

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

APR - 6 2010

PUBLIC SERVICE
COMMISSION

In the Matter of:

**PROPOSES ADJUSTMENT OF THE
WHOLESALE WATER SERVICE RATES OF
THE CITY OF WHITESBURG
CASE NO. 2009-00465**

**RESPONSE TO COMMISSION STAFF'S SECOND INFORMATION
REQUEST TO THE CITY OF WHITESBURG**

Comes the City of Whitesburg, and for its Response to the Commission Staff's Second Information

Request states as follows:

REQUEST 1. State the date on which the purchased water contract with Letcher County Water and Sewer District ("Letcher District") was entered into:

RESPONSE: The purchased water contract was approved by the Whitesburg City Council at its meeting on January 13, 2004. It is believed to have been signed by Mayor Nathan Baker after that date. See a copy of minutes attached as Exhibit 1.

REQUEST 2. Identify the date on which Letcher District first purchased water under this contract.

RESPONSE: The first billings were done based on November 5, 2004 reading of meters 1 and 2. See Exhibit 2, attached.

REQUEST 3. State whether the restriction on including additional capitalization of Whitesburg's system in the purchased water contract became effective on the date the contract was entered into or the date that water was first purchased under this contract.

RESPONSE: The contract became effective for a term of fifty years from the date of the initial delivery of any water as shown by first billing submitted from Seller to Purchaser. See Exhibit 2 above.

REQUEST 4. Give a specific listing of the bonds or other long term debt that may be included in determining the wholesale water rate and provide an amortization schedule for each debt listed, showing:

- a. The annual principal, interest, debt service and amount allocated to the wholesale customer.
- b. The factors used to allocate the amounts to the wholesale customer. Explain how these factors were developed.

RESPONSE: See Exhibit 4(a) (b) and (c) attached.

REQUEST 5. Exhibit 3 of Whitesburg's response to the Commission Staff's first data request suggests that the fiscal year ending June 30, 2006 is the test period for this case.

- a. If 2006 is not the test period in this case, state what the test period is and why that test period was chosen.
- b. If 2006 is the test period, explain why that test period was chosen.

RESPONSE: 2006 is not the test period, but the Rural Water Study was provided as a backup.

6. If 2006 is not the test period in this case, restate Exhibit 3 using the test period numbers.

RESPONSE: Rates were calculated for a period of twelve months prior to December 15, 2008. The City's share was \$1.15 per 1000 gallons and the contract manager for the water system provided \$2.38 per 1000 gallons. Adding the two numbers together gives the proposed rate \$3.53.

7. Provide the calculations, including any assumptions, used to determine the proposed wholesale water rate of \$3.53 per 1000 gallons.

RESPONSE: See attached Exhibit 7 A) City Calculations B) Veolia's Calculations

8. Identify the allocation factor that should be applied to depreciation and how that factor was determined.

RESPONSE: See Exhibit 7 A & B above.

9. State how much water is currently being purchased by the wholesale customer.
- a. Explain whether the amount of water purchased impacts the allocation factors.
 - b. If yes, explain how it affects those factors and show the effects it has on those factors.

RESPONSE: See Exhibit 9(a) (b) and (c) attached. All figures are based on water produced and water sold.

10. State whether the expenses allocated to the wholesale customer include any payments to Whitesburg.
- a. If yes, identify where the payments are included in the accounting records.
 - b. If yes, state the amount of the payments.

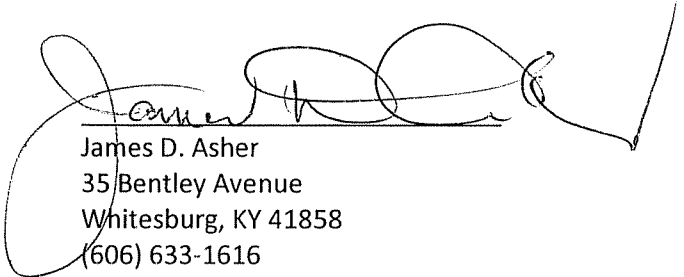
RESPONSE: All income from water sold goes into the water fund , which first makes bond payments and the remainder is used for the expenses of running the water system.

11. a. Refer to Whitesburg’s response to item 12(a) of the Commission Staff’s first data request. Complete the table in the form that was provided in the original data request for the entire system.

Water Main Size	Total Miles of Line	Miles of Lines Used by HWEA to Serve its Wholesale Customers
3"	1	
14"	0	
12"	0	
10"	0	
8"	7.5	7.5
6"	30.5	30.5
4"	8	8
2"	3	

b. The utility responded with the number of miles of water main from the water treatment plant to the county master meter. State whether these are dedicated lines or jointly used.

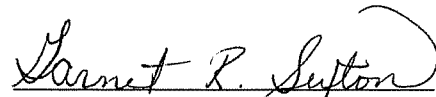
RESPONSE: Jointly Used.



James D. Asher
35 Bentley Avenue
Whitesburg, KY 41858
(606) 633-1616

CERTIFICATION

I hereby certify that the foregoing responses are true and accurate answers to the best of my knowledge, information and belief.



Garnett R. Sexton
Garnett Sexton, City Clerk
City of Whitesburg, Kentucky

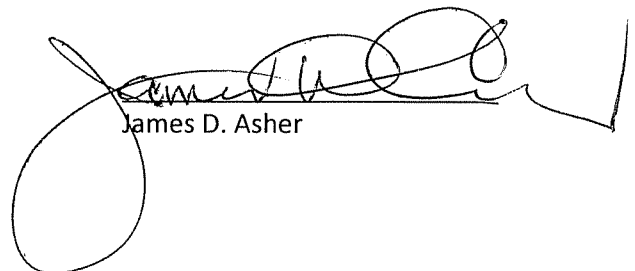
CERTIFICATION OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served by first class mail, postage prepaid, to the following on the 5th day of April, 2010:

Jeff R. Derouen, Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

Hon. Todd Osterloh
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

Hon. Jamie Hatton
52 Broadway Street, Suite A
Whitesburg, KY 41858
Counsel for Letcher County Water and Sewer District



James D. Asher

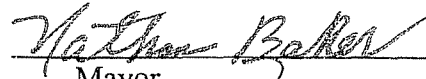
Jeff Kilgore came before council to give his monthly report on the water and sewer system. Discussion followed on the drying bed and belt pressing. Councilman Mullins told Mr. Kilgore under no conditions was there to be any by-passing to the river.

Upon motion of Councilman Gary Mullins and seconded by Councilman Ralph Hall Jr. and carried, the council will go into executive session at 7:45 p.m.

Upon motion of Councilman Gary Mullins and seconded by Councilman James Bates and carried the council will come out of executive session at 8:05. Mayor Baker reported no action taken.


Joe Depreist, Letcher County Economic Development Director came before council asking the city to donate money for the promotion of Letcher County. Upon motion of James Bates seconded by Councilman Chuck Cornett and carried, the city will donate \$4,500.00 for the promotion of Letcher County.

Upon motion of Councilman Ralph Hall Jr. and seconded by Councilman James Bates and carried, this meeting is and will be adjourned.



Mayor

Attest:



City Clerk

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Minutes of a special called meeting of the City Council of the City of Whitesburg held the 29th day of December 2003, at City Hall at 6:00 p.m.

Mayor Baker called the meeting to order and instructed the clerk to call the roll.

Those Present:

Chuck Cornett
Gary Mullins
John Williams

Ralph Hall Jr.
Sheila Swisher

Those Absent:

James Bates

Mayor Baker asks Councilman Ralph Hall Jr. to open the meeting with prayer.

Judge Smith called the Fiscal Court meeting to order at 6:05 p.m.

Pledge of Allegiance was observed.

Engineering Presentations:

Nesbitt Engineering, Inc. gave their presentation first. Councilman Mullins ask Jim Tolliver if negotiating with Nesbitt and Summit Engineering would be satisfactory to CDBG for procurement requirements. Mr. Tolliver said he had not been able to check with CDBG.

Judge Smith as long as procurement measures had been taken he did not have a problem.

Paul Nesbitt gave presentation for engineering services for the proposed WWTP.
Discussion followed.

Summit Engineering gave their presentation for engineering services for the proposed WWTP.

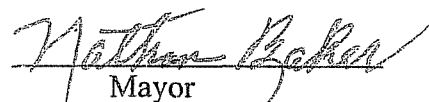
Discussion followed on the site location and the proposed budget for the project.

Councilman Williams ask about mandatory sewer hookup. Judge Smith said the county has an ordinance and if you do not have a workable sewer system you would have to hookup if sewer were available. Councilman Williams expressed concern about collecting from people who do not pay their bill; where would that leave the city?

~~Wholesale water rates tabled to next meeting.~~

Upon motion of Councilman Gary Muillins seconded by Councilman John Williams and carried, the clerk will place an advertisement in the paper for engineering qualifications for the amendment to the city's 201 Facilities Plan and the design and construction of a Wastewater Treatment Plant to service the City of Whitesburg and selected county areas.

Upon motion of Councilman Ralph Hall Jr. seconded by Councilman John Williams and carried, this meeting is and will be adjourned.


Mayor

Attest:


City Clerk

Regular schedule meeting of the City Council of the City of Whitesburg held this 13th day of January, 2004 at city hall at 6:30 p.m.

Mayor Baker called the meeting to order and instructed the clerk to call the roll.

Those Present:

James Bates
 Chuck Cornett
 Ralph Hall Jr.
 Gary Mullins
 Sheila Swisher
 John Williams

Those Absent:

None

Mayor Baker asked Rev. Jack Sparks to open the meeting with prayer.

Upon motion of Councilman Ralph Hall Jr. seconded by Councilman Chuck Cornett and carried the previous minutes are approved as presented.

Upon motion of Councilman James Bates seconded by Councilman Chuck Cornett and carried the current bills are approved for payment. Bills are in words and figures as follows:

Bills approved January 13, 2004

G&K Services	City Hall	Amount	62.26	Total 103.26
	Street		17.00	
	Sanitation		24.00	
Dominion	City Hall	Amount	131.58	
Auto Works	Police	Amount	253.76	Total 636.96
	Sanitation		383.20	
Car Quest	Street	Amount	312.53	
Napa	Police	Amount	7.83	Total 27.83
	Street		20.00	
Appalachian Wireless	Police	Amount	359.04	

Letcher Co. Tranfer Station		Amount	6,901.78	
WTCW/WXKQ	City Hall	Amount	60.00	
Dry Fork Market	City Hall	Amount	52.00	
Martha Grear Realty	City Hall	Amount	150.00	
Whitesburg Florist	City Hall	Amount	471.40	
Tri-State Electronics	Police	Amount	135.00	
Xerox	City Hall	Amount	160.71	
G&G Metal/Fire Equip.	Fire	Amount	86.34	
Miniard Water Co.	City Hall	Amount	28.00	
American Electric		Amount	11.31	
James W. Craft 11	City Hall	Amount	500.00	
Municipal Water Works	Fire Hydrant	Amount	16.73	
Fleet One	Police	Amount	812.67	
	Fire		123.29	Total
	Sanitation		869.60	1,936.05
	Street		130.49	
Frazier's Farmer Supply	City Hall	Amount	91.50	Total
	Fire		14.70	372.96
	Street		266.76	

Richard Hall, President of the Whitesburg Little League Association came before council asking for water for the little league fields. Mayor Baker told Mr. Hall that the city had already run a waterline to the property. Mayor Baker was not sure if the line was all the way to the fields or not. Jeff Kilgore said there was line stored at the water plant that the city had purchase for the fields. Discussion followed on the road right-of-way to the fields. Mr. Hall thanked Councilman Bates for his support of the little league program.

Chris Gooch, CPA came before council to present the annual audit report for the year ending June 30, 2003.

Councilman Mullins said as per the audit report the sanitation department was over budget by \$20,000. "We need to be prepared to raise garbage rates".

Upon motion of Councilman Gary Mullins seconded by Councilman James Bates and carried the annual audit is approved as presented.

Statements of qualifications for engineering services for the proposed wastewater treatment plant.

Score sheets were tallied. American Engineering Company – 188
Summit Engineering Company – 473
Nesbitt Engineering Company – 334

Upon motion of Councilman James Bates and seconded by Councilman Ralph Hall Jr. Nesbitt Engineering is selected for engineering services for the wastewater treatment plant project. Mayor Baker called for a vote, 3 votes aye, 3 votes nay. Mayor Baker broke the tie with an aye vote for Nesbitt Engineering.

Upon motion of Councilman Gary Mullins seconded by Councilman Chuck Cornett Summit Engineering is selected for engineering services for the wastewater treatment plant project. Mayor Baker call for a vote, 3 votes aye, 3 votes nay.

City attorney James Craft questioned the procurement requirements. Mr. Craft will go to his office to check the law as to advise the city in the legal way to proceed.

Upon motion of Councilman Chuck Cornett and seconded by Councilman James Bates and carried the city clerk can go forward with the hardware and software proposal submitted by Will Herrick.

Jeff Kilgore came before council to give his monthly report. Jeff said they were looking at the airport property as a possible sludge site. Jeff said they would need a belt press by the end of the month.

Upon motion of Councilman Ralph Hall Jr. seconded by Councilman Chuck Cornett the council will go into executive session to discuss property appraisals time is 7:17 p.m.

Upon motion of Councilman Ralph Hall Jr. seconded by Councilman John Williams and carried the council will come out of executive session at 7:38 p.m.

Upon motion of Councilman Gary Mullins seconded by Councilman Ralph Hall Jr. and carried the appraisals from Martha Greer for \$16,000 for the Tunnel Hill property is accepted.

Upon motion of Councilman Gary Mullins and seconded by Councilman Chuck Cornett And carried the invoice submitted by Roy Crawford is approved for payment.

Upon motion of Councilman Gary Mullins seconded by Councilman Ralph Hall Jr. and carried the medical invoice submitted for Diane Lewis is approved for payment. City attorney James Craft will prepare a release of liability to be signed before payment is submitted.

Upon motion of Councilman Gary Mullins seconded by Councilman Ralph Hall Jr. and carried the city will sale Donald Niece the Tunnel Hill Property for the appraised value of \$16,000 along with the cost of engineer services and appraisal fees. Mr. Niece will need to close off all roads to the city's property and develop and blacktop his own road.

City attorney James Craft advised the council they would need to follow the law as set forth in KRS 45A.745 for ranking criteria for advertising for personal services. The city would need to negotiate a contact with the highest-ranking firm. (in this case being Summit Engineering). If the city is unable to negotiate with this firm then you would go to the next highest-ranking firm and attempt negotiations.

Upon motion of Councilman Gary Mullins seconded by Councilman Chuck Cornett and carried the last motions in connection with the selection of a engineering company for the Wastewater Treatment Plant Project is nullified The city will proceed with negotiations as set forth in KRS 45A.745.

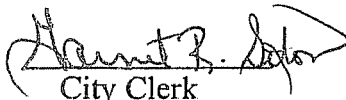
Discussion followed on wholesale water rates for the county. Jim Tolliver said the contract is for 50 years. The wholesale price for water could be renegotiated every 2 years. Would the city charge for water used to fight fires?

Upon motion of Councilman Gary Mullins seconded by Councilman Chuck Cornett and carried the contract with the county for wholesale water rates is approved.

Upon motion of Councilman Ralph Hall Jr. seconded by Councilman Gary Mullins and carried this meeting is and will be adjourned.


Mayor

Attest:


City Clerk

Minutes of a special called meeting of the City Council of the City of Whitesburg held this 19th day of January 2004 at 12:00 noon at city hall.

Mayor Baker called the meeting to order and instructed the clerk to call the roll.

Those Present:

Chuck Cornett	Sheila Swisher
Ralph Hall Jr.	John Williams
Gary Mullins	

Those Absent:

James Bates

Mayor Baker asked Councilman Ralph Hall Jr. to open the meeting in prayer.

Judge Smith called the fiscal court meeting to order at 12:03 p.m.

The pledge of Allegiance was observed.

Interlocal agreement was discussed. Councilman Mullins said he believes we need to have an agreement and it will probably change as the project advances.

Upon motion of Councilman Gary Mullins and seconded by Councilman Chuck Cornett and carried the language in the wholesale water rate contract with the county needs to read as follows; any documented fire flow will be billed at cost. Mayor Baker is given the authority to sign the contract.

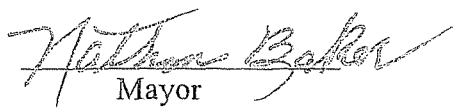
Summit Engineering submitted their contract for services for the Wastewater Treatment Project. County Attorney Harold Bolling said he had a few questions about the contract concerning the engineering fees discussion followed; residential inspection fees make up for 3 ½ % of the total engineering cost. Mr. Bolling asks if the cost for the aerial mapping is in the inspection fees. Are the residential inspection fees included in the engineering fees? Is Summit Engineering responsible for residential inspections or are they done independently?

Language to be added to the contract in section 6.10A: the engineering company will be responsible for residential inspection in case of neglect of duties of inspector.

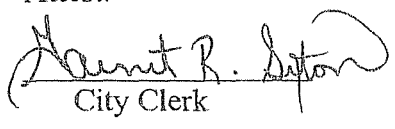
Negotiations continued on residential inspection fees. Summit agreed to reduce their residential inspection fees by \$15,000. Negotiations continued and Summit Engineering agrees to forego any fees for residential inspections. This reduces the contract by \$55,590.

Upon motion of Councilman Gary Mullins and seconded by Councilman Chuck Cornett and carried, Summit Engineering contract for engineering services for the Wastewater Treatment Project is approved with amendments.

Upon motion of Councilman Ralph Hall Jr. seconded by Councilman Gary Mullins and carried, this meeting is and will be adjourned.


Mayor

Attest:


City Clerk

Minutes of a regular schedule meeting of the City Council of the City of Whitesburg held this 10th day of February 2004 at city hall at 6:30 p.m.

Mayor Baker called the meeting to order and instructed the clerk to call the roll.

Those Present:

James Bates	Chuck Cornett
Ralph Hall Jr.	Gary Mullins
Sheila Swisher	John Williams

Those Absent:

None

Mayor Baker asked Reverend Jack Sparks to open the meeting with prayer.

Upon motion of Ralph Hall Jr. and seconded by James Bates and carried, the previous minutes are approved with a correction in minutes dated January 19, 2004, minutes should read as resident fees not residual fees.

Upon motion of Chuck Cornett and seconded by James Bates and carried, the current bills are approved for payment. Bills are in words and figures as follows:

Bills approved for payment February 10, 2004

Kentucky Uniforms Inc.	\$ 165.34
Bristol Office Supply	52.55
Finley Fire Equipment	1,454.77
Xerox	170.31
James Craft	500.00
Rick Caudill	294.00
Bluegrass Fire Equipment Co.	144.22
BWB Enterprise	100.80
RDJ Specialties Inc.	59.50
Gall's	182.88
Dominion Office	394.33
Donald Cummings Jr.	515.00
Auto Works	355.93
Appalachian Wireless	376.38
Quality Parts	113.14
PSG	34,566.26
Area Office Supply	67.84
Tri-State Electronics	2,040.29
Frazier's Farmer Supply	628.90
G&K Services	168.76
Fleetone	1,857.02

4(a)

Kentucky Infrastructure Authority

Sinking Fund 1999 Fund C

MONTHLY PAYMENT SCHEDULE

Whitesburg, City of

C93-03

Loan Amount 280,000.00

Payment Date	Principal	Coupon	Interest	Debt Service	Service Fee	Sinking Fund	Net Total Payment	Principal Balance Remaining
9/1/2004	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	278,500.00
10/1/2004	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	277,000.00
11/1/2004	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	275,500.00
12/1/2004	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	274,000.00
1/1/2005	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	272,500.00
2/1/2005	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	271,000.00
3/1/2005	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	269,500.00
4/1/2005	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	268,000.00
5/1/2005	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	266,500.00
6/1/2005	1,500.00	3.000%	1,109.25	2,609.25	56.00	0.00	2,665.25	265,000.00
7/1/2005	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	263,333.33
8/1/2005	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	261,666.67
9/1/2005	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	260,000.00
10/1/2005	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	258,333.33
11/1/2005	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	256,666.67
12/1/2005	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	255,000.00
1/1/2006	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	253,333.33
2/1/2006	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	251,666.67
3/1/2006	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	250,000.00
4/1/2006	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	248,333.33
5/1/2006	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	246,666.67
6/1/2006	1,666.67	2.250%	881.77	2,548.44	44.17	0.00	2,592.61	245,000.00
7/1/2006	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	243,333.33
8/1/2006	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	241,666.67
9/1/2006	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	240,000.00
10/1/2006	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	238,333.33
11/1/2006	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	236,666.67
12/1/2006	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	235,000.00
1/1/2007	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	233,333.33
2/1/2007	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	231,666.67
3/1/2007	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	230,000.00
4/1/2007	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	228,333.33
5/1/2007	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	226,666.67
6/1/2007	1,666.67	2.500%	844.27	2,510.94	40.83	0.00	2,551.77	225,000.00
7/1/2007	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	223,333.33
8/1/2007	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	221,666.67
9/1/2007	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	220,000.00
10/1/2007	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	218,333.33
11/1/2007	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	216,666.67
12/1/2007	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	215,000.00
1/1/2008	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	213,333.33
2/1/2008	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	211,666.67
3/1/2008	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	210,000.00
4/1/2008	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	208,333.33
5/1/2008	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	206,666.67
6/1/2008	1,666.67	3.000%	802.61	2,469.27	37.50	0.00	2,506.77	205,000.00
7/1/2008	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	203,750.00
8/1/2008	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	202,500.00
9/1/2008	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	201,250.00
10/1/2008	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	200,000.00
11/1/2008	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	198,750.00
12/1/2008	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	197,500.00

(14)

Kentucky Infrastructure Authority

MONTHLY PAYMENT SCHEDULE

Whitesburg, City of

C93-03

Loan Amount

280,000.00

Payment Date	Principal	Coupon	Interest	Debt Service	Service Fee	Sinking Fund	Net Total Payment	Principal Balance Remaining
1/1/2009	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	196,250.00
2/1/2009	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	195,000.00
3/1/2009	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	193,750.00
4/1/2009	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	192,500.00
5/1/2009	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	191,250.00
6/1/2009	1,250.00	3.000%	752.61	2,002.61	34.17	0.00	2,036.77	190,000.00
7/1/2009	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	188,750.00
8/1/2009	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	187,500.00
9/1/2009	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	186,250.00
10/1/2009	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	185,000.00
11/1/2009	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	183,750.00
12/1/2009	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	182,500.00
1/1/2010	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	181,250.00
2/1/2010	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	180,000.00
3/1/2010	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	178,750.00
4/1/2010	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	177,500.00
5/1/2010	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	176,250.00
6/1/2010	1,250.00	3.500%	715.11	1,965.11	31.67	0.00	1,996.77	175,000.00
7/1/2010	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	173,333.33
8/1/2010	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	171,666.67
9/1/2010	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	170,000.00
10/1/2010	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	168,333.33
11/1/2010	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	166,666.67
12/1/2010	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	165,000.00
1/1/2011	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	163,333.33
2/1/2011	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	161,666.67
3/1/2011	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	160,000.00
4/1/2011	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	158,333.33
5/1/2011	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	156,666.67
6/1/2011	1,666.67	3.750%	671.36	2,338.02	29.17	0.00	2,367.19	155,000.00
7/1/2011	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	153,333.33
8/1/2011	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	151,666.67
9/1/2011	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	150,000.00
10/1/2011	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	148,333.33
11/1/2011	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	146,666.67
12/1/2011	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	145,000.00
1/1/2012	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	143,333.33
2/1/2012	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	141,666.67
3/1/2012	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	140,000.00
4/1/2012	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	138,333.33
5/1/2012	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	136,666.67
6/1/2012	1,666.67	5.000%	608.86	2,275.52	25.83	0.00	2,301.36	135,000.00
7/1/2012	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	133,333.33
8/1/2012	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	131,666.67
9/1/2012	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	130,000.00
10/1/2012	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	128,333.33
11/1/2012	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	126,666.67
12/1/2012	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	125,000.00
1/1/2013	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	123,333.33
2/1/2013	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	121,666.67
3/1/2013	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	120,000.00
4/1/2013	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	118,333.33
5/1/2013	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	116,666.67

Kentucky Infrastructure Authority

MONTHLY PAYMENT SCHEDULE

Whitesburg, City of
C93-03

Loan Amount

280,000.00

Payment Date	Principal	Coupon	Interest	Debt Service	Service Fee	Sinking Fund	Net Total Payment	Principal Balance Remaining
6/1/2013	1,666.67	5.250%	525.52	2,192.19	22.50	0.00	2,214.69	115,000.00
7/1/2013	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	113,333.33
8/1/2013	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	111,666.67
9/1/2013	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	110,000.00
10/1/2013	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	108,333.33
11/1/2013	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	106,666.67
12/1/2013	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	105,000.00
1/1/2014	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	103,333.33
2/1/2014	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	101,666.67
3/1/2014	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	100,000.00
4/1/2014	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	98,333.33
5/1/2014	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	96,666.67
6/1/2014	1,666.67	5.250%	438.02	2,104.69	19.17	0.00	2,123.86	95,000.00
7/1/2014	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	93,333.33
8/1/2014	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	91,666.67
9/1/2014	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	90,000.00
10/1/2014	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	88,333.33
11/1/2014	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	86,666.67
12/1/2014	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	85,000.00
1/1/2015	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	83,333.33
2/1/2015	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	81,666.67
3/1/2015	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	80,000.00
4/1/2015	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	78,333.33
5/1/2015	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	76,666.67
6/1/2015	1,666.67	4.000%	350.52	2,017.19	15.83	0.00	2,033.02	75,000.00
7/1/2015	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	72,916.67
8/1/2015	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	70,833.33
9/1/2015	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	68,750.00
10/1/2015	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	66,666.67
11/1/2015	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	64,583.33
12/1/2015	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	62,500.00
1/1/2016	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	60,416.67
2/1/2016	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	58,333.33
3/1/2016	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	56,250.00
4/1/2016	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	54,166.67
5/1/2016	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	52,083.33
6/1/2016	2,083.33	4.125%	283.86	2,367.19	12.50	0.00	2,379.69	50,000.00
7/1/2016	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	47,916.67
8/1/2016	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	45,833.33
9/1/2016	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	43,750.00
10/1/2016	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	41,666.67
11/1/2016	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	39,583.33
12/1/2016	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	37,500.00
1/1/2017	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	35,416.67
2/1/2017	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	33,333.33
3/1/2017	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	31,250.00
4/1/2017	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	29,166.67
5/1/2017	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	27,083.33
6/1/2017	2,083.33	5.250%	197.92	2,281.25	8.33	0.00	2,289.58	25,000.00
7/1/2017	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	22,916.67
8/1/2017	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	20,833.33
9/1/2017	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	18,750.00
10/1/2017	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	16,666.67

Kentucky Infrastructure Authority

MONTHLY PAYMENT SCHEDULE

Whitesburg, City of

C93-03

Loan Amount

280,000.00

Payment Date	Principal	Coupon	Interest	Debt Service	Service Fee	Sinking Fund	Net Total Payment	Principal Balance Remaining
11/1/2017	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	14,583.33
12/1/2017	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	12,500.00
1/1/2018	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	10,416.67
2/1/2018	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	8,333.33
3/1/2018	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	6,250.00
4/1/2018	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	4,166.67
5/1/2018	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	2,083.33
6/1/2018	2,083.33	4.250%	88.54	2,171.88	4.17	-330.58	1,845.46	0.00
TOTAL	280,000.00		97,023.90	377,023.90	4,470.00	-3,967.00	377,526.90	

4(b)



Sinking Fund 1995 Fund B

2.70% Rate
 \$30,313.47 P & I

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$932,179.00		
12/01/98	\$17,729.05	\$12,618.90	2.70%	\$30,347.95	\$932.18	\$0.00	\$31,280.13	\$914,449.95	\$3,128.01	\$3,128.01
06/01/99	\$17,968.39	\$12,345.07	2.70%	\$30,313.47	\$914.45	\$0.00	\$31,227.92	\$896,481.56	\$3,122.79	\$6,250.80
12/01/99	\$18,210.97	\$12,102.50	2.70%	\$30,313.47	\$896.48	\$0.00	\$31,209.95	\$878,270.59	\$3,120.99	\$9,371.80
06/01/00	\$18,456.82	\$11,856.65	2.70%	\$30,313.47	\$878.27	\$0.00	\$31,191.74	\$859,813.77	\$3,119.17	\$12,490.97
12/01/00	\$18,705.98	\$11,607.49	2.70%	\$30,313.47	\$859.81	\$0.00	\$31,173.28	\$841,107.79	\$3,117.33	\$15,608.30
06/01/01	\$18,958.51	\$11,354.96	2.70%	\$30,313.47	\$841.11	\$0.00	\$31,154.58	\$822,149.28	\$3,115.46	\$18,723.76
12/01/01	\$19,214.45	\$11,099.02	2.70%	\$30,313.47	\$822.15	\$0.00	\$31,135.62	\$802,934.83	\$3,113.56	\$21,837.32
06/01/02	\$19,473.85	\$10,839.62	2.70%	\$30,313.47	\$802.93	\$0.00	\$31,116.40	\$783,460.98	\$3,111.64	\$24,948.96
12/01/02	\$19,736.74	\$10,576.72	2.70%	\$30,313.47	\$783.46	\$0.00	\$31,096.93	\$763,724.23	\$3,109.69	\$28,058.65
06/01/03	\$20,003.19	\$10,310.28	2.70%	\$30,313.47	\$763.72	\$0.00	\$31,077.19	\$743,721.04	\$3,107.72	\$31,166.37
12/01/03	\$20,273.23	\$10,040.23	2.70%	\$30,313.47	\$743.72	\$0.00	\$31,057.19	\$723,447.81	\$3,105.72	\$34,272.09
06/01/04	\$20,546.92	\$9,766.55	2.70%	\$30,313.47	\$723.45	\$0.00	\$31,036.92	\$702,900.88	\$3,103.69	\$37,375.78
12/01/04	\$20,824.31	\$9,489.16	2.70%	\$30,313.47	\$702.90	\$0.00	\$31,016.37	\$682,076.58	\$3,101.64	\$40,477.42
06/01/05	\$21,105.43	\$9,208.03	2.70%	\$30,313.47	\$682.08	\$0.00	\$30,995.54	\$660,971.14	\$3,099.55	\$43,576.98
12/01/05	\$21,390.36	\$8,923.11	2.70%	\$30,313.47	\$660.97	\$0.00	\$30,974.44	\$639,580.79	\$3,031.97	\$46,608.95
06/01/06	\$21,679.13	\$8,634.34	2.70%	\$30,313.47	\$639.58	\$0.00	\$30,953.05	\$617,901.66		\$46,608.95
12/01/06	\$21,971.80	\$8,341.67	2.70%	\$30,313.47	\$617.90	\$0.00	\$30,931.37	\$595,929.86		\$46,608.95
06/01/07	\$22,268.42	\$8,045.05	2.70%	\$30,313.47	\$595.93	\$0.00	\$30,909.40	\$573,661.45		\$46,608.95
12/01/07	\$22,569.04	\$7,744.43	2.70%	\$30,313.47	\$573.86	\$0.00	\$30,887.13	\$551,092.41		\$46,608.95
06/01/08	\$22,873.72	\$7,439.75	2.70%	\$30,313.47	\$551.09	\$0.00	\$30,864.56	\$528,218.69		\$46,608.95
12/01/08	\$23,182.52	\$7,130.95	2.70%	\$30,313.47	\$528.22	\$0.00	\$30,841.69	\$505,036.17		\$46,608.95
06/01/09	\$23,495.48	\$6,817.99	2.70%	\$30,313.47	\$505.04	\$0.00	\$30,818.50	\$481,540.69		\$46,608.95
12/01/09	\$23,812.67	\$6,500.80	2.70%	\$30,313.47	\$481.54	\$0.00	\$30,795.01	\$457,728.02		\$46,608.95
06/01/10	\$24,134.14	\$6,179.33	2.70%	\$30,313.47	\$457.73	\$0.00	\$30,771.20	\$433,593.88		\$46,608.95
12/01/10	\$24,459.95	\$5,853.52	2.70%	\$30,313.47	\$433.59	\$0.00	\$30,747.06	\$409,133.93		\$46,608.95
06/01/11	\$24,790.16	\$5,523.31	2.70%	\$30,313.47	\$409.13	\$0.00	\$30,722.60	\$384,343.77		\$46,608.95
12/01/11	\$25,124.83	\$5,188.64	2.70%	\$30,313.47	\$384.34	\$0.00	\$30,697.81	\$359,218.95		\$46,608.95
06/01/12	\$25,464.01	\$4,849.46	2.70%	\$30,313.47	\$359.22	\$0.00	\$30,672.69	\$333,754.93		\$46,608.95
12/01/12	\$25,807.78	\$4,505.69	2.70%	\$30,313.47	\$333.75	\$0.00	\$30,647.22	\$307,947.16		\$46,608.95
06/01/13	\$26,156.18	\$4,157.29	2.70%	\$30,313.47	\$307.95	\$0.00	\$30,621.42	\$281,790.98		\$46,608.95
12/01/13	\$26,509.29	\$3,804.18	2.70%	\$30,313.47	\$281.79	\$0.00	\$30,595.26	\$255,281.69		\$46,608.95
06/01/14	\$26,867.17	\$3,446.30	2.70%	\$30,313.47	\$255.28	\$0.00	\$30,568.75	\$228,414.52		\$46,608.95
12/01/14	\$27,229.87	\$3,083.60	2.70%	\$30,313.47	\$228.41	\$0.00	\$30,541.88	\$201,184.65		\$46,608.95
06/01/15	\$27,597.48	\$2,715.99	2.70%	\$30,313.47	\$201.18	\$0.00	\$30,514.65	\$173,587.17		\$46,608.95
12/01/15	\$27,970.04	\$2,343.43	2.70%	\$30,313.47	\$173.59	\$0.00	\$30,487.06	\$145,617.13		\$46,608.95
06/01/16	\$28,347.64	\$1,965.83	2.70%	\$30,313.47	\$145.62	\$0.00	\$30,459.09	\$117,269.49		\$46,608.95
12/01/16	\$28,730.33	\$1,583.14	2.70%	\$30,313.47	\$117.27	\$0.00	\$30,430.74	\$88,539.16		\$46,608.95
06/01/17	\$29,118.19	\$1,195.28	2.70%	\$30,313.47	\$88.54	\$0.00	\$30,402.01	\$59,420.98		\$46,608.95
12/01/17	\$29,511.29	\$802.18	2.70%	\$30,313.47	\$59.42	\$0.00	\$30,372.89	\$29,909.69		\$46,608.95
06/01/18	\$29,909.69	\$403.78	2.70%	\$30,313.47	\$29.91	\$0.00	\$30,343.38	\$0.00		\$46,608.95
Totals	\$932,179.00	\$280,394.21		\$1,212,573.21	\$20,767.39	\$0.00	\$1,233,340.60		\$46,608.95	

4(c)

Sinking Fund 1984

BOND SCHEDULE, 3/30/2010

Name of Borrower: City of Whitesburg			
Amortization of Loan	145000	Annual Interest Rate	0.05
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	false
Principal Payment Units	1	Interest Payment Units	100

YEAR	PERIOD	NUMBER	PAYMENT	INTEREST	PRINCIPAL	BALANCE
1984	1	1	7300	7300	0	145000
1985	1	2	7300	7300	0	145000
1986	1	3	8597	7300	1297	143703
1987	1	4	8597	7200	1397	142306
1988	1	5	8597	7200	1397	140909
1989	1	6	8597	7100	1497	139412
1990	1	7	8597	7000	1597	137815
1991	1	8	8597	6900	1697	136118
1992	1	9	8597	6900	1697	134421
1993	1	10	8597	6800	1797	132624
1994	1	11	8597	6700	1897	130727
1995	1	12	8597	6600	1997	128730
1996	1	13	8597	6500	2097	126633
1997	1	14	8597	6400	2197	124436
1998	1	15	8597	6300	2297	122139
1999	1	16	8597	6200	2397	119742
2000	1	17	8597	6000	2597	117145
2001	1	18	8597	5900	2697	114448
2002	1	19	8597	5800	2797	111651
2003	1	20	8597	5600	2997	108654
2004	1	21	8597	5500	3097	105557
2005	1	22	8597	5300	3297	102260
2006	1	23	8597	5200	3397	98863
2007	1	24	8597	5000	3597	95266
2008	1	25	8597	4800	3797	91469
2009	1	26	8597	4600	3997	87472
2010	1	27	8597	4400	4197	83275
2011	1	28	8597	4200	4397	78878
2012	1	29	8597	4000	4597	74281
2013	1	30	8597	3800	4797	69484
2014	1	31	8597	3500	5097	64387
2015	1	32	8597	3300	5297	59090
2016	1	33	8597	3000	5597	53493
2017	1	34	8597	2700	5897	47596
2018	1	35	8597	2400	6197	41399
2019	1	36	8597	2100	6497	34902
2020	1	37	8597	1800	6797	28105
2021	1	38	8597	1500	7097	21008
2022	1	39	8597	1100	7497	13511
2023	1	40	14211	700	13511	0
TOTALS			346900	201900	145000	

Warning: This schedule is an estimate of payments. Rural Development calculates interest amounts and principle reduction as of the date the payment is processed. Because over the life of the loan payments will be processed on dates other than the due date, the actual interest amounts and principle reduction will not match the schedule provided here.



UNITED STATES OF AMERICA — COMMONWEALTH OF KENTUCKY — COUNTY OF LETCHER

CITY OF WHITESBURG
WATER AND SEWER REVENUE BOND OF 1984

\$145,000

R-1

WE ALL MEN BY THESE PRESENTS: That the City of Whitesburg, acting by and through its City Council, a municipal corporation constituting a public body corporate, in Letcher County, Kentucky, for value received, promises to pay to United States of America - Farmers Home Administration, 1520 Market Street, St. Louis, Missouri 63103, the registered owner hereof, or to its registered assignee, solely from the special fund hereinafter the sum of

ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS (\$145,000)

on the 1st day of August, in years and installments as follows:

Year	Principal	Year	Principal	Year	Principal
1986	\$1,000	1996	\$2,000	2006	\$3,000
1987	1,000	1997	2,000	2007	4,000
1988	1,000	1998	2,000	2008	4,000
1989	1,000	1999	2,000	2009	4,000
1990	2,000	2000	3,000	2010	4,000
1991	2,000	2001	3,000	2011	4,000
1992	2,000	2002	3,000	2012	5,000
1993	2,000	2003	3,000	2013	5,000
1994	2,000	2004	3,000	2014	5,000
1995	2,000	2005	3,000		
				2015	\$ 5,000
				2016	8,000
				2017	6,000
				2018	6,000
				2019	6,000
				2020	7,000
				2021	7,000
				2022	7,000
				2023	15,000

to pay interest on the balance of said principal sum from time to time remaining unpaid, at the rate of five percent (5%) per annum, with interest on the interest, semi-annually on the first days of February and August in each year hereafter until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the registered owner shown on the registration book of the City. This Bond (the "Current Bond") is issued by the City under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Sections 82.082 and 58.010 through 58.140, inclusive, of the Revised Statutes, as amended, and pursuant to a duly enacted Bond Ordinance of the City authorizing same (the "Current Bond Ordinance" or the "1984 Bond Ordinance"), to which Current Bond Ordinance reference is made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond, and the rights, obligations, and duties of said City, for the purpose of the construction of extensions, additions, and improvements to the waterworks portion of the existing combined and consolidated waterworks and sewer system (the "System") of the City (the cost (not otherwise provided) of the construction of extensions, additions, and improvements to the waterworks portion of the existing combined and consolidated waterworks and sewer system (the "System") of the City is Bond ranks on a parity as to security and source of payment with certain outstanding "City of Whitesburg Water and Sewer Revenue Bonds, Series 1971," dated June 22, 1972 (the "Bonds of 1971"), authorized by an Ordinance adopted by the City Council of the City on August 10, 1970 (the "1971 Bond Ordinance"), subject to the vested rights and priorities in favor of the respective holders of certain outstanding Bonds of 1965, 1968, and 1971.

OTHER PROVISIONS OF THIS BOND ARE SET FORTH ON THE REVERSE HEREOF. This Bond is exempt from taxation in the Commonwealth of Kentucky. It is hereby certified, recited, and declared that all acts, conditions, and things required to exist, happen, and be performed, precedent to and in the issuance of this Bond, do exist, have happened, and have been performed, in the same manner and form, and manner as required by law, and that the face amount of this Bond, together with all other obligations of the City, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky. WITNESS WHEREOF, said City of Whitesburg, by its City Council, has caused this Bond to be executed by its Mayor, its corporate seal to be hereunto affixed, and attested by its City Clerk, on the date of this Bond.

CITY OF WHITESBURG
 Letcher County, Kentucky

By _____ Mayor

 City Clerk

7(a)

City of Whitesburg Water Department			
Water Expenditures			
Veolia Water	Management		\$403,200.00
KIA	New Water Plant	Bond Payment	\$ 90,000.00
Rural Dev.	Old Water Plant	Bond Payment	\$ 8,700.00
Water	Reserve	Bond Req.	\$ 6,000.00
J. Fields	Salary	Water Clerk	60% \$ 9,854.00
C. Colwell	Salary	Meter Reader	100% \$ 17,325.00
KLC	Unemployment Ins.		60% \$ 84.00
USPO	Postage	Billing/Stamps	\$ 3,876.00
Ky State Treasurer	Sales Tax		\$16,020.00
	Contractual Services		\$ 3,330.00
	Telephone		\$ 1,364.00
	Office Supplies		\$ 1,971.00
	Health, Dental & Life	Insurance	60% \$ 7,292.00
	Retirement Insurance		60% \$ 3,674.00
	Repairs & Maint.	Truck	\$ 1,000.00
	FICA	Sec. Sec.	60% \$ 2,087.00
	CPA	Payroll Service	\$ 600.00
	Overage	Veolia	\$137,047.00
	Gas & Oil		\$ 3,328.00
		Water Withdrawal	\$ 4,698.00
	Maint. & Support	Computer	\$ 1,200.00
	Property & Liability	Insurance	\$ 12,145.00
	Supplies	Install Meters/Repair	\$ 6,335.00
			\$741,310.00
		Decrease Management	(\$403,200.00)
			\$338,110.00
		Decrease Water Plant Pay	(\$90,000.00)
			\$248,110.00
Wholesale Water Rate Calculated			
Average Water Production for 12 Months		215,157,000	
\$248,110.00			
215,157,000 Million Gallons	=	0.00115 x 1000 =	\$1.15 / per thousand gallons
This number does not include Veolia invoice of \$403,200.00 or Water Plant Bond payment of \$90,000.00			

Carley 2009

7(b)

2009 CALCULATED WHOLE SALE WATER RATE SPREADSHEET

December 15,2008

(% of the total cost)

Water Treatment Debt is \$90,000.00 per year.

We produced 17,929,750 Million Gallons average production number per month, and
215,157,000 gallons average production for 12 months.

\$512,860.13

215,157,000 MG = $.0023836553 \times 1000 = \2.3836553 / thousand gallons

This number does not include any cost that the City pays for the water dept. That number
will be added to our number before voting on any changes.

9(a)

Letcher County Master Meter
Little Cowan

Date	Employee	Reading	Difference	Total Gallons	Total Bill
8/8/2008	CC	0	146,000	146,000	\$423.40
8/19/2008	CC	24,7900	101,900	101,900	\$295.51
9/18/2008	CC	5183800	270,900	270,900	\$785.61
10/20/2008	CC	86,7500	348,700	348,700	\$1,011.23
11/21/2008	CC	93,7100	69,600	69,600	\$201.84
12/19/2008	CC	100,4700	67,600	67,600	\$190.04
1/21/2009	CC	107,5300	70,600	70,600	\$204.74
2/26/2009	CC	122,0,200	144,900	144,900	\$420.21
3/18/2009	CC	130,5400	85,200	85,200	\$247.08
4/17/2009	CC	141,9,800	114,400	114,400	\$331.76
5/21/2009	CC	161,7,400	197,600	197,600	\$573.04
6/18/2009	CC	174,4,400	127,000	127,000	\$366.30
7/17/2009	CC	198,0,800	236,400	236,400	\$685.56
8/21/2009	CC	212,6,100	142,300	142,300	\$412.67
9/21/2009	CC	227,2,800	148,700	148,700	\$425.43
10/20/2009	CC	241,9,900	147,100	147,100	\$426.59
11/20/2009	CC	255,1,000	131,100	131,100	\$380.19
12/18/2009	CC	274,5,500	194,500	194,500	\$584.05
1/22/2010	CC	295,8,700	213,200	213,200	\$618.28
2/18/2010	CC	3113,000	159,300	159,300	\$461.97

9(b)

Letcher County Sandlick Master Meter							
Date	Employee	Reading	Difference	TOTAL GALLONS	Dollar Amount	3% TAX	TOTAL BILL
7/18/2006	JP/CC	90240	90,240	90,240	\$261.70	\$7.85	\$269.55
8/17/2006	JP/CC	253850	163,610	163,610	\$474.47	\$14.23	\$488.70
9/21/2006	JP/TA	725000	471,150	471,150	\$1,366.34	\$40.99	\$1,407.33
10/20/2006	JP/TA	1103560	378,560	378,560	\$1,097.82	\$32.93	\$1,130.76
11/22/2006	JP/TA	1476000	374,440	374,440	\$1,065.86	\$32.58	\$1,118.46
12/21/2006	JP/CS	1730000	252,000	252,000	\$730.80	\$21.92	\$752.72
1/19/2007	JP/CC	1987000	257,000	257,000	\$745.30	\$22.36	\$767.66
2/18/2007	JP/CC	2307000	320,000	320,000	\$928.00	\$27.84	\$955.84
3/30/2007	JP/CC	2691000	384,000	384,000	\$1,113.60	\$33.41	\$1,147.01
4/26/2007	CS/RS	3162000	471,000	471,000	\$1,365.90	\$40.98	\$1,406.88
5/25/2007	JP/CC	3629000	467,000	467,000	\$1,354.30	\$40.63	\$1,394.93
6/25/2007	CK/CS	4335000	706,000	706,000	\$2,047.40	\$61.42	\$2,108.82
7/19/07	JP/CK	5075000	740,000	740,000	\$2,146.00	\$64.38	\$2,210.38
8/24/2007	CK/CS	6977000	1,902,000	1,902,000	\$5,515.80	\$165.47	\$5,681.27
9/30/2007	CC	8510000	1,533,000	1,533,000	\$4,445.00	\$0.00	\$4,445.00
10/30/2007	CC	10105000	1,595,000	1,595,000	\$4,625.50	\$0.00	\$4,625.50
11/30/2007	CC	11981000	1,876,000	1,876,000	\$5,440.40	\$0.00	\$5,440.40
12/30/2007	CC	13821000	1,840,000	1,840,000	\$5,336.00	\$0.00	\$5,336.00
1/21/2008	CC	15425000	1,604,000	1,604,000	\$4,651.40		\$4,651.80
2/21/2008	CC	17542000	2,117,000	1,542,500	\$4,473.25		\$4,473.25
3/20/2008	CC	19083000	1,521,000	1,521,000	\$4,410.90	\$0.00	\$4,410.90
4/14/2008	CC	21136000	2,073,000	2,071,000	\$5,206.66	\$0.00	\$5,206.66
5/20/2008	CC	23227000	2,091,000	2,091,000	\$5,063.90	\$0.00	\$5,063.90
6/19/2008	CC	26286000	3,059,000	3,059,000	\$8,871.10	\$0.00	\$8,871.10
7/18/08	CC	29487000	3,201,000	3,201,000	\$9,262.90	\$0.00	\$9,262.90
8/16/2008	CC	33297000	3,810,000	3,810,000	\$11,049.00	\$0.00	\$11,049.00
9/16/2008	CC	36791000	3,494,000	3,494,000	\$10,132.60	\$0.00	\$10,132.60
10/20/2008	CC	40109000	3,318,000	3,318,000	\$9,622.20	\$0.00	\$9,622.20
11/20/2008	CC	43131000	3,022,000	3,022,000	\$8,763.80	\$0.00	\$8,763.80
12/19/2008	CC	46488000	3,357,000	3,357,000	\$9,735.30	\$0.00	\$9,735.30
1/18/2009	CC	51470000	4,982,000	4,982,000	\$14,447.80	\$0.00	\$14,447.80
2/25/2009	CC	56113000	4,585,870	4,585,870	\$13,299.03	\$0.00	\$13,299.03
3/18/2009	CC	59024000	2,911,000	2,911,000	\$8,441.90	\$0.00	\$8,441.90
4/17/2009	CC	63371000	4,347,000	4,347,000	\$12,606.30	\$0.00	\$12,606.30

5/20/2009	CC	89202000	5,831,000	5,831,000	\$16,909.90	\$0.00	\$16,909.90
6/17/2009	CC	72386000	3,184,000	3,831,000	\$11,109.90	\$0.00	\$11,109.90
7/17/2009	CC	72386000	4,831,000	4,831,000	\$14,009.90	\$0.00	\$14,009.90
8/1/2009	CC	75670000	3,284,000	3,284,000	\$9,523.60	\$0.00	\$9,523.60
9/21/2009	CC	81399000	5,729,000	5,729,000	\$16,614.00	\$0.00	\$16,614.00
10/20/2009	CC	87270000	5,871,000	5,871,000	\$17,025.90	\$0.00	\$17,025.90
11/19/2009	CC	93349000	6,079,000	6,079,000	\$17,629.10	\$0.00	\$17,629.10
12/18/2009	CC	99226000	5,877,000	5,877,000	\$17,043.30	\$0.00	\$17,043.30
1/21/2010	CC	107270000	8,044,000	8,044,000	\$23,327.60	\$0.00	\$23,327.60
2/18/2010	CC	114048000	6,778,000	6,778,000	\$19,656.20	\$0.00	\$19,656.20

9(c)

LETCHER COUNTY WATER & SEWER DISTRICT MASTER METER READINGS #1

DATE	EMPLOYEE	READING #1	READING #2	TOTAL GALLONS	DIFFERENCE	DOLLAR AMOUNT	%TAX	TOTAL BILL
11/5/2004	LH/RS	152,700	16,100	168,800	1,688,000	\$4,895.20	\$146.96	\$5,042.06
11/19/2004	LH/RS	233,000	30,020	263,020	94,220	\$273.24	\$8.20	\$281.44
12/18/2004	LH/RS	358,400	74,460	432,860	169,840	\$492.54	\$14.76	\$507.31
1/11/2005	JT/MG	650,000	111,800	761,800	326,940	\$953.93	\$28.62	\$982.54
1/26/2005	TAMWJ	697,700	117,410	815,110	53,310	\$154.80	\$4.64	\$159.24
2/25/2005	TAMWJ	782,200	127,770	909,970	94,880	\$275.09	\$8.25	\$283.35
3/10/2005	COUNTY	817,000	131,900	948,900	38,930	\$112.90	\$3.39	\$116.29
4/5/2005	LH/RS	137,500	16,550	154,050	-794,850	-\$2,305.07	-\$69.15	-\$2,374.22
4/20/2005	RS/TA	223,200	26,560	249,760	95,710	\$277.56	\$8.33	\$285.89
5/20/2005	TAMWJ	455,700	59,400	515,100	265,340	\$769.49	\$23.06	\$792.57
6/27/2005	TAMWJ	621,800	95,590	917,390	402,290	\$1,166.64	\$35.00	\$1,201.64
7/28/2005	RS/CS	1,207,200	141,140	1,348,340	430,950	\$1,249.76	\$37.49	\$1,287.25
8/25/2005	TA/CS	1,571,000	195,040	1,766,040	417,700	\$1,211.33	\$36.34	\$1,247.67
9/29/2005	TA/JP	1,920,200	233,320	2,153,520	387,480	\$1,123.69	\$33.71	\$1,157.40
10/30/2005	CS/JP	2,255,760	268,100	2,523,860	370,340	\$1,073.98	\$32.22	\$1,106.21
12/1/2005	LH/RS	2,506,800	302,880	2,809,480	285,820	\$828.30	\$24.85	\$853.15
1/3/2006	CS/JP	2,728,700	329,860	3,058,560	249,080	\$722.33	\$21.67	\$744.00
1/27/2006	TA/JP	2,906,200	351,290	3,257,490	198,930	\$576.90	\$17.31	\$594.20
2/24/2006	CS/ST	3,149,800	381,310	3,531,110	273,620	\$793.50	\$23.80	\$817.30
3/29/2006	ST/CS	3,412,900	415,420	3,828,320	297,210	\$861.91	\$25.86	\$887.77
4/21/2006	TA/JP	3,607,400	439,490	4,046,890	218,570	\$633.85	\$19.02	\$652.87
5/26/2006	TA/JP	3,861,000	470,800	4,331,800	284,910	\$826.24	\$24.79	\$851.03
6/30/2006	CS/ST	4,293,900	523,130	4,817,030	485,230	\$1,407.17	\$42.22	\$1,449.39
7/18/2006	JP/CC	4,473,700	545,050	5,018,750	201,720	\$584.99	\$17.55	\$602.54
8/17/2006	JP/CC	4,988,500	605,720	5,594,220	575,470	\$1,668.86	\$50.07	\$1,718.93
9/21/2006	JP/TA	5,542,900	703,390	6,246,290	652,070	\$1,891.00	\$56.72	\$1,947.73
10/19/2006	JP/TA	6,010,100	873,170	6,883,270	638,980	\$1,847.24	\$55.42	\$1,902.66
11/16/2006	RS/CS	6,652,600	1,097,730	7,750,330	867,060	\$2,514.47	\$75.42	\$2,589.91
12/19/2006	TA/JP	7,338,200	1,344,230	8,682,430	932,100	\$2,703.09	\$81.09	\$2,784.18
1/23/2007	JP/CC	8,089,100	1,810,460	9,879,560	997,130	\$2,891.68	\$86.75	\$2,978.43
2/23/2007	JP/CC	8,822,400	1,886,100	10,708,500	1,028,940	\$2,983.93	\$89.52	\$3,073.44
3/30/2007	JP/CC	9,403,600	2,098,440	11,502,040	793,540	\$2,301.27	\$69.04	\$2,370.30
4/26/2007	CS/RS	9,794,800	2,245,150	12,039,950	537,910	\$1,559.94	\$46.80	\$1,606.74
5/27/2007	JP/CC	10,265,200	2,410,440	12,695,640	655,690	\$1,901.50	\$57.05	\$1,958.55
6/25/2007	CK/CS	10,767,300	2,571,200	13,338,500	642,860	\$1,864.29	\$55.93	\$1,920.22

7/19/2007	JP/CK	11,069,000	2,874,820	13,743,820	405,320	\$1,175.43	\$35.26	\$1,210.69
8/29/2007	RS	11,703,900	2,870,870	14,574,570	830,750	\$2,409.18	\$72.28	\$2,481.46
9/30/2007	CC	12,235,800	3,037,830	15,273,430	898,860	\$2,026.70	\$0.00	\$2,026.70
10/30/2007	CC	12,399,600	3,088,810	15,488,410	214,980	\$623.45	\$0.00	\$623.45
11/30/2007	CC	12,850,800	3,289,740	16,240,540	752,130	\$2,181.18	\$0.00	\$2,181.18
12/30/2007	CC	13,490,800	3,505,580	16,996,180	755,640	\$2,191.36	\$0.00	\$2,191.36
1/22/2008	CC	14,056,800	3,747,750	17,808,350	810,170	\$2,349.49	\$0.00	\$2,349.49
2/21/2008	CC	14,516,700	3,924,720	18,441,420	835,070	\$1,841.70		\$1,841.70
3/20/2008	CC	15,081,700	4,133,010	19,214,710	773,290	\$2,242.54	\$0.00	\$2,242.54
4/17/2008	CC	15,754,300	4,372,460	20,126,760	912,050	\$2,844.95	\$0.00	\$2,844.95
5/20/2008	CC	16,537,500	4,648,130	21,183,830	1,058,870	\$3,084.92	\$0.00	\$3,084.92
6/19/2008	CC	17,131,900	4,799,090	21,930,990	747,360	\$2,187.34	\$0.00	\$2,187.34
7/18/2008	CC	17,681,400	4,866,250	22,547,650	816,660	\$1,788.31	\$0.00	\$1,788.31
8/18/2008	CC	18,181,300	4,928,760	23,108,060	560,410	\$1,625.19	\$0.00	\$1,625.19
9/18/2008	CC	18,648,300	4,983,540	23,631,840	523,780	\$1,518.97	\$0.00	\$1,518.97
10/20/2008	CC	19,064,100	5,038,920	24,123,020	491,180	\$1,424.43	\$0.00	\$1,424.43
11/20/2008	CC	19,539,500	5,097,340	24,636,840	513,820	\$1,490.08	\$0.00	\$1,490.08
12/18/2008	CC	19,958,300	5,151,120	25,109,420	472,580	\$1,370.49	\$0.00	\$1,370.49
1/20/2009	CC	20,438,700	5,221,390	25,658,090	548,670	\$1,591.15	\$0.00	\$1,591.15
2/26/2009	CC	20,898,800	5,305,110	26,303,710	645,620	\$1,872.30	\$0.00	\$1,872.30
3/19/2009	CC	21,278,700	5,339,470	26,618,170	314,460	\$911.94	\$0.00	\$911.94
4/17/2009	CC	21,667,100	5,385,900	27,053,000	434,830	\$1,281.00	\$0.00	\$1,281.00
5/15/2009	CC	22,142,000	5,442,740	27,584,740	531,740	\$1,542.04	\$0.00	\$1,542.04
6/17/2009	CC	22,598,800	5,496,660	28,094,360	609,610	\$1,477.87	\$0.00	\$1,477.87
7/17/2009	CC	23,072,300	5,549,700	28,622,000	527,650	\$1,530.19	\$0.00	\$1,530.19
8/20/2009	CC	23,543,800	5,603,860	29,147,660	525,660	\$1,524.41	\$0.00	\$1,524.41
9/21/2009	CC	23,963,200	5,651,880	29,615,080	487,420	\$1,355.51	\$0.00	\$1,355.51
10/20/2009	CC	24,376,900	5,700,040	30,078,940	461,660	\$1,339.39	\$0.00	\$1,339.39
11/19/2009	CC	24,898,800	5,737,460	30,436,260	359,320	\$1,042.02	\$0.00	\$1,042.02
12/18/2009	CC	25,045,300	5,781,310	30,826,610	390,350	\$1,132.01	\$0.00	\$1,132.01
1/21/2010	CC	25,543,200	5,852,820	31,396,820	589,210	\$1,850.70	\$0.00	\$1,850.70
2/18/2010	CC	25,885,800	5,893,140	31,778,940	383,120	\$1,111.04	\$0.00	\$1,111.04