bank”) to initiate debit entries to the Checking ☐ Savings ☐ (specify type) account indicated below at the bank named below:

BANK NAME _____ BRANCH _____
CITY _____ STATE _____ ZIP CODE _____
BANK TRANSIT/ABA NO. _____ ACCOUNT NO. _____

This authority is to remain in full force and effect until U.S. Bank has received written notification from the undersigned of its termination in such time and in such manner as to afford U.S. Bank a reasonable opportunity to act. The undersigned has the right to stop payment of a debit entry by reasonable prior written notification to U.S. Bank. After the above account has been charged, the undersigned has the right to have the amount of any erroneous debit immediately credited to its account by U.S. Bank up to 30 days following issuance of a statement.

NAME OF ENTITY: _____
ADDRESS _____
TAX IDENTIFICATION NUMBER: _____

By _____ Dated _____
Authorized Signer

Send to: U.S. Bank via Email

KentuckyInfrastructureAuth@usbank.com

KIA Loan # _____

ACH AUTHORIZATION FORM

AUTHORIZATION AGREEMENT FOR DISBURSEMENT PAYMENTS

The undersigned hereby authorizes U.S. Bank National Association Corporate Trust Department (“U.S. Bank”) to initiate debit entries to the Checking ☐ Savings ☐ (specify type) account indicated below at the bank named below:

BANK NAME _____ BRANCH _____
CITY _____ STATE _____ ZIP CODE _____
BANK TRANSIT/ABA NO. _____ ACCOUNT NO. _____

This authority is to remain in full force and effect until U.S. Bank has received written notification from the undersigned of its termination in such time and in such manner as to afford U.S. Bank a reasonable opportunity to act. The undersigned has the right to stop payment of a debit entry by reasonable prior written notification to U.S. Bank. After the above account has been charged, the undersigned has the right to have the amount of any erroneous debit immediately credited to its account by U.S. Bank up to 30 days following issuance of a statement.

NAME OF ENTITY: _____
ADDRESS _____
TAX IDENTIFICATION NUMBER: _____

By _____ Dated _____
Authorized Signer

Send to: U.S. Bank via Email

KentuckyInfrastructureAuth@usbank.com

**AUTHORIZATION FOR ELECTRONIC DEPOSIT
OF BORROWER PAYMENT
KENTUCKY INFRASTRUCTURE AUTHORITY
KIA Loan # _____**

Borrower Information:

Name: _____

Address: _____

City: _____ **State:** KY **Zip:** _____

Federal I.D. #: _____ **Telephone:** _____

Contact Name: _____

Email: _____

Financial Institution Information:

Bank Name: _____

Branch: _____ **Telephone:** _____

City: _____ **State:** KY **Zip:** _____

Transit / ABA No: _____

Account Name: _____

Account Number: _____

I, the undersigned, authorize payments directly to the account indicated above and to correct any errors which may occur from the transactions. I also authorize the Financial Institution to post these transactions to that account.

Signature: _____ **Date:** _____

Name Printed: _____ **Job Title:** _____

Send to: U.S. Bank via Email

KentuckyInfrastructureAuth@usbank.com

COMPLETE AFTER BID OPENING

**STATEMENT OF APPROVAL
OF PROJECTIONS OF REVENUE AND EXPENSES**

Borrower Name: _____

Loan No.: _____

I hereby certify that the revenue projections in the attached descriptions are still obtainable and that projections of operating expenses have not materially changed based on the "as-bid" budget submitted for the Project.

Signed: _____

Borrower

Date

SAMPLE LETTER

[Letterhead of Counsel for Water Utility]

[Date]

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

RE: SRF Loan#
City of xxxxx

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 XXXXXXXXXXXXX, hereinafter referred to as the "Water Utility ". I am familiar with the organization and existence of the Water Utility and the laws of the Commonwealth applicable thereto. Additionally I am familiar with the water project (the "Project") with respect to which the funding commitment by and between the Kentucky Infrastructure Authority ("Authority") and the Water Utility.

I have reviewed the commitment letter by and between the Authority and the Water Utility and the documentation regarding wage rates and procurement with respect to the Project.

Based upon my review I am of the opinion that:

The Water Utility has prepared construction specifications in accordance with all applicable federal wage rate laws and that the procurement procedures including those for construction, land, equipment and professional services that are a part of the project are in compliance with all applicable federal, state and local procurement laws.

Respectfully,

KENTUCKY INFRASTRUCTURE AUTHORITY
ANTICIPATED REPAYMENT SCHEDULE
LOAN #F24-006
LARUE COUNTY WATER DISTRICT #1

2.25% Interest
\$85,788.03 P & I Calculation

Original Loan Amount \$ 1,692,500.00
Principal Forgiveness \$ (885,397.00)
Repayment Amount \$ 807,103.00

No R & M Reserve Required for Planning & Design Loans

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$807,103.00		
06/01/27	\$76,708.12	\$9,079.91	2.25%	\$85,788.03	\$1,210.65	\$0.00	\$86,998.68	\$730,394.88	\$0.00	\$0.00
12/01/27	\$77,571.09	\$8,216.94	2.25%	\$85,788.03	\$1,095.59	\$0.00	\$86,883.62	\$652,823.79	\$0.00	\$0.00
06/01/28	\$78,443.76	\$7,344.27	2.25%	\$85,788.03	\$979.24	\$0.00	\$86,767.27	\$574,380.03	\$0.00	\$0.00
12/01/28	\$79,326.25	\$6,461.78	2.25%	\$85,788.03	\$861.57	\$0.00	\$86,649.60	\$495,053.78	\$0.00	\$0.00
06/01/29	\$80,218.67	\$5,569.36	2.25%	\$85,788.03	\$742.58	\$0.00	\$86,530.61	\$414,835.11	\$0.00	\$0.00
12/01/29	\$81,121.14	\$4,666.89	2.25%	\$85,788.03	\$622.25	\$0.00	\$86,410.28	\$333,713.97	\$0.00	\$0.00
06/01/30	\$82,033.75	\$3,754.28	2.25%	\$85,788.03	\$500.57	\$0.00	\$86,288.60	\$251,680.22	\$0.00	\$0.00
12/01/30	\$82,956.63	\$2,831.40	2.25%	\$85,788.03	\$377.52	\$0.00	\$86,165.55	\$168,723.59	\$0.00	\$0.00
06/01/31	\$83,889.89	\$1,898.14	2.25%	\$85,788.03	\$253.09	\$0.00	\$86,041.12	\$84,833.70	\$0.00	\$0.00
12/01/31	\$84,833.70	\$954.33	2.25%	\$85,788.03	\$127.25	\$0.00	\$85,915.28	\$0.00	\$0.00	\$0.00
Totals	\$807,103.00	\$50,777.30		\$857,880.30	\$6,770.31	\$0.00	\$864,650.61		\$0.00	

Exhibit 2

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Title Page

Name of Respondent		Addr Line 1	Addr Line 2	City	State	Zip
Water Districts/Associations Annual Report of Respondent		LARUE COUNTY WATER DISTRICT NO. 1	421 STRANGE ROAD	HODGENVILLE	KY	42748

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Principal Payment and Interest Information

	Amount	Yes/No	PSC Case No.
Amount of Principal Payment During Calendar Year	\$166,974.00		
Is Principal Current?	Y		
Is Interest Current?	Y		
Has all long-term debt been approved by the Public Service Commission?	Y		

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Services Performed by Independent CPA

	Yes/No	A/C/R	Audit Date
Are your financial statements examined by a Certified Public Accountant?			
Enter Y for Yes or N for No	Y		
If yes, which service is performed?			
Enter an X on each appropriate line			
Audit	Y		
Compilation			
Review			
Date of Audit			
Please enclose a copy of the accountant's report with annual report.			

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Additional Requested Information

	Name	Electronic Info
Name of Utility and Web Address	LARUE COUNTY WATER DISTRICT NO. 1	WWW.LARUECOUNTYWATER.COM
Contact Name and Email Address	TIM BARTLEY	TIM@LARUECOUNTYWATER.COM

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Additional Information Required

Case Num

Date

Explain

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Major Water Projects

Provide details about each major water project which is planned but has not yet been submitted for approval to the Public Service commission.

For the limited purpose of this report, a "Major Project" is defined as one which is not in the ordinary course of business, and will increase your current utilityplant by at least 20 percent.

Brief Project Description: (improvement, replacement,building construction, expansion. If expansion, provide the estimated number of new customers):

WATER PLANT.

Projected Costs and Funding Sources/Amounts:

\$55,000,000 - BOND ISSUE.

Approval Status: (Application for financial assistance filed, but not approved; or application approved, but have not advertised for construction bids)

APPLICATION FOR FINANCIAL ASSISTANCE FILED, BUT NOT APPROVED.

Location: (community, area or nearby roads)

HODGENVILLE, KY

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

History-Legal Name (Ref Page: 4)

1. Exact name of utility making this report.

(Use the words "The", "Company" or "Incorporated" only when part of the corporate name.)

LARUE COUNTY WATER DISTRICT NO. 1

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

History-Location (Ref Page: 4)

	Name	Address	City	State	Zip	Phone
Give the location, including street and number, and TELEPHONE NUMBER of the principal office in KY.						
principal office in KY	LARUE COUNTY WATER DISTRICT NO. 1	421 STRANGE ROAD	HODGENVILLE	KY	42728	(270) 491-5248
Give name, title, address and TELEPHONE NUMBER of the officer to whom correspondence concerning this report should be addressed.						
	TIM BARTLEY	421 STRANGE ROAD	HODGENVILLE	KY	42728	(279) 491-5248
Location where books are located	LARUE COUNTY WATER DISTRICT NO. 1	421 STRANGE ROAD	HODGENVILLE	KY	42728	
Name of the Headquartered County	LARUE					

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

History-Date Organized (Ref Page: 4)

	Date
Date of Organization	5/1/1963

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

History-Laws of Organization (Ref Page: 4)

List

If a consolidated or merger company, name all contingent and all merged companies. Give reference to charters or general laws governing each, and all amendments of same

Date and Authority for each consolidation and each merger.

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

History-Departments (Ref Page: 4)

List	
State whether respondent is a water district or association	WATER DISTRICT
Name all operating departments other than water	NONE

Larue, Nelson

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

History - Number of Employees (Ref Page: 5)

		Count
Number of Full-time employees	7	
Number of Part-time employees	2	

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Contacts (Ref Page: 6)

	Title	Last Name	First Name	Bus. Addr.	Salary	Term Expires	County of Residence
Person to send correspondence:	GENERAL MANAGER	BARTLEY	TIM	421 STRANGE ROAD; HODGENVILLE, KY 42728			
Person who prepared this report	PARSONS & COMPANY CPAs			1096 DUVALL STREET SUITE 120; LEXINGTON, KY 40515			
Managers							
	GENERAL MANAGER	BARTLEY	TIM	421 STRANGE RAOD; HODGENVILLE, KY 42728	\$0.00		

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Commissioners (Water Districts Only)

Item	Explain
Have visited the Water Commissioner site using the link provided below.	Yes
Attest Commissioners listed below are correct for the report period and current commissioner details are up to date.	Yes

Commissioners during Report						
Title	First Name	Last Name	Appointment	TermExpires	County Of Residence	Salary
Chairman	John	Detre	5/15/2021	6/1/2025	Larue	3600.00
Chairman	John	Detre	6/1/2025	5/31/2029	Larue	3600.00
Secretary	Pat	Eastridge	5/15/2021	6/1/2025	Larue	3600.00
Secretary	Pat	Eastridge	6/1/2025	5/31/2029	Larue	3600.00
Member	Bobby	Garrison	5/22/2024	5/21/2028	Larue	3600.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Previous Year	Current Year
UTILITY PLANT		
Utility Plant (101-106)	\$22,286,841.00	\$22,929,395.00
Less: Accumulated Depreciation and Amortization (108-110)	\$9,572,106.00	\$10,159,803.00
Net Plant	\$12,714,735.00	\$12,769,592.00
Utility Plant Acquisition Adjustments (Net) (114-115)		
Other Utility Plant Adjustments (116)		
Total Net Utility Plant	\$12,714,735.00	\$12,769,592.00
OTHER PROPERTY AND INVESTMENTS		
Nonutility Property (121)		
Less: Accumulated Depreciation and Amortization (122)		
Net Nonutility Property		
Investment in Associated Companies (123)		
Utility and Other Investments (124-125)		
Sinking Funds (126)		
Other Special Funds (127)		
Total Other Property and Investments		
CURRENT AND ACCRUED ASSETS		
Cash (131)	\$3,133,708.00	\$3,513,752.00
Special Deposits (132)		
Other Special Deposits (133)		
Working Funds (134)		
Temporary Cash Investments (135)		
Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts (141-144)	\$271,071.00	\$277,259.00
Accounts Receivable from Associated Companies (145)		
Notes Receivable from Associated Companies (146)		
Materials and Supplies (151-153)	\$189,341.00	\$132,739.00
Stores Expense (161)		
Prepayments (162)	\$40,537.00	\$41,261.00
Accrued Interest and Dividends Receivable (171)		
Rents Receivable (172)		
Accrued Utility Revenues (173)		

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Previous Year	Current Year
Misc. Current and Accrued Assets (174)		
Total Current and Accrued Assets	\$3,634,657.00	\$3,965,011.00
DEFERRED DEBITS		
Unamortized Debt Discount and Expense (181)		
Extraordinary Property Losses (182)		
Preliminary Survey and Investigation Charges (183)		
Clearing Accounts (184)		
Temporary Facilities (185)		
Misc. Deferred Debits (186)	\$645,307.00	\$511,959.00
Research and Development Expenditure (187)		
Total Deffered Debits	\$645,307.00	\$511,959.00
TOTAL ASSETS AND OTHER DEBITS	\$16,994,699.00	\$17,246,562.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

	Previous Year	Current Year
EQUITY CAPITAL		
Appropriated Retained Earnings (214)		
Retained Earnings From Income before contributions (215.1)	(\$371,334.00)	(\$115,801.00)
Donated Capital (215.2)	\$12,024,231.00	\$12,335,571.00
Total Equity Capital	\$11,652,897.00	\$12,219,770.00
LONG-TERM DEBT		
Bonds (221)	\$2,650,500.00	\$2,599,000.00
Reaquired Bonds (222)		
Advances from Associated Companies (223)		
Other Long-Term Debt (224)	\$1,680,599.00	\$1,565,125.00
Total Long Term Debt	\$4,331,099.00	\$4,164,125.00
CURRENT AND ACCRUED LIABILITIES		
Accounts Payable (231)	\$84,824.00	\$58,950.00
Notes Payable (232)		
Accounts Payable to Associated Co. (233)		
Notes Payable to Associated Co (234)		
Customer Deposits (235)	\$194,723.00	\$205,082.00
Accrued Taxes (236)	\$19,122.00	\$21,255.00
Accrued Interest (237)	\$40,244.00	\$38,606.00
Matured Long-Term Debt (239)		
Matured Interest (240)		
Tax Collections Payable (241)		
Misc. Current and Accrued Liabilities (242)	\$26,483.00	\$26,815.00
Total Current and Accrued Liabilities	\$365,396.00	\$350,708.00
DEFFERRED CREDITS		
Unamortized Premium on Debt (251)	\$0.00	
Advances for Construction (252)		
Other Deferred Credits (253)	\$645,307.00	\$511,959.00
Total Deferred Credits	\$645,307.00	\$511,959.00
OPERATING RESERVES		
Accumulated Provision For:		
Property Insurance (261)		

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

	Previous Year	Current Year
Injuries and Damages (262)		
Pensions and Benefits (263)		
Miscellaneous Operating Reserves (265)		
Total Operating Reserves		
Total Equity Capital and Liabilities	\$16,994,699.00	\$17,246,562.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Comparative Operating Statement (Ref Page: 11)

	Previous Year	Current Year
UTILITY OPERATING INCOME		
Operating Revenues (400)	\$2,666,201.00	\$2,624,701.00
Operating Expenses (401)	\$1,386,828.00	\$1,662,754.00
Depreciation Expenses (403)	\$531,420.00	\$587,697.00
Amortization of Utility Plant Acquisition Adjustment (406)		
Amortization Expense (407)		
Taxes Other Than Income (408.10-408.13)	\$39,768.00	\$52,422.00
Utility Operating Expenses	\$1,958,016.00	\$2,302,873.00
Utility Operating Income	\$708,185.00	\$321,828.00
Income From Utility Plant Leased to Others (413)		
Gains (Losses) from Disposition of Utility Property (414)		
Total Utility Operating Income	\$708,185.00	\$321,828.00
OTHER INCOME AND DEDUCTIONS		
Revenues From Merchandising, Jobbing and contract work (415)		
Costs and Expenses of Merchandising, Jobbing and Contract Work (416)		
Interest and Dividend Income (419)	\$23,666.00	\$43,275.00
Allowance for funds Used During Constructions (420)		
Nonutility Income (421)		
Miscellaneous Nonutility Expenses (426)		
Total Other Income and Deductions	\$23,666.00	\$43,275.00
TAXES APPLICABLE TO OTHER INCOME		
Taxes Other Than Income (408.20)		
Total Taxes Applic. to Other Income		
INTEREST EXPENSE		
Interest Expense (427)	\$115,493.00	\$109,570.00
Amortization of Debt Discount and Exp. (428)		
Amortization of Premium on Debt (429)		
Total Interest Expense	\$115,493.00	\$109,570.00
EXTRAORDINARY ITEMS		
Extraordinary Income (433)	\$0.00	
Extraordinary Deductions (434)	\$0.00	

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Comparative Operating Statement (Ref Page: 11)

	Previous Year	Current Year
Total Extraordinary Items	\$0.00	
NET INCOME BEFORE CONTRIBUTIONS	\$616,358.00	\$255,533.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Statement of Retained Earnings (Ref Page: 12)

Description	Total
Appropriated Retained earnings (214)	
(state balance and purpose of each appropriated amount at year end:)	
Total Appropriated Retained Earnings	
Retained Earnings From Income Before Contributions (215.1)	
Balance beginning of year	(\$371,334.00)
Balance transferred from Net Income Before Contributions (435)	\$255,533.00
Changes to account:	
Appropriations of Retained Earnings (436)	
Adjustments to Retained Earnings (439)	
(requires Commission approval prior to use):	
Credits	
Debits	
Balance End of Year	(\$115,801.00)

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Statement of Retained Earnings (cont. 215.2) (Ref Page: 12)

Description	Tapping Fees	Grants	Other	Total
Donated Capital (215.2)				
Balance Beginning of the Year	\$20,340,705.00	\$6,828,189.00	\$3,115,337.00	\$12,024,231.00
Credits				
Proceeds from capital contributions (432)	\$44,443.00	\$266,897.00	\$0.00	\$311,340.00
Other Credits (explain)				
Debits (explain - requires Commission Approval)				
Balance End of Year	\$20,385,148.00	\$7,095,086.00	\$3,115,337.00	\$12,335,571.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Net Utility Plant (Accts. 101-106) (Ref Page: 13)

	Total
Utility Plant in Service (101)	\$22,929,395.00
Utility Plant Leased to Others (102)	
Property Held for Future Use (103)	
Utility Plant Purchased or Sold (104)	
Construction Work in Progress (105)	
Completed Construction Not Classified (106)	
Total Utility Plant	\$22,929,395.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Accumulated Depreciation (Acct. 108) (Ref Page: 13)

Description	Total
Balance First of Year	\$9,572,105.00
Credit during year	
Accruals Charged to Account 108.1	\$587,697.00
Accruals Charged to Account 108.2	
Accruals Charged to Account 108.3	
Accruals Charged to Other Accounts (specify)	
(specify)	
Salvage Value Recovered on Plant Retired	
Other Credits	
(specify)	
Total Credits	\$587,697.00
Debits during year:	
Book Cost of Plant Retired	
Cost of Removal	
Other Debits	
(specify)	
Total Debits	\$0.00
Balance at End of Year	\$10,159,802.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Water Utility Plant Accounts (Ref Page: 14)

	Prev Year (c)	Additions (d)	Retirement (e)	Current Yr(f)	Intngble. Plant (g)	Supply & Pump.	Water Treatmnt.	Trans. and Distr.	General Plant
Organization (301)									
Franchises (302)									
Land and Land Rights (303)	\$471,286.00	\$0.00	\$0.00	\$471,286.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Structures and Improvements (304)	\$3,950,447.00	\$1,516.00	\$0.00	\$3,951,963.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Collecting and Impounding Reservoirs (305)									
Lakes, Rivers and Other Intakes (306)									
Wells and Springs (307)									
Infiltration Galleries and Tunnels (308)									
Supply Mains (309)									
Power Generation Equipment (310)									
Pumping Equipment (311)	\$480,044.00	\$127,898.00	\$0.00	\$607,942.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Water Treatment Equipment (320)	\$300.00	\$0.00	\$0.00	\$300.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Distribution Reservoirs and Standpipes (330)	\$3,242,276.00	\$307,886.00	\$0.00	\$3,550,162.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transmission and Distribution Mains (331)	\$11,092,006.00	\$17,647.00	\$0.00	\$11,109,653.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Services (333)	\$993,419.00	\$0.00	\$0.00	\$993,419.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Meters and Meter Installations (334)	\$1,048,925.00	\$136.00	\$0.00	\$1,049,061.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Hydrants (335)	\$141,586.00	\$0.00	\$0.00	\$141,586.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Backflow Prevention Devices (336)									

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Water Utility Plant Accounts (Ref Page: 14)

	Prev Year (c)	Additions (d)	Retirement (e)	Current Yr(f)	Intngble. Plant (g)	Supply & Pump.	Water Treatmnt.	Trans. and Distr.	General Plant
Other Plant and Misc. Equipment (339)									
Office Furniture and Equip. (340)	\$222,499.00	\$0.00	\$0.00	\$222,499.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transportation Equipment (341)	\$419,441.00	\$102,963.00	\$0.00	\$522,404.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Stores Equipment (342)									
Tools, Shop and Garage Equip (343)	\$224,612.00	\$84,507.00	\$0.00	\$309,119.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Laboratory Equipment (344)									
Power Operated Equipment (345)									
Communication Equipment (346)									
Miscellaneous Equipment (347)									
Other Tangible Plant (348)									
Total Water Plant	\$22,286,841.00	\$642,553.00	\$0.00	\$22,929,394.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance Beg	Yr(c)	Cr-Chg Dep Exp(d)	Other Credits (e)	Charges-Plant Ret(f)	Other Charges (g)	Balance End Yr (h)
Organization (301)							
Franchises (302)							
Land and Land Rights (303)							
Structures and Improvements (304)	\$330,153.00		\$102,236.00	\$0.00	\$0.00	\$0.00	\$432,389.00
Collecting and Impounding Reservoirs (305)							
Lake, River and Other Intakes (306)							
Wells and Springs (307)							
Infiltration Galleries and Tunnells (308)							
Supply Mains (309)							
Power Generating Equipment (310)							
Pumping Equipment (311)	\$273,960.00		\$32,829.00	\$0.00	\$0.00	\$0.00	\$306,789.00
Water Treatment Equipment (320)	\$600.00		\$0.00	\$0.00	\$0.00	\$0.00	\$600.00
Distributions Reservoirs and Standpipes (330)	\$1,308,211.00		\$77,272.00	\$0.00	\$0.00	\$0.00	\$1,385,483.00
Transmission and Distribution Mains (331)	\$5,399,686.00		\$216,405.00	\$0.00	\$0.00	\$0.00	\$5,616,091.00
Services (333)	\$807,220.00		\$23,358.00	\$0.00	\$0.00	\$0.00	\$830,578.00
Meters and Meter Installations (334)	\$841,464.00		\$58,984.00	\$0.00	\$0.00	\$0.00	\$900,448.00
Hydrants (335)	\$53,984.00		\$3,117.00	\$0.00	\$0.00	\$0.00	\$57,101.00
Backflow Prevention Devices (336)							
Other Plant and Miscellaneous Equipment (339)							
Office Furniture and Equip. (340)	\$143,463.00		\$16,441.00	\$0.00	\$0.00	\$0.00	\$159,904.00
Transportation Equipment (341)	\$310,291.00		\$31,521.00	\$0.00	\$0.00	\$0.00	\$341,812.00
Stores Equipment (342)							

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance Beg	Yr(c)	Cr-Chg Dep Exp(d)	Other Credits (e)	Charges-Plant Ret(f)	Other Charges (g)	Balance End Yr (h)
Tools, Shop and Garage Equip (343)	\$103,073.00		\$25,534.00	\$0.00	\$0.00	\$0.00	\$128,607.00
Laboratory Equipment (344)							
Power Operated Equipment (345)							
Communication Equipment (346)							
Miscellaneous Equipment (347)							
Other Tangible Plant (348)							
Totals	\$9,572,105.00		\$587,697.00	\$0.00	\$0.00	\$0.00	\$10,159,802.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Accumulated Amortization (Acct. 110) (Ref Page: 16)

Description	Total
Balance First of Year	\$0.00
Credit during year	
Accruals Charged to Account 110.1	
Accruals Charged to Account 110.2	
Other Credits	
(specify)	
Total Credits	\$0.00
Debits during year:	
Book Cost of Plant Retired	
Other Debits	
(specify)	
Total Debits	\$0.00
Balance end of Year	\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Utility Plant Acquisition Adjustments (Accts. 114-115) (Ref Page: 16)

Description	Total
Acquisition Adjustments (114)	
(specify)	
Total Plant Acquisition Adjustments	\$0.00
Accumulated Amortization (115)	
(specify)	
Total Accumulated Amortization	\$0.00
Net Aquisition Adjustments	\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Accounts and Notes Receivable - Net (Accts 141-144) (Ref Page: 18)

Description	Total
Accounts and Notes Receivable	
Customer Accounts Receivable (141)	\$302,659.00
Other Accounts Receivable (142)	
Total Other Accounts Receivable	\$0.00
Notes Receivable (144)	
Total Notes Receivable	\$0.00
Total Accounts and Notes Receivable	\$302,659.00
Accumultated Provision for Uncollectible Accounts (143)	
Balance First of Year	\$21,900.00
Add:	
Provision for uncollectibles for current year	\$3,500.00
Collections of accountst previously written off	
Other	
(specify)	
Total Additions	\$3,500.00
Deduct accounts written off during year:	
Other	
(specify)	
Total Deductions	\$0.00
Balance end of Year	\$25,400.00
Total Accounts and Notes Receivable - Net	\$277,259.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Investments and Special Funds (Ref Page: 17)

Description (a)	Face or Par Value (b)	Year End Book Cost
Investment in Associated Companies (123)		
Total Investment in Associated Companies		\$0.00
Utility Investments (124)		
Total Utility Investments		\$0.00
Other Investments (125)		
Total Other Investments		\$0.00
Sinking Funds (126)		
Total Sinking Funds	\$0.00	\$0.00
Other Special Funds (127)		
Total Other Special Funds	\$0.00	\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Materials and Supplies (151-153) (Ref Page: 19)

		Total
Plant Materials and Supplies (151)		\$132,739.00
Merchandise (152)		
Other Materials and Supplies (153)		
Total Materials and Supplies		\$132,739.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Prepayments (Acct. 162) (Ref Page: 19)

Description		Total
Prepaid Insurance		\$26,005.00
Prepaid Rents		
Prepaid Interest		
Prepaid Taxes		
Other Prepayments		
(Specify)	Prepaid Loan Payment	\$15,256.00
Total Prepayments		\$41,261.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Miscellaneous Deferred Debits (Acct. 186) (Ref Page: 20)

		Total
Miscellaneous Deferred Debits (186)		
Deferred Rate Case Expense (186.1)		
Other Deferred Debits (186.2)		\$459,237.00
Regulatory Assets (186.3)		\$52,722.00
Total Miscellaneous Deferred Debits		\$511,959.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Unamortized Debt Discount and Expense and Premium on Debt (Accts 181 and 251) (Ref Page: 20)

Description	Amt Written Off during year	Year End Balance
Unamortized Debt Discount and Expense (181)		
Total Unamortized Debt Discount and Expense	\$0.00	\$0.00
Unamortized Premium on Debt (251)		
Total Unamortized Premium on Debt	\$0.00	\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Extraordinary Property Losses (Acct. 182) (Ref Page: 21)

Description	Total
Extraordinary Property Losses (182)	
(Specify)	
Total Extraordinary Property Losses	\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Advances for Construction (Acct. 252) (Ref Page: 21)

Total	
Balance First of Year	\$0.00
Add credits during year	
Deduct charges during year	
Balance end of year	\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Long Term Debt (Ref Page: 22)

Description of Obligation (a)	Issue Date (b)	Mature Date (c)	Interest Expense for Year Rate (d)	Interest Expense for Year Amount(e)	Principal per Balance Sheet Date (f)
2012 Series F Note	11/13/2012	11/01/2040	3.6250	\$63,362.00	\$1,565,724.00
Total			0.0000	\$63,362.00	\$1,565,724.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Bonds - Account 221 (Ref Page: 23)

	Par Value of Actual Issue (1)	Cash Realized on Actual Issue (2)	Par Val of Amt. Held by or for Respondent (3)	Actually Outstanding at Close of Year (4)	Interest During Year Accrued (5)	Interest During Year Actually Paid (6)
	\$2,800,000.00	\$2,800,000.00	\$0.00	\$2,599,000.00	\$46,383.00	\$46,383.00
Total	\$2,800,000.00	\$2,800,000.00	\$0.00	\$2,599,000.00	\$46,383.00	\$46,383.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Schedule of Bond Maturities (Ref Page: 23)

Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amt (10)	Amounts Paid (11)	Remaing Bonds Outstanding (12)
2020	10/01/2062	1.7500	\$2,800,000.00	\$201,000.00	\$2,599,000.00
Total			\$2,800,000.00	\$201,000.00	\$2,599,000.00

(The total of Column 12
must agree with the total of
col 4)

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Notes Payable (Accts 232 and 234) (Ref Page: 24)

Description	Nominal Date of Issue	Date of Maturity	Int. Rate	Int. Payment	Principal Amt Per Bal Sheet
Account 232 - Notes Payable					
Total Account 232				\$0.00	\$0.00
Account 234 - Notes Payable to Associated Companies					
Total Account 234				\$0.00	\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Accounts Payable to Associated Companies (Acct. 233) (Ref Page: 24)

Description	Total
Show Payable to Each Associated Company Separately	
(Specify)	
Total	\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Taxes Accrued (Acct. 236) (Ref Page: 25)

	Total
Balance First of Year	\$19,122.00
Accruals Charged:	
Utility regulatory assessment fees (408.10)	
Property taxes (408.11)	
Payroll taxes (employer`s portion) (408.12)	\$27,640.00
Other taxes and licenses (408.13)	\$24,782.00
Taxes other than income, other income and deductions (408.20)	
Total taxes accrued	\$52,422.00
Taxes paid during year:	
Utility regulatory assessment fees (408.10)	
Property taxes (408.11)	
Payroll taxes (employer`s portion) (408.12)	\$31,881.00
Other taxes and licenses (408.13)	\$18,408.00
Taxes other than income, other income and deductions (408.20)	
Total Taxes Paid	\$50,289.00
Balance end of year	\$21,255.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Accrued Interest (Account 237) (Ref Page: 25)

Description of Debt (a)	Balance Beg of Year (b)	Interest Accrued(c)	Interest Paid (d)	Balance End of Year (e)
Long Term Debt:				
2020 Bond	\$11,817.00	\$46,163.00	\$46,384.00	\$11,596.00
2012 Series F	\$28,427.00	\$63,407.00	\$64,824.00	\$27,010.00
Notes Payable:				
	\$0.00	\$0.00	\$0.00	\$0.00
Customer Deposits:				
	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00
Other				
	\$0.00	\$0.00	\$0.00	\$0.00
Total Acct. No 237	\$40,244.00	\$109,570.00	\$111,208.00	\$38,606.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Miscellaneous Current and Accrued Liabilities (Acct. 242) (Ref Page: 26)

Description		Balance End Year
Accrued Vacation		\$26,815.00
Total Miscellaneous Current and Accrued Liabilities		\$26,815.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Regulatory Commission Expense(Acct 666 and 667) (Ref Page: 26)

Description of Case (Docket No.) (a)	Total Incurred During Year (b)	Amt Transferred to Acct 186.1 (c)	Expensed During Year (d)	Acct	Expensed During Year Amount (e)
Total	\$0.00	\$0.00			\$0.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Water Operating Revenue (Ref Page: 27)

	Beginning Year Customers	Year End Customers	Amount
Operating Revenues			
Unmetered Water Revenue (460)			
Metered Water Revenue (461)			
Sales to Residential Customers (461.1)	4,304	4,368	\$2,376,521.00
Sales to Commercial Customers (461.2)	188	137	\$140,270.00
Sales to Industrial Customers (461.3)			
Sales to Public Authorities (461.4)			
Sales to Multiple Family Dwellings (461.5)			
Sales through Bulk Loading Stations (461.6)			
Total Metered Sales	4,492	4,505	\$2,516,791.00
Fire Protection Revenue (462)			
Public Fire Protection (462.1)			
Private Fire Protection (462.2)			
Total Fire Protection Revenue			
Other Sales to Public Authorities (464)			
Sales to Irrigation Customers (465)			
Sales for Resale (466)			
Interdepartmental Sales (467)			
Total Sales of Water	4,492	4,505	\$2,516,791.00
Other Water Revenues			
Guaranteed Revenues (469)			
Forfeited Discounts (470)			
Miscellaneous Service Revenues (471)			
Rents from Water Property (472)			
Interdepartments Rents (473)			
Other Water Revenues (474)			\$107,910.00
Total Other Water Revenues			\$107,910.00
Total Water Operating Revenues			\$2,624,701.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Water Utility Expense Accounts (Ref Page: 28)

	Current Year (c)	Supply and Exp- Op. (d)	Supply and Exp- Maint. (e)	Water Treatmnt. Exp-Op. (f)	Water Treatmnt Exp-Maint. (g)	Trans and Dist. Exp- Op (h)	Trans and Dist. Exp- Maint. (i)	Customer Accts Exp. (j)	Admin and Gen Exp.
Salaries and Wages-Employees (601)	\$383,548.00	\$0.00	\$0.00	\$0.00	\$0.00	\$142,795.00	\$142,795.00	\$48,979.00	\$48,979.00
Salaries and Wages-Officers, Directors and Majority Stockholders (603)	\$10,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,800.00
Employee Pensions and Benefits (604)	\$109,550.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40,785.00	\$40,785.00	\$13,990.00	\$13,990.00
Purchased Water (610)	\$714,517.00	\$714,517.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Purchased Power (615)	\$39,718.00	\$39,718.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fuel for Power Production (616)									
Chemicals (618)									
Materials and Supplies (620)	\$79,428.00	\$0.00	\$0.00	\$0.00	\$0.00	\$27,832.00	\$27,832.00	\$11,882.00	\$11,882.00
Contractual Services - Eng. (631)									
Contractual Services - Acct. (632)	\$15,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,000.00
Contractual Services - Legal (633)	\$13,393.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,393.00
Contractual Services - Management Fees (634)									
Contractual Serves - Water Testing (635)									
Contractual Services - Other (636)									
Rental of Bld./Real Property (641)									

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Water Utility Expense Accounts (Ref Page: 28)

	Current Year (c)	Supply and Exp- Op. (d)	Supply and Exp- Maint. (e)	Water Treatmnt. Exp-Op. (f)	Water Treatmnt Exp-Maint. (g)	Trans and Dist. Exp- Op (h)	Trans and Dist. Exp- Maint. (i)	Customer Accts Exp. (j)	Admin and Gen Exp.
Rental of Equipment (642)									
Transportation Expenses (650)									
Insurance - Vehicle (656)									
Insurance - General Liability (657)	\$41,084.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,542.00	\$20,542.00	\$0.00	\$0.00
Insurance - Worker's Compensation (658)	\$10,602.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,301.00	\$5,301.00	\$0.00	\$0.00
Insurance - Other (659)	\$335.00	\$0.00	\$0.00	\$0.00	\$0.00	\$168.00	\$167.00	\$0.00	\$0.00
Advertising Expenses (660)									
Regulatory Commission Exp.									
- Amortization of Rate Case (666)									
-Other (667)									
Water Resource Conservation Expense (668)									
Bad Debt (670)	\$3,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,500.00	\$0.00
Miscellaneous Expenses (675)	\$241,279.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$241,279.00
Total	\$1,662,754.00	\$754,235.00	\$0.00	\$0.00	\$0.00	\$237,423.00	\$237,422.00	\$78,351.00	\$355,323.00

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Pumping and Water Statistics - part one (Ref Page: 29)

	Water Purchased For Resale (Omit 000` s) (b)	Water Pumped from Wells (Omit 000` s) (c)	Total Water Pumped and Purchased (Omit 000` s) (d)	Water Sold To Customers (Omit 000` s) (e)
January	20,494	0	20,494	17,280
February	22,436	0	22,436	20,012
March	17,886	0	17,886	15,441
April	19,101	0	19,101	15,796
May	19,419	0	19,419	16,419
June	21,786	0	21,786	19,140
July	21,302	0	21,302	18,736
August	26,517	0	26,517	23,361
September	23,234	0	23,234	19,839
October	19,990	0	19,990	17,348
November	21,795	0	21,795	18,987
December	19,017	0	19,017	15,700
Total for the year	252,977	0	252,977	218,059

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Pumping and Water Statistics - part two (Ref Page: 29)

	Gallons	Date
Maximum Gallons pumped by all methods in any one day (Omit 000`s)	0	
Minimum Gallons pumped by all methods in any one day (Omit 000`s)	0	

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Pumping and Water Statistics - part three (Ref Page: 29)

List

If water is purchased indicate the following:

Vendor

Various

Point of Delivery

Vairous

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Pumping and Water Statistics - part four (Ref Page: 29)

Entity Receiving Water

Maximum Daily

Maximum Monthly

If water is sold to other water utilities for redistribution, identify all entities with whom the utility has a water sales contract and the maximum quantity the utility is under contract

to provide daily and monthly. If unlimited then list "unlimited" otherwise list in thousands of gallons.

N/A

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Sales For Resale (466) (Ref Page: 30)

Company	Gallons (Omit 000`s)	Avg. Rate Per 1000 Gallons (Cents)	Amount
	0	\$0.00	\$0.00
Total			

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Water Statistics (Ref Page: 30)

	Description	Gallons (Omit 000`s)	Percent
1.	Water Produced, Purchased and Distributed		
2.	Water Produced		
3.	Water Purchased	252,977	
4.	Total Produced and Purchased	252,977	
6.	Water Sales:		
7.	Residential	207,425	
8.	Commercial	10,634	
9.	Industrial		
10.	Bulk Loading Stations		
11.	Wholesale		
12.	Public Authorities		
13.	Other Sales (explain)		
14.	Total Water Sales	218,059	
16.	Other Water Used		
17.	Utility/water treatment plant		
18.	Wastewater plant		
19.	System flushing	4,887	
20.	Fire department	315	
21.	Other Usage (explain)		
22.	Total Other Water Used	5,202	
24.	Water Loss		
25.	Tank Overflows		
26.	Line Breaks	3,912	
27.	Line Leaks		
28.	Excavation Damages		
29.	Theft		
30.	Other Loss (Explain)	UNKNOWN	25,804
31.	Total Water Loss	29,716	
Note: Line 14 + Line 22 + Line 31 must equal Line 4			
Water Loss Percentage			
Line 31 divided by Line 4			11.7465

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Plant Statistics (Ref Page: 31)

Give the following information	
Number of fire hydrants, by size	122 5-1/4 FLUSH HYDRANTS; 50 FLUSH POINTS
Number of private fire hydrants, by size	NONE
If produced whether water supply is river, impounded streams, well, springs, artificial lake, or collector well	NOT PRODUCED
If produced whether supply is by gravity, pumping or a combination	NOT PRODUCED
Type, capacity, and elevation of reservoirs at overflow and ground level	NO RESERVOIRS - VARIOUS TANKS
Miles of main by size and kind	5.4 MILES OF 8" PVC; 150.0 MILES OF 6" PVC; 205.0 MILES OF 4" PVC; 7.4 MILES OF 3" PVC; 3.7 MILES OF 2" PVC
Types of filters: gravity or pressure, number of units and total rated in capacity in gal. per min.	N/A
Type of disinfectant, number of units and capacity in pounds per 24 hours	N/A
Station Equipment. List each pump, giving type and capacity, HP of driving unit and character of driving unit (steam/electric/int. combustion) also whether pump is high/ low duty	N/A
Quantity of fuel used: coal in lbs., gas in cu.ft., oil in gals., and electric in KWH	NOT KNOWN
Give description and total cost of any sizable additions or retirements to plant and service outside the normal system of growth for the period covered by this report	N/A
Capacity of clear well	N/A
Peak month, in gallons of water sold	AUGUST
Peak day, in gallons of water sold	NOT KNOWN

Plant Statistics - Part B (Ref Page: 31)

		Type
Choose one to indicate the type of Water Supply	Purchase	

Plant Statistics - Part C (Ref Page: 31)

Type

Choose one to indicate the type of Water Supply Method

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

CheckList

Item	Value 1	Value 2	Agree	Explain
NOTE: Any mention of page numbers or Line items refers to the annual report published and distributed for the 2002 report period.				
Identifications pages (ref 4-6) have been completed.				Yes
Balance Sheet - Assets and Other Debts (ref. pg 7)				
Utility Plant (Accts 101-106) agrees with Sched: Net Utility Plants Accts 101-106 (ref pg 13) Line: Total Utility Plant	22929395.00	22929395.00	OK	
Accts 108-110 Acc. Depreciation and Amort. agrees with Sched: Analysis of Acc. Dep. and Amort. (ref pg 15) Line: Total 301-348 Col h	10159803.00	10159802.00	NO	The difference is due to rounding.
Accts 114-115 Utility Plant Acquisition Adjustments agrees with Sched: Utility Plant Acquisition Adjustments (ref pg 16) Line: Net Acquisition Adjustments (114-115)	0	0.0000	OK	
Accts 123 Investment in Assoc. Companies agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total Investment in Associated Companies	0	0.0000	OK	
Accts 124-125 Utility Investments agrees with Sched: Investments and Spec. Funds (ref pg 17) Sum of Lines: 124 Total Utility Investments and 125 Total Other Investments	0	0.0000	OK	
Accts 126 Sinking Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: 126 Total Sinking Funds	0	0.0000	OK	
Accts 127 Other Special Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total 127 Other Special Funds	0	0.0000	OK	
Accts 141-144 Accounts and Notes Receivable agrees with Sched: Accts and Notes Receivable (ref pg 18) Line: Net Balance 141-144	277259.00	277259.00	OK	
Accts 151-153 Material and Supplies agrees with Sched: Material and Supplies (ref pg 19) Line: Total 151-153	132739.00	132739.00	OK	

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

CheckList

Item	Value 1	Value 2	Agree	Explain
Accts 162 Prepayments agrees with Sched: Prepayments (ref pg 19) Line: Total 162	41261.00	41261.00	OK	
Accts 181 Unamortized Debt Discount and Expense agrees with Sched: Unamortized Debt Discount and Exp. (ref pg 20) Line: Total 181	0	0.0000	OK	
Accts 182 Extraordinary Prop. losses agrees with Sched: Extraordinary Property Losses (ref pg 21) Line: Total 182	0	0.0000	OK	
Accts 186 Misc. Deferred Debits agrees with Sched: Misc. Deferred Debits (ref pg 20) Line: Total 186	511959.00	511959.00	OK	
Balance Sheet - Equity Capitol and Liabilities (ref. pg 9)				
Accts 214 Appropriated Retained Earnings agrees with Sched: Statement of Retained Earnings (ref pg 12) Line: Total Appropriated Retained Earnings 214	0	0	OK	
Accts 215.1 Retained Earnings from Income before Contributions with Sched: Statement of Retained Earnings (ref pg 12) Line: Balance End of Year 215.1	-115801.00	-115801.00	OK	
Accts 215.2 Donated Capital with Sched: Statement of Retained Earnings (cont. 215.2) (ref pg 12) Line: Balance End of Year 215.2	12335571.00	12335571.00	OK	
Accts 221 Bonds agrees with Sched: Account 221 (ref pg 23) Line: Total Outstanding Bonds Col 4	2599000.00	2599000.00	OK	
Accts 221 Bonds agrees with Sched: Schedule of Bond Maturities (ref pg 23) Line: Total Remaining Bonds (Col 12)	2599000.00	2599000.00	OK	
Accts 224 Other Long Term Debt agrees with Sched: Long Term Debt (ref pg 22) Line: Total Acct 224 col f	1565125.00	1565724.00	NO	The difference is due to rounding.
Accts 232 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 232	0	0.0000	OK	

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

CheckList

Item	Value 1	Value 2	Agree	Explain
Accts 233 Accounts Payable to Associated Co. agrees with Sched: Accounts Payable to Assoc. Companies (Accts 233) (ref pg 24) Line: Total Acct 233	0	0.0000	OK	
Accts 234 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 234	0	0.0000	OK	
Accts 236 Taxes Accrued Balance First of Year agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Beginning Balance	19122.00	19122.00	OK	
Accts 236 Taxes Accrued agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Ending Balance	21255.00	21255.00	OK	
Accts 237 Accrued Interest Balance from Prev Year agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance Beginning of Year -Col b	40244.00	40244.00	OK	
Accts 237 Accrued Interest agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance End of Year -Col e	38606.00	38606.00	OK	
Accts 242 Misc. Current and Accrued Liabilities agrees with Sched: Misc current and Accrued Liabilities (Accts 242) (ref pg 26) Line: Total Miscellaneous and Current Accrued Liabilities	26815.00	26815.00	OK	
Accts 251 Unamortized Premium on Debt agrees with Sched: Unamorted Debt Discount and Expense and Premium on Debt (Accts 181 - 251) (ref pg 20) Line: Total 251	0	0.0000	OK	
Accts 252 Advances for Contruction agrees with Sched: Advances for Contstruction (Accts 252) (ref pg 21) Line: Total 252	0	0.0000	OK	
Total Equity Capital and Liabilities agrees with Balance Sheet - Assets and Other Debits: Total Assets and Other Debits	17246562.00	17246562.00	OK	
Comparitive Operating Statement (ref pg 10)				

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

CheckList

Item	Value 1	Value 2	Agree	Explain
Accts 400 Operating Revenues agrees with Sched: Water Operating Revenue (Accts 400) (ref pg 27) Line: Total Water Operating Revenues - Col e	2624701.00	2624701.00	OK	
Accts 401 Operating Expenses agrees with Sched: Water Utility Expense Accounts (ref pg 28) Line: Total Accts (601-675) - Col c	1662754.00	1662754.00	OK	
Accts 408.1 Taxes Other than Income agrees with Schedule Taxes Accrued (Acct 236) (ref pg 26) Sum of Accts 408.10 - 408.13	52422.00	52422.00	OK	
Sum of Accts 408.1 and 408.2 agrees with Sched: Taxes Accrued (Acct 236) (ref pg 25) Line: Total taxes Accrued	52422.00	52422.00	OK	
Accts 427 Interest Expense agrees with Sched: Accrued Interest (Acct 237) (ref pg 25) Line: Total Acct No 237 Col c - Interest Accrued	109570.00	109570.00	OK	
Net Income agrees with Sched: Retained Earnings (Acct 237) (ref pg 12) Line: Balance Transferred from Income (Acct 435)	255533.00	255533.00	OK	
Miscellaneous				
Schedule Net Utility Plant Accts 101 - 106 (ref pg 13) Utility Plant (101) agrees with Sched: Water Utility Plant Accounts (ref pg 14) Line: Total Water Plant Col f - Current Year	22929395.00	22929394.00	NO	The difference is due to rounding.
The analysis of water utility plant accounts Cols c though k has been completed (Ref pg 14)				Yes
The analysis of accumulated depreciation and amortization by primary account has been completed. (Ref pg 14)				Yes
Sched: Misc. Defferred Debits (Acct 186) Deferred Rate Case (Acct 186.1) agrees with Sched: Amort. of Rate Case (Acct 665 and 667) (ref pg 26) Line: Total Col c - Amt Transferred to 186.1	0	0.0000	OK	
Schedule of Long Term Debt has been completed (ref pg 22)				Yes

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

CheckList

Item	Value 1	Value 2	Agree	Explain
Schedule of Bond Maturities has been completed (ref pg 23)				Yes
Taxes collected (example: school tax, sales tax, franchise tax) have been excluded from Operating Revenue (Ref pg 29)				Yes
The analysis of water opertating revenue Cols c,d and e have been completed. (Ref pg 28)				Yes
The analysis of water utility expense accounts Cols c through k have been completed. (Ref pg 28)				Yes
Schedule of Pumping and Purchased Water Statistics has been completed (Ref pg 29)				Yes
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Total (d) agrees with Sched Water Statistics (ref pg 30) Line 4. Total Produced and Purchased Col Gallons	252977	252977	OK	
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Water Sold(e) agrees with Sched Water Statistics (ref pg 30) Line Total Water Sales Col Gallons	218059	218059	OK	
Sched Sales for Resale (ref pg 30) 466 Total Gal agrees with Sched Water Statistics (ref pg 30) Total Water Sales	0	0	OK	
Schedule Water Statistics (ref pg 30) Lines 14,22 and 31 must equal Line 4	252977	252977	OK	
Have visited the Water Commissioner site. (Water Districts ONLY)				Yes
Attest Commissioners listed on the Commissioner Schedule are correct for the report period and current commissioner details are up to date. (Water Districts ONLY)				Yes
Oath Page Has been Completed				Yes

24000 Larue County Water District #1 01/01/2025 - 12/31/2025

Upload supporting documents

Document	Description	Supports
SD 24000 2025 1.pdf	LWCD#1 - 2025 Annual Audit.pdf	Audit Report
SD 24000 2025 2.pdf	LCWD#1 2025 Annual Report - Oath Page - Signed - May 2026.pdf	Create and Upload Oath Pg

OATH

Commonwealth of Kentucky)
) ss:
 County of LaRue)

Pat Eastridge makes oath and says
 (Name of Officer)

that he/she is Secretary of
 (Official title of officer)

LaRue County Water District #1
 (Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 1, 2025, to and including December 31, 2025

(Signature of Officer)

subscribed and sworn to before me, a Notary Public, in and for
 the State and County named in the above this 29th day of May, 2026

My Commission expires 12/19/2026

(Signature of officer authorized to administer oath)

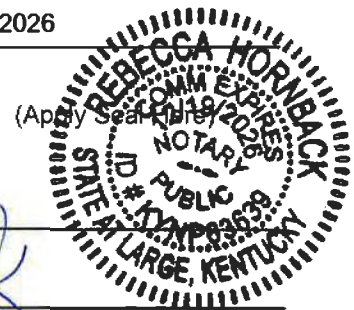


Exhibit 3

From: [Smith, Roger \(DLG\)](#)
To: [Heather Temple](#)
Subject: RE: Notification of Issuance of Debt Instrument - Larue County Water District
Date: Wednesday, July 1, 2026 2:41:12 PM
Attachments: [image002.png](#)
[image004.png](#)

Notification received. An acknowledgment letter will be forthcoming. Thank you.

Roger Smith
Local Government Advisor
Department for Local Government
Office of the Governor
Commonwealth of Kentucky
100 Airport Road, 3rd Floor
Frankfort, Kentucky 40601
(502) 892-5843



From: Heather Temple <heather@hloky.com>
Sent: Wednesday, July 1, 2026 2:27 PM
To: Smith, Roger (DLG) <roger.smith@ky.gov>
Subject: Notification of Issuance of Debt Instrument - Larue County Water District

****CAUTION** PDF attachments may contain links to malicious sites. Please contact the COT Service Desk ServiceCorrespondence@ky.gov for any assistance.**

Mr. Smith,

Our first is representing Larue County Water District in its efforts to secure funding for a potential new water treatment plant. In that effort, the Kentucky Infrastructure Authority ("KIA") has agreed to lend Larue County Water District \$1,692,500 to be repaid over twenty (20) years with fifty-percent (50) loan forgiveness. This loan will be evidenced by an Assistance Agreement between the two entities. In accordance with KRS 65.117(1), Larue County Water District hereby gives notice of its intent to execute such an Assistance Agreement and enter a long-term debt obligation with KIA. Attached is a completed Notification of Intent to Finance Form containing specific information regarding the proposed debt obligation with KIA.

Please contact me if there are any questions regarding the proposed long-term debt obligation.

Thank you, Heather S. Temple

Heather S. Temple

Attorney

1795 Alysheba Way, Suite 6202

Lexington, Kentucky 40509

859-368-8803 office

502-592-9834 mobile

www.hloky.com

Notice: This electronic mail transmission is for the use of the named individual or entity to which it is directed and may contain information that is privileged or confidential. It is not to be transmission to or received by anyone other than the named addressee (or a person authorized to deliver it to the named addressee). It is not to be copied or forwarded to any unauthorized persons. If you have received this electronic mail transmission in error, delete it from your system without copying or forwarding it, and notify the sender of the error by replying via email or by calling Honaker Law Office, PLLC at 502-592-9834, so that our address record can be corrected.

IRS Circular 230 disclosure: To ensure compliance with the requirement imposed by the IRS, we inform you that any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of: (i) avoiding penalties under the Internal Revenue Code; or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein.



KENTUCKY INFRASTRUCTURE AUTHORITY

Andy Beshear
Governor

100 Airport Road
Frankfort, Kentucky 40601
(502) 573-0260
kia.ky.gov

Sandy Williams
Executive Director

June 24, 2026

Mr John Detre, Chairperson
LaRue County Water District #1
421 Strange Rd
Hodgenville, KY 42748

KENTUCKY INFRASTRUCTURE AUTHORITY FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER (F24-006) EXTENSION

Dear Mr. Detre:

The Kentucky Infrastructure Authority ("the Authority") has approved an extension of the **Fund** Water State Revolving Fund (DWSRF) loan F24-006 for the LCWD- New Treatment Plant Project. The Authority has extended the deadline for the District to meet the conditions set forth in the conditional commitment letter for a period of six (6) months. The original expiration date was April 12, 2025. The new expiration date will be December 24, 2026. If the project does not meet the conditions by the new expiration date, the commitment may be rescinded.

All original terms and conditions from the commitment letter dated April 12, 2024, shall remain in effect.

Please inform the Authority of any changes in your financing plan as soon as possible. We wish you every success for this project to benefit both your community and the Commonwealth.

Sincerely,

A handwritten signature in blue ink, reading "Milward Dedman".

Milward Dedman
Deputy Executive Director



An Equal Opportunity Employer M/F/D

Commitment Letter Extension
Larue County Water Dist #1
June 24, 2026
Page 2

Please sign and return a copy of this letter indicating your acceptance of this commitment letter extension and its terms.

John Detre
Accepted

June 24, 2026
Date



KENTUCKY INFRASTRUCTURE AUTHORITY

Andy Beshear
Governor

100 Airport Road
Frankfort, Kentucky 40601
(502) 573-0260
kia.ky.gov

Sandy Williams
Executive Director

April 12, 2024

The Honorable John Detre, Chairperson
LaRue County Water District #1
421 Strange Road
Hodgenville, KY 42748

KENTUCKY INFRASTRUCTURE AUTHORITY FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER (F24-006)

Dear Mr. Detre:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On April 11, 2024, the Authority approved your loan for the LCWD - New Treatment Plant project subject to the conditions stated in Attachment A to this letter. The total cost of the project shall not exceed \$1,692,500, without prior authorization, of which the Authority is the sole source of the funding. The final loan amount will be equal to the amount of funds disbursed for the project. Attachment B incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the LaRue County Water District #1 upon satisfactory performance of the conditions set forth in Attachment A. You must meet the conditions set forth in Attachment A and enter into an Assistance Agreement by April 12, 2025 (twelve months from the date of this letter). A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after the execution of the Assistance Agreement.



Mr Detre
April 12, 2024
Page 2

Please inform the Authority of any changes in your financing plan as soon as possible. We wish you every success for this project which will benefit both your community and the Commonwealth as a whole.

Sincerely,



Milward Dedman
Deputy Executive Director

Attachments

cc: Tim Bartley, LaRue County Water District #1

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms along with the completed "Transparency Act Reporting Information Form". Complete the attached "Authorization for Electronic Deposit of Vendor Payment Form" and the "ACH Debit Authorization Form" **and return to the US Bank address at the bottom of each form.** Also included are the "Legal Counsel Certification Letter" sample and the "Statement of Approval of Projections of Revenue and Expenses" for you to complete at the appropriate time. These forms and an SRF loan checklist guide can be found in Attachment C of this letter.


Accepted

11-14-2025
Date

ATTACHMENT A

Conditions

LaRue County Water District #1 F24-006

The Assistance Agreement and this commitment shall be subject, but not limited to, the following terms:

1. The Authority project loan shall not exceed \$1,692,500 without prior authorization.
2. Principal forgiveness of 50.0% of the assistance amount, not to exceed \$885,397 will be credited to the loan balance upon the advance of the loan funds from time to time from the Authority to the Borrower.
3. The loan shall bear interest at the rate of 2.25% per annum commencing with the first draw of funds.
4. Interest shall be payable on the unforgiven amount of actual funds received. The first payment shall be due on June 1, or December 1, immediately succeeding the date of the initial draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1, or December 1, which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid. KIA requires the use of Automated Clearing House (ACH) debits for payment of all balances due on the loan. This will ensure that payments are credited timely to your account without the risk of incurring late payment fees. If the due date falls on a weekend or holiday your account will be debited on the next business day. Please complete and return the "ACH Debit Authorization" form in Attachment C of this letter to U.S. Bank for processing.
5. Full principal payments will commence on the appropriate June 1, or December 1, within twelve months from initiation of operation. Full payments will be due each six months thereafter until the loan is repaid.
6. The loan shall be repaid over a period not to exceed 5 years from the date of initiation of operation for the project.
7. A loan servicing fee of 0.30% of the outstanding loan balance shall be payable to the Authority as a part of each interest payment.
8. Loan funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.

9. The Authority loan funds must be expended within six months of the official date of initiation of operation.
10. Fund "F" loan funds may be considered to be federal funds. If more than \$750,000 of federal funds is disbursed during any one of Borrower's fiscal years, the Borrower is required to have a single or program-specific audit conducted for that year in accordance with 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
11. The Authority requires that an annual financial audit be provided for the life of the loan.
12. The final Assistance Agreement must be approved by ordinance or resolution, as applicable, of the city council or appropriate governing board.
13. The Borrower must maintain a 1.1 debt coverage ratio throughout the life of the KIA loan. All borrowers are subject to at least an annual financial review for compliance.

The following is a list of the standard conditions to be satisfied prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. Any required documentation must be submitted to the party designated.

1. The Authority to Award (bid) package must be submitted to the Division of Water for approval within 14 days of bid opening.
2. The Assistance Agreement must be executed within six (6) months from bid opening.
3. Documentation of final funding commitments from all parties other than the Authority as reflected in the credit analysis shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported and may cause this loan to be subject to further consideration.
4. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the State's execution of the Assistance Agreement. The committee meets monthly. Any special conditions listed in Attachment B must be satisfied before the project is presented before the Committee.
5. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the

adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.

6. The Borrower must complete and return the "Authorization for Electronic Deposit of Borrower Payment" form in Attachment C of this letter to U.S. Bank.
7. The Borrower must provide documentation of Eclearinghouse Endorsement and Eclearinghouse Comments.
8. Prior to the project bid, an environmental review shall be conducted by the Division of Water for all construction projects receiving State Revolving Funds ("SRF") money.
9. Technical plans and specifications and a complete SRF specifications checklist shall be approved by the Division of Water prior to project bid.
10. All easements or purchases of land shall be completed prior to commencement of construction. Clear Site Certification of all land or easement acquisitions shall be provided to the Division of Water. DOW representatives shall be notified for attendance of the pre-construction conference.
11. Project changes or additions deviating from the original scope of work described in the Project Profile may require a new or amended environmental review and change order review before they can be included in the SRF loan project.
12. The Borrower must provide certification from their legal counsel stating that they have prepared construction specifications in accordance with all applicable state or federal wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable federal, state and local procurement laws.
13. The Borrower shall implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
14. The Borrower shall comply with all Davis Bacon related monitoring and reporting and require all contractors to pay wages pursuant to applicable prevailing wage rates for all work relating to the subject Project.
15. The project shall comply with the reporting requirements of the Transparency Act, and shall complete the Transparency Act Reporting

Information Form in Attachment C of this letter and provide to the Authority no later than 30 days after the KIA Board approval date of your loan.

16. Based on the final “as-bid” project budget, the Borrower must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The “as bid” project budget shall be reviewed and approved by the consulting engineer.
17. The Project shall comply with all federal requirements applicable to the Loan (including those imposed by P.L. 113-76, Consolidated Appropriations Act, 2014 (the “2014 Appropriations Act”) and / or the Build America, Buy America Act (“BABA”)) and related Program policy guidelines). The Borrower understands that, among other requirements, (a) all of the iron and steel products used in the Project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Borrower has requested and obtained a waiver from the Authority and the United States Environmental Protection Agency pertaining to the Project or (ii) the Authority has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the Project; and / or (b) (i) all iron and steel items used in projects must be produced in the United States pursuant to BABA, (ii) all manufactured products must be produced in the United States, and (iii) all construction materials must be manufactured in the United States (“BABA Requirements”); unless (y) the Borrower has requested and obtained a waiver from the Authority and the United States Environmental Protection Agency pertaining to the Project or (z) the Authority has otherwise advised the Borrower in writing that the BABA Requirements are not applicable to the Project.
18. If the Project includes a private-side lead pipe replacement component, the Borrower must obtain a final inspection from the Division of Plumbing of the Department of Housing, Building and Construction.

ATTACHMENT B

Executive Summary and Credit Analysis

LaRue County Water District #1
F24-006

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND F, FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND			Reviewer Date KIA Loan Number WRIS Number	Sandy Sanders April 11, 2024 F24-006 WX21123030
BORROWER		LARUE COUNTY WATER DISTRICT #1 LARUE COUNTY		
BRIEF DESCRIPTION The LaRue County Water District #1 is requesting a Fund F loan in the amount of \$1,692,500 for the planning and design phase of the New Treatment Plant project. The district proposes to construct a new 4.0 MGD water treatment plant, raw water intake and new pumping facility. LCWD currently purchases from 8 different wholesale suppliers to resale to its customers. Divergent treatment processes among the suppliers causes difficulties in managing adequate distribution and movement with the system. A new water treatment facility will help insure a more reliable and standard supply of finished water allowing the LCWD to better meet water quality standards and enhance supply based upon usage and need as opposed to availability.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$1,692,500	Planning	\$42,500	
		Eng - Design / Const	1,650,000	
TOTAL	\$1,692,500	TOTAL	\$1,692,500	
REPAYMENT	Rate Term	2.25% 5 Years	Est. Annual Payment 1st Payment	\$173,997 6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer Bond Counsel	Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Aug-24 Oct-24 Dec-26		
DEBT PER CUSTOMER	Existing Proposed	\$1,276 \$1,080		
OTHER DEBT	See Attached			
RESIDENTIAL RATES	Current	Users 3,573	Avg. Bill \$44.73 (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	561,883	191,374	370,509	2.9
Audited 2021	676,879	488,936	187,943	1.4
Audited 2022	748,838	272,221	476,617	2.8
Projected 2023	727,631	277,913	449,718	2.6
Projected 2024	700,072	279,207	420,865	2.5
Projected 2025	671,961	280,828	391,133	2.4
Projected 2026	643,288	280,905	362,383	2.3
Projected 2027	614,042	367,628	246,414	1.7

LARUE COUNTY WATER DISTRICT #1
FINANCIAL SUMMARY (DECEMBER YEAR END)

	Audited	Audited	Audited	Projected	Projected	Projected	Projected	Projected
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Balance Sheet								
Assets								
Current Assets	833,413	906,569	875,438	921,083	1,005,256	1,083,483	1,155,960	1,205,243
Other Assets	11,483,630	13,119,084	14,287,995	14,261,008	14,210,939	14,137,084	14,040,229	15,543,099
Total	12,317,043	14,025,653	15,163,433	15,182,091	15,216,195	15,220,567	15,196,189	16,748,342
Liabilities & Equity								
Current Liabilities	439,188	280,689	307,341	313,782	320,682	327,582	334,582	507,587
Long Term Liabilities	4,019,346	5,732,080	5,561,579	5,396,496	5,225,413	5,048,330	4,865,247	4,845,577
Total Liabilities	4,458,534	6,012,769	5,868,920	5,710,278	5,546,095	5,375,912	5,199,829	5,353,164
Net Assets	7,858,509	8,012,884	9,294,513	9,471,813	9,670,100	9,844,655	9,996,360	11,395,178
Cash Flow								
Revenues	1,708,759	1,946,839	2,090,559	2,096,371	2,096,371	2,096,371	2,096,371	2,096,371
Operating Expenses	1,172,985	1,279,312	1,350,944	1,377,963	1,405,522	1,433,633	1,462,306	1,491,552
Other Income	26,109	9,352	9,223	9,223	9,223	9,223	9,223	9,223
Cash Flow Before Debt Service	561,883	676,879	748,838	727,631	700,072	671,961	643,288	614,042
Debt Service								
Existing Debt Service	191,374	488,936	272,221	277,913	279,207	280,828	280,905	280,629
Proposed KIA Loan	0	0	0	0	0	0	0	86,999
Total Debt Service	191,374	488,936	272,221	277,913	279,207	280,828	280,905	367,628
Cash Flow After Debt Service	370,509	187,943	476,617	449,718	420,865	391,133	362,383	246,414
Ratios								
Current Ratio	1.9	3.2	2.8	2.9	3.1	3.3	3.5	2.4
Debt to Equity	0.6	0.8	0.6	0.6	0.6	0.5	0.5	0.5
Days Sales in Accounts Receivable	27.3	24.1	26.1	26.1	26.1	26.1	26.1	26.1
Months Operating Expenses in Unrestricted Cash	3.7	4.0	2.7	3.5	4.1	4.7	5.2	5.5
Debt Coverage Ratio	2.9	1.4	2.8	2.6	2.5	2.4	2.3	1.7

Reviewer: Sandy Sanders
Date: April 11, 2024
Loan Number: F24-006

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
LARUE COUNTY WATER DISTRICT #1, LARUE COUNTY
PROJECT REVIEW
WX21123030**

I. PROJECT DESCRIPTION

The LaRue County Water District #1 is requesting a Fund F loan in the amount of \$1,692,500 for the planning and design phase of the New Treatment Plant project. The district proposes to construct a new 4.0 MGD water treatment plant, raw water intake and new pumping facility. LCWD currently purchases from 8 different wholesale suppliers to resale to its customers. Divergent treatment processes among the suppliers causes difficulties in managing adequate distribution and movement with the system. A new water treatment facility will help insure a more reliable and standard supply of finished water allowing the LCWD to better meet water quality standards and enhance supply based upon usage and need as opposed to availability.

The LCWD currently serves approximately 3,505 residential and 68 commercial and industrial customers. They purchase water from 8 different wholesale suppliers.

II. PROJECT BUDGET

	Total
Planning	\$ 42,500
Engineering Fees - Design	1,650,000
Total	\$ 1,692,500

III. PROJECT FUNDING

	Amount	%
Fund F Loan	\$ 1,692,500	100%
Total	\$ 1,692,500	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 1,692,500
Less: Principal Forgiveness	885,397
Amortized Loan Amount	\$ 807,103
Interest Rate	2.25%
Loan Term (Years)	5
Estimated Annual Debt Service	\$ 171,576
Administrative Fee (0.30%)	2,421
Total Estimated Annual Debt Service	\$ 173,997

V. PROJECT SCHEDULE

Bid Opening:	August 2024
Construction Start:	October 2024
Construction Stop:	December 2026

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	3,505
Commercial	68
Industrial	0
Total	3,573

B) Rates

	Current	Prior	Prior
Date of Last Rate Increase	07/01/23	09/28/22	7/1/2022
Minimum, includes first 1,000 Gallons	\$18.66	\$18.63	\$18.59
Next 4,000 Gallons	0.00869	0.00866	0.00862
Cost for 4,000 gallons	\$44.73	\$44.61	\$44.45
Increase %	0.3%	0.4%	
Affordability Index (Rate/MHI)	1.0%	1.0%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility's service area population was 10,663 with a Median Household Income (MHI) of \$55,374. The MHI for the Commonwealth is \$55,454. The project will qualify for a 2.25% interest rate.

VIII. 2023 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a “green” requirement.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness \$885,397 will be credited to the loan balance.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended December 31, 2020, through December 31, 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 water revenues increased 22.3% from \$1.7 million in 2020 to \$2.1 million in 2022 due to rate adjustments for water services. Operating expenses increased 17.5% from \$1.5 million to \$1.7 million during the same period mostly due to higher costs associated with utilities and general and administrative expenses. The debt coverage ratio was 2.9, 1.4, and 2.8 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 2.8, a debt-to-equity ratio of 0.6, 26.1 days of sales in accounts receivable, and 2.7 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues will increase 0.3% in 2023 due to existing rate adjustments.
- 2) Purchased water and operating expenses will increase 2.0% annually due to inflation.
- 3) Debt service coverage is 1.7 in 2027 when principal and interest repayments begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

The LCWD 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 \$1,692,500 loan and must receive a Certificate of Public Convenience and Necessity, pursuant to KRS 278.020.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
2012 Note Series F	\$ 1,798,751	2040
2020 Revenue Bonds	2,751,000	2061
Unamortized Premium	8,370	0
KIA Loan F24-006 (i.a.o. \$1,692,500)	0	TBD
Total	\$ 4,558,121	

XI. CONTACTS

Legal Applicant

Entity Name	LaRue County Water District #1
Authorized Official	John Detre (Chairperson)
County	Larue
Email	jmd42748@yahoo.com
Phone	270-491-5248
Address	421 Strange Road Hodgenville, KY 42748

Applicant Contact

Name	Tim Bartley
Organization	LaRue County Water District #1
Email	tim@laruecountywater.com
Phone	270-325-3242
Address	421 Strange Road Hodgenville, KY 42748

Project Administrator

Name	Tim Bartley
Organization	LaRue County Water District #1
Email	tim@laruecountywater.com
Phone	270-325-3242
Address	421 Strange Road Hodgenville, KY 42748

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

ATTACHMENT C

Forms

LaRue County Water District #1
F24-006

SRF LOAN CONDITIONS CHECKLIST

Congratulations on receiving a conditional commitment of funding from the State Revolving Fund (SRF) Program. Borrowers will now be assigned a Compliance Analyst to help guide them through the rest of the loan process based on which Area Development District (ADD) they are located. Please submit all documents to one of the following contacts:

- Julie Bickers (Julie.Bickers@ky.gov, 502-892-3455): Purchase, Pennyrite, Green River, Barren River, Lake Cumberland, Big Sandy, Cumberland Valley, KY River
- Debbie Landrum (Debbie.Landrum@ky.gov, 502-892-3454): Lincoln Trail, KIPDA, Northern KY, Bluegrass, Buffalo Trace, Gateway, FIVCO

After all of the conditions of the Conditional Commitment Letter have been fulfilled, KIA will initiate the Assistance Agreement with the borrower. The Assistance Agreement must be fully executed before any funds may be disbursed. The following is a list of items needed to process your loan (forms can be found here <https://kia.ky.gov/FinancialAssistance/Pages/Forms.aspx>):

Before bid opening, submit the following items to the designated Compliance Analyst/DOW Contact:

Submit To:		
KIA	☐	Conditional Commitment Letter (this letter is sent to the borrower via email shortly following KIA board approval and is to be signed by the authorizing official);
USBANK	☐	Authorization for Electronic Deposit/Debit of Borrower Disbursements/ Payment (these forms are attached to the loan commitment letter sent after KIA board approval and are to be signed by the authorizing official and forwarded directly to US Bank via Email: KentuckyInfrastructureAuth@usbank.com)
KIA	☐	Transparency Form (this form is attached to the loan commitment letter sent after KIA board approval)
DOW	☐	Fiscal Sustainability Plan Certification and Cost and Effectiveness Certification (required for "A" loans only, prior to plans approval)
DOW	☐	Environmental review (Kentucky Division of Water will review and is required prior to plans approval. KIA will need copy of approval letter)
DOW	☐	Plans and specifications (Kentucky Division of Water will review and KIA will need copy of approval letter)
KIA	☐	Proof of compliance with any special condition identified in the Conditional Commitment Letter (e.g. adopted ordinance)

After the project has opened bids, please submit the following items to the designated Compliance Analyst/DOW Contact. It is imperative that the remaining standard conditions are fulfilled by the deadlines set forth in the Conditional Commitment Letter.

Submit To:		
DOW	☐	Authority to Award (ATA) Package , the Kentucky Division of Water will review and forward approval to KIA.
DOW	☐	Davis-Bacon prevailing wage rates , the Kentucky Division of Water will review and forward approval to KIA.
KIA	☐	Procurement and Wage Certification (KIA sends to borrower after bid opening.)
KIA	☐	Certification of obtainable revenue projections (KIA sends to borrower after bid opening.)
DOW	☐	Certification of clear site (DOW will forward to KIA.)
	☐	Plans and specifications approval from the Kentucky Division of Water (DOW will send approval to KIA.)
KIA	☐	Public Service Commission (PSC) approval , (CPCN and Authorization to Incur Debt) if applicable.

TRANSPARENCY ACT REPORTING INFORMATION FORM

CLEAN WATER STATE REVOLVING FUND AND DRINKING WATER STATE REVOLVING FUND

This form is required for projects funded in whole or in part from the Clean Water State Revolving Fund or the Drinking Water State Revolving Fund. This form is to be completed and returned with the signed Conditional Commitment Letter from the Kentucky Infrastructure Authority.

Borrower Information:

Name:	
Unique Entity ID (generated by SAM.gov)*:	
KIA Loan Number:	
Street Address	
City, State and Zip (Zip must include 4 digit extension)	
Federal Congressional District(s) of Borrower Utility Service Area:	

*If the Unique Entity ID provided above is registered under a different name than the recipient of funding, please provide the registration name below:

Unique Entity ID Name	
-----------------------	--

*If the recipient has not yet obtained a Unique Entity ID, please do so no later than 30 days after the KIA Board approval date of your loan request and provide notification to KIA of the number once issued.

Physical Location of Project (Primary Place of Performance)

Street Address	
City, State and Zip (Zip must include 4 digit extension)	
Federal Congressional District(s) of Project Location	

Reliance upon Federal Assistance (please answer the below questions Yes or No):

Did recipient receive 80% or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	
Did recipient receive \$25 million or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	
Does the public have access to compensation of senior executives of the recipient through periodic reports filed under Section 13A or 15D of the Securities Exchange Act of 1934 or Section 6104 of the Internal Revenue Code of 1986?	

Unique Entity ID Registration Information: <https://sam.gov>

KIA Loan # _____

ACH DEBIT AUTHORIZATION FORM

**AUTHORIZATION AGREEMENT FOR PRE-ARRANGED PAYMENTS
(DEBITS)**

The undersigned hereby authorizes U.S. Bank National Association Corporate Trust Department (“U.S. Bank”) to initiate debit entries to the Checking ☐ Savings ☐ (specify type) account indicated below at the bank named below:

BANK NAME _____ BRANCH _____
CITY _____ STATE _____ ZIP CODE _____
BANK TRANSIT/ABA NO. _____ ACCOUNT NO. _____

This authority is to remain in full force and effect until U.S. Bank has received written notification from the undersigned of its termination in such time and in such manner as to afford U.S. Bank a reasonable opportunity to act. The undersigned has the right to stop payment of a debit entry by reasonable prior written notification to U.S. Bank. After the above account has been charged, the undersigned has the right to have the amount of any erroneous debit immediately credited to its account by U.S. Bank up to 30 days following issuance of a statement.

NAME OF ENTITY: _____
ADDRESS _____
TAX IDENTIFICATION NUMBER: _____

By _____ Dated _____
Authorized Signer

Send to: U.S. Bank via Email

KentuckyInfrastructureAuth@usbank.com

KIA Loan # _____

ACH AUTHORIZATION FORM

AUTHORIZATION AGREEMENT FOR DISBURSEMENT PAYMENTS

The undersigned hereby authorizes U.S. Bank National Association Corporate Trust Department (“U.S. Bank”) to initiate debit entries to the Checking ☐ Savings ☐ (specify type) account indicated below at the bank named below:

BANK NAME _____ BRANCH _____
CITY _____ STATE _____ ZIP CODE _____
BANK TRANSIT/ABA NO. _____ ACCOUNT NO. _____

This authority is to remain in full force and effect until U.S. Bank has received written notification from the undersigned of its termination in such time and in such manner as to afford U.S. Bank a reasonable opportunity to act. The undersigned has the right to stop payment of a debit entry by reasonable prior written notification to U.S. Bank. After the above account has been charged, the undersigned has the right to have the amount of any erroneous debit immediately credited to its account by U.S. Bank up to 30 days following issuance of a statement.

NAME OF ENTITY: _____
ADDRESS _____
TAX IDENTIFICATION NUMBER: _____

By _____ Dated _____
Authorized Signer

Send to: U.S. Bank via Email

KentuckyInfrastructureAuth@usbank.com

**AUTHORIZATION FOR ELECTRONIC DEPOSIT
OF BORROWER PAYMENT
KENTUCKY INFRASTRUCTURE AUTHORITY
KIA Loan # _____**

Borrower Information:

Name: _____

Address: _____

City: _____ **State:** KY **Zip:** _____

Federal I.D. #: _____ **Telephone:** _____

Contact Name: _____

Email: _____

Financial Institution Information:

Bank Name: _____

Branch: _____ **Telephone:** _____

City: _____ **State:** KY **Zip:** _____

Transit / ABA No: _____

Account Name: _____

Account Number: _____

I, the undersigned, authorize payments directly to the account indicated above and to correct any errors which may occur from the transactions. I also authorize the Financial Institution to post these transactions to that account.

Signature: _____ **Date:** _____

Name Printed: _____ **Job Title:** _____

Send to: U.S. Bank via Email

KentuckyInfrastructureAuth@usbank.com

COMPLETE AFTER BID OPENING

**STATEMENT OF APPROVAL
OF PROJECTIONS OF REVENUE AND EXPENSES**

Borrower Name: _____

Loan No.: _____

I hereby certify that the revenue projections in the attached descriptions are still obtainable and that projections of operating expenses have not materially changed based on the "as-bid" budget submitted for the Project.

Signed: _____

Borrower

Date

SAMPLE LETTER

[Letterhead of Counsel for Water Utility]

[Date]

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

RE: SRF Loan#
City of xxxxx

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 XXXXXXXXXXXXX, hereinafter referred to as the "Water Utility ". I am familiar with the organization and existence of the Water Utility and the laws of the Commonwealth applicable thereto. Additionally I am familiar with the water project (the "Project") with respect to which the funding commitment by and between the Kentucky Infrastructure Authority ("Authority") and the Water Utility.

I have reviewed the commitment letter by and between the Authority and the Water Utility and the documentation regarding wage rates and procurement with respect to the Project.

Based upon my review I am of the opinion that:

The Water Utility has prepared construction specifications in accordance with all applicable federal wage rate laws and that the procurement procedures including those for construction, land, equipment and professional services that are a part of the project are in compliance with all applicable federal, state and local procurement laws.

Respectfully,

KENTUCKY INFRASTRUCTURE AUTHORITY
ANTICIPATED REPAYMENT SCHEDULE
LOAN #F24-006
LARUE COUNTY WATER DISTRICT #1

2.25% Interest
\$85,788.03 P & I Calculation

Original Loan Amount \$ 1,692,500.00
Principal Forgiveness \$ (885,397.00)
Repayment Amount \$ 807,103.00

No R & M Reserve Required for Planning & Design Loans

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$807,103.00		
06/01/27	\$76,708.12	\$9,079.91	2.25%	\$85,788.03	\$1,210.65	\$0.00	\$86,998.68	\$730,394.88	\$0.00	\$0.00
12/01/27	\$77,571.09	\$8,216.94	2.25%	\$85,788.03	\$1,095.59	\$0.00	\$86,883.62	\$652,823.79	\$0.00	\$0.00
06/01/28	\$78,443.76	\$7,344.27	2.25%	\$85,788.03	\$979.24	\$0.00	\$86,767.27	\$574,380.03	\$0.00	\$0.00
12/01/28	\$79,326.25	\$6,461.78	2.25%	\$85,788.03	\$861.57	\$0.00	\$86,649.60	\$495,053.78	\$0.00	\$0.00
06/01/29	\$80,218.67	\$5,569.36	2.25%	\$85,788.03	\$742.58	\$0.00	\$86,530.61	\$414,835.11	\$0.00	\$0.00
12/01/29	\$81,121.14	\$4,666.89	2.25%	\$85,788.03	\$622.25	\$0.00	\$86,410.28	\$333,713.97	\$0.00	\$0.00
06/01/30	\$82,033.75	\$3,754.28	2.25%	\$85,788.03	\$500.57	\$0.00	\$86,288.60	\$251,680.22	\$0.00	\$0.00
12/01/30	\$82,956.63	\$2,831.40	2.25%	\$85,788.03	\$377.52	\$0.00	\$86,165.55	\$168,723.59	\$0.00	\$0.00
06/01/31	\$83,889.89	\$1,898.14	2.25%	\$85,788.03	\$253.09	\$0.00	\$86,041.12	\$84,833.70	\$0.00	\$0.00
12/01/31	\$84,833.70	\$954.33	2.25%	\$85,788.03	\$127.25	\$0.00	\$85,915.28	\$0.00	\$0.00	\$0.00
Totals	\$807,103.00	\$50,777.30		\$857,880.30	\$6,770.31	\$0.00	\$864,650.61		\$0.00	

Exhibit 4

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF
LARUE COUNTY WATER DISTRICT AUTHORIZING THE PREPERATION AND
FILING OF AN APPLICATION PURSUANT TO KRS 278.020 WITH THE KENTUCKY
PUBLIC SERVICE COMMISSION AND ALL OTHER NECESSARY FILINGS IN
RELATION TO THE APPLICATION**

A meeting of the Board of Commissioners ("Board") of Larue County Water District #1 (LCWD) was held on March 9, 2026, after due and proper notice of such meeting was given, and after a quorum was declared, during which meeting the Board discussed and considered the Federally Assisted Drinking Water Revolving Loan Fund, Conditional Commitment Letter ("Loan") and filing an application pursuant to KRS 278.030 with the Kentucky Public Service Commission ("Commission") for approval of the Loan.

Upon motion by Bobby Garrison and seconded by Pat Eastridge, and duly carried, the following RESOLUTION was unanimously adopted:

WHEREAS, LCWD is a water district created by KRS Chapter 74 and its purpose is to provide safe, efficient, and reliable water service at rates and terms that are fair, just and reasonable; and,

WHEREAS, the leadership and management of LCWD have thoroughly reviewed the District's financial condition and it has become apparent that to maximize LCWD's financial condition to enable it to proceed with a water treatment plan entering into the Loan is necessary; and,

WHEREAS, the Board understands the process and length of time necessary to prepare the documents for the stated financial transactions; and

WHEREAS, the Board understand that before any financial documents that required approval pursuant to KRS 278.030 must be approved by the Commission before the transactions can be finalized; and

NOW, THEREFORE BE IT RESOLVED by the Larue County Water District #1 Board of Commissioners hereby grants approval for the management of LCWD to take all necessary and advisable actions in connection with preparation of the financial transactions and the filing of an Application pursuant to KRS 278.030 with the Kentucky Public Service Commission.

DATE: March 9, 2026

ATTEST: Rebecca D. Baker

John Detre
CHAIRMAN OF THE BOARD
Pat Eastridge
SECRETARY