

Rubin & Hays

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CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

RECEIVED

June 22, 2012

JUN 25 2012

PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen, Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Barkley Lake Water District PSC Application

Dear Mr. Derouen:

Enclosed please find the original and ten (10) copies of the Application of the Barkley Lake Water District for an Order authorizing the District to issue securities pursuant to KRS 278.300.

This Application requests approval of the issuance of securities for the purpose of refunding certain high interest Bonds of the Applicant.

Thank you for your assistance and if you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jl
Enclosures

cc: Ms. Penny Wright, Barkley Lake Water District
Ms. Kristen Millard, Morgan Keegan

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

RECEIVED

JUN 25 2012

PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF BARKLEY LAKE)
 WATER DISTRICT TO ISSUE SECURITIES IN)
 THE APPROXIMATE PRINCIPAL AMOUNT OF)
 \$1,405,000 FOR THE PURPOSE OF REFUNDING) CASE NO. 2012 - _____
 CERTAIN OUTSTANDING REVENUE BONDS OF)
 THE DISTRICT PURSUANT TO THE PROVISIONS)
 OF KRS 278.300 AND 807 KAR 5:001)

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

APPLICATION

The Applicant, Barkley Lake Water District (the "District"), files this Application pursuant to KRS 278.300, 807 KAR 5:001, and all other applicable laws and regulations, and requests that the Kentucky Public Service Commission (the "Commission") enter an Order authorizing the District to issue certain securities in the approximate principal amount of \$1,405,000 (subject to adjustment of up to 10%), for the purpose of refunding certain outstanding waterworks revenue bonds of the District. In support of this Application, and in compliance with the rules and regulations of the Commission, the District states as follows:

1. The District was established in accordance with the provisions of Chapter 74 of the Kentucky Revised Statutes pursuant to an Order of the County Judge/Executive of Trigg County, which Order is on file in the County Court Order Books in the office of the Clerk of Trigg County, Kentucky. The District is now, and has been since its inception, regulated by the Commission, and

all records and proceedings of the Commission with reference to the District are incorporated in this Application by reference. The District does not have any Articles of Incorporation due to the fact that it is a statutory entity.

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

3. The mailing address of the District is as follows:

Barkley Lake Water District
c/o Mr. Terry Goins, Manager
P.O. Box 308
Cadiz, Kentucky 42211
Telephone: (270) 522-8425

4. A general description of the District's water system property, together with a statement of the original cost, is contained in the District's Annual Report for 2011 which is on file with the Commission. The Annual Report is incorporated herein by reference.

5. The District proposes to borrow funds from the Kentucky Rural Water Finance Corporation ("KRWFC") pursuant to an Assistance Agreement (the "KRWFC Loan"), in the estimated principal amount of \$1,405,000 (subject to adjustment of up to 10%) for the purpose of refunding the outstanding revenue bonds designated as (i) Barkley Lake Water District Water System Revenue Bonds, Series of 1976, dated December 9, 1976, in the original principal amount of \$364,000, bearing interest at the rate of 5.00% per annum (the "1976 Bonds"); and (ii) Barkley Lake Water District Water System Revenue Bonds, Series of 1993, dated July 11, 1994, in the original principal amount of \$1,764,000, bearing interest at the rate of 4.50% per annum (the "1993 Bonds") (hereinafter, the 1976 Bonds and the 1993 shall be collectively referred to as the "Prior

Bonds”). The Prior Bonds are held by the U.S. Department of Agriculture, acting through Rural Development.

6. The estimated debt service for the KRWFC Loan is shown in **Exhibit "A"**, which is attached hereto and incorporated herein by reference. The debt service schedule and estimated interest rates are subject to change because of market conditions. The final terms and details of the KRWFC Loan may vary from the present assumptions based upon market conditions and other business judgment factors.

7. The KRWFC Loan will provide the District with the funds necessary to (i) refund the Prior Bonds; and (iii) pay the fees and expenses incident to the issuance of the KRWFC Loan.

8. The Sources and Uses of Funds to be obtained from the issuance of the KRWFC Loan are detailed as **Exhibit "B"**, which is attached hereto and incorporated herein by reference.

9. It is anticipated that the proposed refinancing will result in a net present value benefit of approximately \$86,045.56. These savings are shown on the Debt Service Comparison, which is attached hereto and incorporated herein by reference as **Exhibit "C"**.

10. The final principal amount of the KRWFC Loan will be adjusted based upon final interest rates which will be known on or about the date of sale of the proposed KRWFC Loan. Final financial figures will be submitted to the Commission in a timely manner. The Applicant will not issue the securities if interest rates in the bond market shift to a point where the Applicant will not achieve any debt service savings.

11. The Debt Service Schedule of the outstanding Prior Bonds being refunded is set forth in **Exhibit "D"**.

12. The District represents that the KRWFC Loan is in the public interest and is intended to accomplish the purpose of strengthening the financial condition of the District by producing substantial debt service savings. This is a lawful object within the corporate purposes of the District's utility operations. The KRWFC Loan is necessary, appropriate for, and consistent with the proper performance by the District of its service to the public and will not impair its ability to perform that service.

13. The District represents that it will, as soon as reasonably possible after the closing of the KRWFC Loan, file with the Commission a statement setting forth the date of issuance of the KRWFC Loan, the price paid, the fees and expenses incurred in the issuance of the KRWFC Loan, and the terms and interest rates of the KRWFC Loan.

14. The detailed Statement of Revenues and Expenses and Changes in Net Assets, Balance Sheet and Statement of Cash Flows for the twelve month period ending on December 31, 2011 are attached hereto and incorporated herein by reference as **Exhibit E** respectively.

15. The remaining financial schedules and other information necessary for the Financial Exhibit required by 807 KAR 5:001, Section 6 and Section 11 (2) (a) are contained in the 2011 Annual Report which is on file with the Commission. The Annual Report is incorporated herein by reference.

16. Pursuant to 807 KAR 5:001, the District hereby responds as follows:

- (a) Section 6(4) Mortgages: The District does not have any mortgages in effect as of the date hereof.
- (b) Section 6(5) Bonds: The KRWFC Loan will be secured by a pledge of the revenues of the District's Water System.

(c) Section 11(2)(b): The District does not have any trust deeds in effect as of the date hereof.

(d) Section 11(2)(c): No property is being acquired as the proceeds of the securities are being used for the refunding of the Prior Bonds.

17. The District hereby requests and moves for a deviation, pursuant to 807 KAR 5:001, Section 14, from the requirements of 807 KAR 5:001, Section 6, which requires that the financial data filed with the Application be for a twelve (12) month period ending within ninety (90) days of the filing of the application. The District states that there has been no change that is material in nature in the financial condition or operation of the District since December 31, 2011. The financial data filed with this Application is for the twelve (12) month period ending December 31, 2011. This is the most recent published financial data available. Because of the volatility of the bond market, the District cannot run the risk of delaying the closing of the KRWFC Loan while more current financial data is compiled.

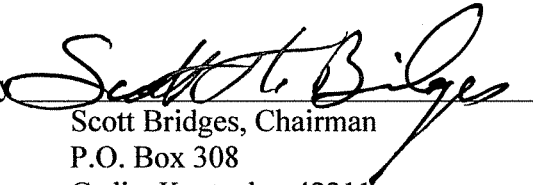
18. No rate adjustment will be necessary.

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

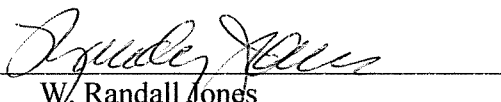
1. Authorize the issuance of the securities requested in the Application;
2. Grant the District a deviation from 807 KAR 5:001, Section 6 to allow the submission of the District's 2011 Annual Report and 2011 audited financial statements in lieu of more recent financial data as there has been no change that is material in nature in the financial condition or operation of the District since December 31, 2011, and due to the volatility of the present bond market; and
3. Process this Application without a formal hearing in order to save time and expense.

The District will promptly respond to any information requests by the Commission's staff.

Barkley Lake Water District

By 
Scott Bridges, Chairman
P.O. Box 308
Cadiz, Kentucky 42211
Phone: (270) 522-8425

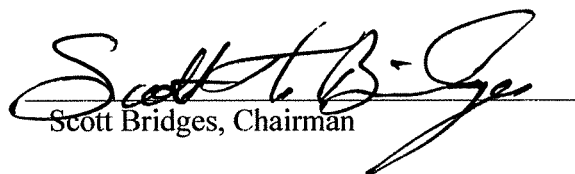
Rubin & Hays

By 
W. Randall Jones
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Phone: (502) 569-7525
Counsel for Barkley Lake Water
District

STATE OF KENTUCKY)
) SS
COUNTY OF TRIGG)

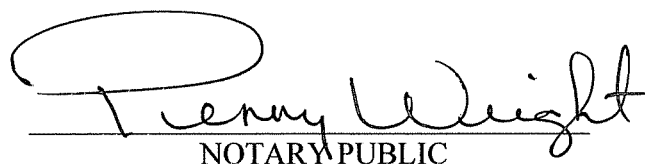
The affiant, Scott Bridges, being first duly sworn, states: That he is the Chairman of the Barkley Lake Water District, the Applicant in this case; that he has read the foregoing Application and has noted the contents thereof; that the same are true of his own knowledge and belief, except as to matters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

IN TESTIMONY WHEREOF, witness the signature of the undersigned on the 14th day of June, 2012.


Scott Bridges, Chairman

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Scott Bridges, Chairman of the Barkley Lake Water District, on this the 14th day of June, 2012.

My Commission expires: 9-8-2014.


NOTARY PUBLIC

Preliminary

\$1,405,000

Barkley Lake Water District
 Kentucky Rural Water Finance Corporation
 Public Projects Refunding Bonds, Series 2012 E

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/23/2012	-	-	-	-	-
02/01/2013	-	-	30,392.83	30,392.83	-
08/01/2013	40,000.00	2.900%	25,095.00	65,095.00	-
12/30/2013	-	-	-	-	95,487.83
02/01/2014	-	-	24,515.00	24,515.00	-
08/01/2014	65,000.00	3.600%	24,515.00	89,515.00	-
12/30/2014	-	-	-	-	114,030.00
02/01/2015	-	-	23,345.00	23,345.00	-
08/01/2015	70,000.00	3.850%	23,345.00	93,345.00	-
12/30/2015	-	-	-	-	116,690.00
02/01/2016	-	-	21,997.50	21,997.50	-
08/01/2016	50,000.00	3.150%	21,997.50	71,997.50	-
12/30/2016	-	-	-	-	93,995.00
02/01/2017	-	-	21,210.00	21,210.00	-
08/01/2017	50,000.00	2.300%	21,210.00	71,210.00	-
12/30/2017	-	-	-	-	92,420.00
02/01/2018	-	-	20,635.00	20,635.00	-
08/01/2018	55,000.00	3.250%	20,635.00	75,635.00	-
12/30/2018	-	-	-	-	96,270.00
02/01/2019	-	-	19,741.25	19,741.25	-
08/01/2019	55,000.00	3.250%	19,741.25	74,741.25	-
12/30/2019	-	-	-	-	94,482.50
02/01/2020	-	-	18,847.50	18,847.50	-
08/01/2020	55,000.00	3.250%	18,847.50	73,847.50	-
12/30/2020	-	-	-	-	92,695.00
02/01/2021	-	-	17,953.75	17,953.75	-
08/01/2021	60,000.00	3.250%	17,953.75	77,953.75	-
12/30/2021	-	-	-	-	95,907.50
02/01/2022	-	-	16,978.75	16,978.75	-
08/01/2022	60,000.00	3.300%	16,978.75	76,978.75	-
12/30/2022	-	-	-	-	93,957.50
02/01/2023	-	-	15,988.75	15,988.75	-
08/01/2023	60,000.00	3.400%	15,988.75	75,988.75	-
12/30/2023	-	-	-	-	91,977.50
02/01/2024	-	-	14,968.75	14,968.75	-
08/01/2024	65,000.00	3.500%	14,968.75	79,968.75	-
12/30/2024	-	-	-	-	94,937.50
02/01/2025	-	-	13,831.25	13,831.25	-
08/01/2025	65,000.00	3.400%	13,831.25	78,831.25	-
12/30/2025	-	-	-	-	92,662.50
02/01/2026	-	-	12,726.25	12,726.25	-
08/01/2026	70,000.00	3.700%	12,726.25	82,726.25	-
12/30/2026	-	-	-	-	95,452.50
02/01/2027	-	-	11,431.25	11,431.25	-
08/01/2027	75,000.00	3.800%	11,431.25	86,431.25	-
12/30/2027	-	-	-	-	97,862.50
02/01/2028	-	-	10,006.25	10,006.25	-
08/01/2028	75,000.00	3.800%	10,006.25	85,006.25	-
12/30/2028	-	-	-	-	95,012.50
02/01/2029	-	-	8,581.25	8,581.25	-
08/01/2029	80,000.00	3.800%	8,581.25	88,581.25	-
12/30/2029	-	-	-	-	97,162.50
02/01/2030	-	-	7,061.25	7,061.25	-
08/01/2030	85,000.00	3.900%	7,061.25	92,061.25	-
12/30/2030	-	-	-	-	99,122.50
02/01/2031	-	-	5,403.75	5,403.75	-
08/01/2031	85,000.00	3.900%	5,403.75	90,403.75	-
12/30/2031	-	-	-	-	95,807.50
02/01/2032	-	-	3,746.25	3,746.25	-
08/01/2032	90,000.00	4.050%	3,746.25	93,746.25	-
12/30/2032	-	-	-	-	97,492.50
02/01/2033	-	-	1,923.75	1,923.75	-
08/01/2033	95,000.00	4.050%	1,923.75	96,923.75	-
12/30/2033	-	-	-	-	98,847.50
Total	\$1,405,000.00	-	\$637,272.83	\$2,042,272.83	-

Yield Statistics

Bond Year Dollars	\$17,163.31
Average Life	12.216 Years
Average Coupon	3.7129959%
Net Interest Cost (NIC)	3.6646730%
True Interest Cost (TIC)	3.6261430%
Bond Yield for Arbitrage Purposes	3.5835106%
All Inclusive Cost (AIC)	3.8250864%

IRS Form 8038

Net Interest Cost	3.6840612%
Weighted Average Maturity	12.080 Years

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Morgan Keegan & Company, Inc.

Public Finance

Preliminary

\$1,405,000

Barkley Lake Water District
Kentucky Rural Water Finance Corporation
Public Projects Refunding Bonds, Series 2012 E

Sources & Uses

Dated 06/23/2012 | Delivered 06/23/2012

Sources Of Funds

Par Amount of Bonds	\$1,405,000.00
Reoffering Premium	8,293.80
Transfers from Prior Issue Debt Service Funds	49,808.34
Total Sources	\$1,463,102.14

Uses Of Funds

Costs of Issuance	26,075.00
Deposit to Current Refunding Fund	1,435,358.00
Rounding Amount	1,669.14
Total Uses	\$1,463,102.14

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Preliminary

\$1,405,000

Barkley Lake Water District

Kentucky Rural Water Finance Corporation

Public Projects Refunding Bonds, Series 2012 E

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
12/30/2012	-	-	31,770.00	31,770.00
12/30/2013	95,487.83	95,487.83	118,232.50	22,744.67
12/30/2014	114,030.00	114,030.00	120,500.00	6,470.00
12/30/2015	116,690.00	116,690.00	120,577.50	3,887.50
12/30/2016	93,995.00	93,995.00	98,090.00	4,095.00
12/30/2017	92,420.00	92,420.00	97,087.50	4,667.50
12/30/2018	96,270.00	96,270.00	97,995.00	1,725.00
12/30/2019	94,482.50	94,482.50	97,790.00	3,307.50
12/30/2020	92,695.00	92,695.00	98,472.50	5,777.50
12/30/2021	95,907.50	95,907.50	98,042.50	2,135.00
12/30/2022	93,957.50	93,957.50	98,500.00	4,542.50
12/30/2023	91,977.50	91,977.50	98,822.50	6,845.00
12/30/2024	94,937.50	94,937.50	99,010.00	4,072.50
12/30/2025	92,662.50	92,662.50	99,062.50	6,400.00
12/30/2026	95,452.50	95,452.50	99,957.50	4,505.00
12/30/2027	97,862.50	97,862.50	99,695.00	1,832.50
12/30/2028	95,012.50	95,012.50	100,275.00	5,262.50
12/30/2029	97,162.50	97,162.50	100,675.00	3,512.50
12/30/2030	99,122.50	99,122.50	101,872.50	2,750.00
12/30/2031	95,807.50	95,807.50	101,867.50	6,060.00
12/30/2032	97,492.50	97,492.50	101,682.50	4,190.00
12/30/2033	98,847.50	98,847.50	103,272.50	4,425.00
Total	\$2,042,272.83	\$2,042,272.83	\$2,183,250.00	\$140,977.17

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	140,977.17
Gross PV Debt Service Savings	134,184.76
Net PV Cashflow Savings @ 3.584%(Bond Yield)	134,184.76
Transfers from Prior Issue Debt Service Fund	(49,808.34)
Contingency or Rounding Amount	1,669.14
Net Future Value Benefit	\$92,837.97
Net Present Value Benefit	\$86,045.56
Net PV Benefit / \$1,405,000 Refunded Principal	6.124%
Net PV Benefit / \$1,405,000 Refunding Principal	6.124%

Refunding Bond Information

Refunding Dated Date	6/23/2012
Refunding Delivery Date	6/23/2012

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Morgan Keegan & Company, Inc.

Public Finance

Preliminary

\$63,000

Barkley Lake Wter District

Series 1976

Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I
12/30/2012	-	-	1,575.00	1,575.00
12/30/2013	19,000.00	-	2,675.00	21,675.00
12/30/2014	21,000.00	-	1,675.00	22,675.00
12/30/2015	23,000.00	5.000%	575.00	23,575.00
Total	\$63,000.00	-	\$6,500.00	\$69,500.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	6/23/2012
Average Life	1.586 Years
Average Coupon	6.5065065%
Weighted Average Maturity (Par Basis)	1.586 Years

Refunding Bond Information

Refunding Dated Date	6/23/2012
Refunding Delivery Date	6/23/2012

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Morgan Keegan & Company, Inc.

Public Finance

Preliminary

\$1,342,000

Barkley Lake Wter District

Series 1993

Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I
12/30/2012	-	-	30,195.00	30,195.00
12/30/2013	37,000.00	-	59,557.50	96,557.50
12/30/2014	40,000.00	-	57,825.00	97,825.00
12/30/2015	41,000.00	-	56,002.50	97,002.50
12/30/2016	44,000.00	-	54,090.00	98,090.00
12/30/2017	45,000.00	-	52,087.50	97,087.50
12/30/2018	48,000.00	-	49,995.00	97,995.00
12/30/2019	50,000.00	-	47,790.00	97,790.00
12/30/2020	53,000.00	-	45,472.50	98,472.50
12/30/2021	55,000.00	-	43,042.50	98,042.50
12/30/2022	58,000.00	-	40,500.00	98,500.00
12/30/2023	61,000.00	-	37,822.50	98,822.50
12/30/2024	64,000.00	-	35,010.00	99,010.00
12/30/2025	67,000.00	-	32,062.50	99,062.50
12/30/2026	71,000.00	-	28,957.50	99,957.50
12/30/2027	74,000.00	-	25,695.00	99,695.00
12/30/2028	78,000.00	-	22,275.00	100,275.00
12/30/2029	82,000.00	-	18,675.00	100,675.00
12/30/2030	87,000.00	-	14,872.50	101,872.50
12/30/2031	91,000.00	-	10,867.50	101,867.50
12/30/2032	95,000.00	-	6,682.50	101,682.50
12/30/2033	101,000.00	4.500%	2,272.50	103,272.50
Total	\$1,342,000.00	-	\$771,750.00	\$2,113,750.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	6/23/2012
Average Life	12.302 Years
Average Coupon	4.6747732%
Weighted Average Maturity (Par Basis)	12.302 Years

Refunding Bond Information

Refunding Dated Date	6/23/2012
Refunding Delivery Date	6/23/2012

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Morgan Keegan & Company, Inc.

Public Finance

**BARKLEY LAKE WATER DISTRICT
STATEMENT OF NET ASSETS - PROPRIETARY FUND
DECEMBER 31, 2011**

Assets

Current Assets

Cash and Cash Equivalents	\$ 666,003
Accounts Receivable	308,675
Other Receivables	6,266
Inventory	136,616
Prepaid Expenses	26,808
Restricted Cash	<u>2,538,447</u>
Total Current Assets	<u>3,682,815</u>

Noncurrent Assets

Restricted Cash	<u>814,826</u>
Total Restricted Cash	<u>814,826</u>

Capital Assets

Depreciable Capital Assets, Net of Depreciation	9,596,213
Non-depreciable Capital Assets	<u>5,505,154</u>
Total Capital Assets	<u>15,101,367</u>

Other Assets

Utility Deposit	525
Deferred Loss of Current Debt Refunding	19,596
Bond Issue Costs	<u>145,126</u>
Total Other Assets	<u>165,247</u>
Total Noncurrent Assets	<u>16,081,440</u>
Total Assets	<u>19,764,255</u>

Liabilities

Current Liabilities

Current Maturities of Long-Term Debt	193,500
Accounts Payable	42,963
Construction Payables	476,948
Payroll Liabilities	31,496
Accrued Expenses	
Taxes	5,855
Interest	82,274
	<hr/>
Total Current Liabilities	833,036
	<hr/>

Noncurrent Liabilities

Compensated Absence	18,461
Customers' Deposits	285,124
Bonds Payable	11,021,500
	<hr/>
Total Noncurrent Liabilities	11,325,085
	<hr/>
Total Liabilities	12,158,121
	<hr/>

Net Assets

Invested in Capital Assets, Net of Related Debt	3,886,366
Restricted Net Assets	3,353,273
Unrestricted	366,495
	<hr/>
Total Net Assets	\$ 7,606,134
	<hr/>

BARKLEY LAKE WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2011

Operating Revenues

Charges for Services	\$	2,384,913
Miscellaneous Revenue		18,459
		2,403,372
Total Operating Revenues		2,403,372

Operating Expenses

Operating Expenses		1,594,906
Taxes		49,157
Depreciation and Amortization		472,687
		2,116,750
Total Operating Expenses		2,116,750
Operating Income (Loss)		286,622

Non-operating Revenues (Expenses)

Interest Revenue		49,829
Interest Expense		(330,315)
		(280,486)
Total Non-operating Revenues (Expenses)		(280,486)

Capital Contributions

Contributed Capital		1,419,146
		1,419,146
Total Capital Contributions		1,419,146
Change in Net Assets		1,425,282
Net Assets, Beginning of Year		6,180,852
Net Assets, End of Year	\$	7,606,134

**BARKLEY LAKE WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Cash Flows from Operating Activities

Received from Customers	\$ 2,436,400
Paid to Suppliers for Goods and Services	(723,803)
Paid to Employees	(939,181)
	773,416
Net Cash Provided (used) by Operating Activities	773,416

Cash Flows from Capital and Related Financing Activities

Acquisition and Construction of Property, Plant and Equipment	(4,323,468)
Proceeds from Capital Grants	1,419,146
Principal Paid on Long-Term Debt	(161,000)
Proceeds from Issuance of Long-Term Debt	4,002,000
Interest Paid on Debt	(330,315)
	606,363
Net Cash Provided (used) by Capital and Related Financing Activities	606,363

Cash Flows from Investing Activities

Interest Income	49,829
	49,829
Net Cash Provided (used) by Investing Activities	49,829

Net Increase (Decrease) in Cash	1,429,608
Cash and Cash Equivalents, Beginning of Year	2,589,668
	\$ 4,019,276

Cash and Cash Equivalents, End of Year

Cash Flows from Operating Activities

Operating Income (Loss)	\$ 286,622
Adjustments - Operating Activities	
Depreciation and Amortization	472,687
(Increase) Decrease in	
Accounts Receivable	24,084
Other Receivable	(1,525)
Inventory	(17,044)
Prepaid Insurance	(602)
Increase (Decrease) in	
Accounts Payable	6,340
Accrued Interest	(3,713)
Payroll Liabilities	(7,587)
Compensated Absence	3,685
Tenant Deposits Payable	10,469
	773,416
Net Cash Provided (Used) by Operating Activities	\$ 773,416

There were no non-cash investing, capital or financing activities for the year ended December 31, 2011.