

Rubin & Hays

ATTORNEYS AT LAW

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

April 13, 2012

RECEIVED

APR 16 2012

PUBLIC SERVICE
COMMISSION

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

Re: Warren County Water District PSC Case No. 2012-00043

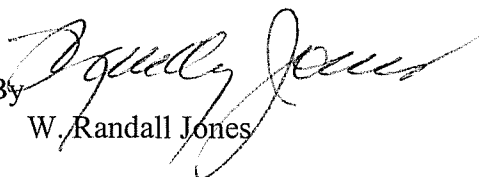
Dear Mr. Derouen:

In accordance with paragraphs No. 4 and 5 of the PSC Order dated March 8, 2012 relating to the above case, enclosed please find the final refunding schedules which include the actual gross and net present value savings and the final loan debt service, including the final principal amount and the interest rates. The Kentucky Rural Water Finance Corporation loan to the District was dated March 28, 2012.

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:jlm
Enclosures

cc: Mr. Alan Vilines, Warren County Water District

Final

\$2,095,000

Warren County Water District

Refunding through the Kentucky Rural Water Finance Corporation

Public Projects Refunding Revenue Bonds, Series 2012 B

Sources & Uses

Dated 03/28/2012 | Delivered 03/28/2012

Sources Of Funds

Par Amount of Bonds	\$2,095,000.00
Reoffering Premium	3,965.05
Transfers from Prior Issue Debt Service Funds	85,558.75
Transfers from Prior Issue DSR Funds	415,000.00

Total Sources **\$2,599,523.80**

Uses Of Funds

Total Underwriter's Discount (1.940%)	40,634.74
Costs of Issuance	47,925.00
Deposit to Current Refunding Fund	2,507,122.66
Rounding Amount	3,841.40

Total Uses **\$2,599,523.80**

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Final

\$2,095,000

Warren County Water District

Refunding through the Kentucky Rural Water Finance Corporation

Public Projects Refunding Revenue Bonds, Series 2012 B

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
12/30/2012	24,060.59	24,060.59	61,176.25	37,115.66
12/30/2013	238,551.26	238,551.26	504,458.13	265,906.87
12/30/2014	244,701.26	244,701.26	503,280.63	258,579.37
12/30/2015	112,171.26	112,171.26	119,126.25	6,954.99
12/30/2016	111,071.26	111,071.26	120,306.88	9,235.62
12/30/2017	109,971.26	109,971.26	119,385.01	9,413.75
12/30/2018	108,621.26	108,621.26	119,386.26	10,765.00
12/30/2019	111,941.26	111,941.26	119,285.01	7,343.75
12/30/2020	110,181.26	110,181.26	119,081.26	8,900.00
12/30/2021	108,421.26	108,421.26	119,749.38	11,328.12
12/30/2022	106,661.26	106,661.26	119,289.38	12,628.12
12/30/2023	109,821.26	109,821.26	119,701.26	9,880.00
12/30/2024	107,901.26	107,901.26	118,985.01	11,083.75
12/30/2025	110,901.26	110,901.26	119,140.63	8,239.37
12/30/2026	108,780.63	108,780.63	119,142.50	10,361.87
12/30/2027	106,578.75	106,578.75	118,990.63	12,411.88
12/30/2028	109,206.25	109,206.25	118,685.01	9,478.76
12/30/2029	106,660.00	106,660.00	119,200.01	12,540.01
12/30/2030	108,977.50	108,977.50	118,535.63	9,558.13
12/30/2031	106,108.75	106,108.75	118,691.88	12,583.13
12/30/2032	108,047.50	108,047.50	118,643.13	10,595.63
12/30/2033	104,887.50	104,887.50	118,389.38	13,501.88
12/30/2034	106,628.75	106,628.75	117,930.63	11,301.88
12/30/2035	108,060.00	108,060.00	118,241.25	10,181.25
12/30/2036	104,280.00	104,280.00	118,295.63	14,015.63
12/30/2037	105,395.00	105,395.00	118,093.76	12,698.76
12/30/2038	106,300.00	106,300.00	117,635.63	11,335.63
12/30/2039	102,100.00	102,100.00	116,921.25	14,821.25
Total	\$3,206,987.60	\$3,206,987.60	\$4,039,747.66	\$832,760.06

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	832,760.06
Gross PV Debt Service Savings	700,378.83
Net PV Cashflow Savings @ 3.685%(Bond Yield)	700,378.83
Transfers from Prior Issue Debt Service Fund	(85,558.75)
Transfers from Prior Issue DSR Fund	(415,000.00)
Contingency or Rounding Amount	3,715.80
Net Future Value Benefit	\$335,917.11
Net Present Value Benefit	\$203,535.88
Net PV Benefit / \$2,477,000 Refunded Principal	8.217%
Net PV Benefit / \$2,095,000 Refunding Principal	9.715%

Refunding Bond Information

Refunding Dated Date	3/28/2012
Refunding Delivery Date	3/28/2012

*Net D/S Excludes: DSR

3/6/2012 | 2:21 PM

Morgan Keegan & Company, Inc.

Public Finance

Final
\$2,095,000

Warren County Water District
 Refunding through the Kentucky Rural Water Finance Corporation
 Public Projects Refunding Revenue Bonds, Series 2012 B

Debt Service Schedule

Date	Principal	Coupon	Interest	Total PI	Fiscal Total
03/28/2012	-	-	-	-	-
08/01/2012	-	-	24,060.59	24,060.59	-
12/30/2012	-	-	-	-	24,060.59
02/01/2013	170,000.00	2.200%	35,210.63	205,210.63	-
08/01/2013	-	-	33,340.63	33,340.63	-
12/30/2013	-	-	-	-	238,551.26
02/01/2014	180,000.00	2.200%	33,340.63	213,340.63	-
08/01/2014	-	-	31,360.63	31,360.63	-
12/30/2014	-	-	-	-	244,701.26
02/01/2015	50,000.00	2.200%	31,360.63	81,360.63	-
08/01/2015	-	-	30,810.63	30,810.63	-
12/30/2015	-	-	-	-	112,171.26
02/01/2016	50,000.00	2.200%	30,810.63	80,810.63	-
08/01/2016	-	-	30,260.63	30,260.63	-
12/30/2016	-	-	-	-	111,071.26
02/01/2017	50,000.00	2.200%	30,260.63	80,260.63	-
08/01/2017	-	-	29,710.63	29,710.63	-
12/30/2017	-	-	-	-	109,971.26
02/01/2018	50,000.00	3.200%	29,710.63	79,710.63	-
08/01/2018	-	-	28,910.63	28,910.63	-
12/30/2018	-	-	-	-	108,621.26
02/01/2019	55,000.00	3.200%	28,910.63	83,910.63	-
08/01/2019	-	-	28,030.63	28,030.63	-
12/30/2019	-	-	-	-	111,941.26
02/01/2020	55,000.00	3.200%	28,030.63	83,030.63	-
08/01/2020	-	-	27,150.63	27,150.63	-
12/30/2020	-	-	-	-	110,181.26
02/01/2021	55,000.00	3.200%	27,150.63	82,150.63	-
08/01/2021	-	-	26,270.63	26,270.63	-
12/30/2021	-	-	-	-	108,421.26
02/01/2022	55,000.00	3.200%	26,270.63	81,270.63	-
08/01/2022	-	-	25,390.63	25,390.63	-
12/30/2022	-	-	-	-	106,661.26
02/01/2023	60,000.00	3.200%	25,390.63	85,390.63	-
08/01/2023	-	-	24,430.63	24,430.63	-
12/30/2023	-	-	-	-	109,821.26
02/01/2024	60,000.00	3.200%	24,430.63	84,430.63	-
08/01/2024	-	-	23,470.63	23,470.63	-
12/30/2024	-	-	-	-	107,901.26
02/01/2025	65,000.00	3.200%	23,470.63	88,470.63	-
08/01/2025	-	-	22,430.63	22,430.63	-
12/30/2025	-	-	-	-	110,901.26
02/01/2026	65,000.00	3.925%	22,430.63	87,430.63	-
08/01/2026	-	-	21,350.00	21,350.00	-
12/30/2026	-	-	-	-	108,780.63
02/01/2027	65,000.00	3.450%	21,350.00	86,350.00	-
08/01/2027	-	-	20,228.75	20,228.75	-
12/30/2027	-	-	-	-	106,578.75
02/01/2028	70,000.00	3.575%	20,228.75	90,228.75	-
08/01/2028	-	-	18,977.50	18,977.50	-
12/30/2028	-	-	-	-	109,206.25
02/01/2029	70,000.00	3.700%	18,977.50	88,977.50	-
08/01/2029	-	-	17,682.50	17,682.50	-
12/30/2029	-	-	-	-	106,660.00
02/01/2030	75,000.00	3.700%	17,682.50	92,682.50	-
08/01/2030	-	-	16,295.00	16,295.00	-
12/30/2030	-	-	-	-	108,977.50
02/01/2031	75,000.00	3.950%	16,295.00	91,295.00	-
08/01/2031	-	-	14,813.75	14,813.75	-
12/30/2031	-	-	-	-	106,108.75
02/01/2032	80,000.00	3.950%	14,813.75	94,813.75	-
08/01/2032	-	-	13,233.75	13,233.75	-
12/30/2032	-	-	-	-	108,047.50
02/01/2033	80,000.00	3.950%	13,233.75	93,233.75	-
08/01/2033	-	-	11,653.75	11,653.75	-
12/30/2033	-	-	-	-	104,887.50
02/01/2034	85,000.00	3.950%	11,653.75	96,653.75	-
08/01/2034	-	-	9,975.00	9,975.00	-
12/30/2034	-	-	-	-	106,628.75
02/01/2035	90,000.00	4.200%	9,975.00	99,975.00	-
08/01/2035	-	-	8,085.00	8,085.00	-
12/30/2035	-	-	-	-	108,060.00
02/01/2036	90,000.00	4.200%	8,085.00	98,085.00	-
08/01/2036	-	-	6,195.00	6,195.00	-
12/30/2036	-	-	-	-	104,280.00
02/01/2037	95,000.00	4.200%	6,195.00	101,195.00	-
08/01/2037	-	-	4,200.00	4,200.00	-
12/30/2037	-	-	-	-	105,395.00
02/01/2038	100,000.00	4.200%	4,200.00	104,200.00	-
08/01/2038	-	-	2,100.00	2,100.00	-
12/30/2038	-	-	-	-	106,300.00
02/01/2039	100,000.00	4.200%	2,100.00	102,100.00	-
12/30/2039	-	-	-	-	102,100.00
Total	\$2,095,000.00	-	\$1,111,987.60	\$3,206,987.60	-

Yield Statistics

Bond Year Dollars	\$29,218.29
Average Life	13.947 Years
Average Coupon	3.8057927%
Net Interest Cost (NIC)	3.9312952%
True Interest Cost (TIC)	3.9310631%
Bond Yield for Arbitrage Purposes	3.6848501%
All Inclusive Cost (AIC)	4.1695621%
IRS Form 8038	
Net Interest Cost	3.8227544%
Weighted Average Maturity	13.809 Years

Final

\$2,095,000

Warren County Water District

Refunding through the Kentucky Rural Water Finance Corporation

Public Projects Refunding Revenue Bonds, Series 2012 B

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
12/30/2012	-	-	24,060.59	24,060.59	24,060.59
12/30/2013	170,000.00	2.200%	68,551.26	238,551.26	238,551.26
12/30/2014	180,000.00	2.200%	64,701.26	244,701.26	244,701.26
12/30/2015	50,000.00	2.200%	62,171.26	112,171.26	112,171.26
12/30/2016	50,000.00	2.200%	61,071.26	111,071.26	111,071.26
12/30/2017	50,000.00	2.200%	59,971.26	109,971.26	109,971.26
12/30/2018	50,000.00	3.200%	58,621.26	108,621.26	108,621.26
12/30/2019	55,000.00	3.200%	56,941.26	111,941.26	111,941.26
12/30/2020	55,000.00	3.200%	55,181.26	110,181.26	110,181.26
12/30/2021	55,000.00	3.200%	53,421.26	108,421.26	108,421.26
12/30/2022	55,000.00	3.200%	51,661.26	106,661.26	106,661.26
12/30/2023	60,000.00	3.200%	49,821.26	109,821.26	109,821.26
12/30/2024	60,000.00	3.200%	47,901.26	107,901.26	107,901.26
12/30/2025	65,000.00	3.200%	45,901.26	110,901.26	110,901.26
12/30/2026	65,000.00	3.325%	43,780.63	108,780.63	108,780.63
12/30/2027	65,000.00	3.450%	41,578.75	106,578.75	106,578.75
12/30/2028	70,000.00	3.575%	39,206.25	109,206.25	109,206.25
12/30/2029	70,000.00	3.700%	36,660.00	106,660.00	106,660.00
12/30/2030	75,000.00	3.700%	33,977.50	108,977.50	108,977.50
12/30/2031	75,000.00	3.950%	31,108.75	106,108.75	106,108.75
12/30/2032	80,000.00	3.950%	28,047.50	108,047.50	108,047.50
12/30/2033	80,000.00	3.950%	24,887.50	104,887.50	104,887.50
12/30/2034	85,000.00	3.950%	21,628.75	106,628.75	106,628.75
12/30/2035	90,000.00	4.200%	18,060.00	108,060.00	108,060.00
12/30/2036	90,000.00	4.200%	14,280.00	104,280.00	104,280.00
12/30/2037	95,000.00	4.200%	10,395.00	105,395.00	105,395.00
12/30/2038	100,000.00	4.200%	6,300.00	106,300.00	106,300.00
12/30/2039	100,000.00	4.200%	2,100.00	102,100.00	102,100.00
Total	\$2,095,000.00	-	\$1,111,987.60	\$3,206,987.60	\$3,206,987.60

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Morgan Keegan & Company, Inc.

Public Finance

Final

\$2,095,000

Warren County Water District

Refunding through the Kentucky Rural Water Finance Corporation

Public Projects Refunding Revenue Bonds, Series 2012 B

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2013	Serial Coupon	2.200%	0.65%	170,000.00	101.300%	172,210.00
02/01/2014	Serial Coupon	2.200%	1.20%	180,000.00	101.819%	183,274.20
02/01/2015	Serial Coupon	2.200%	1.35%	50,000.00	102.369%	51,184.50
02/01/2016	Serial Coupon	2.200%	1.45%	50,000.00	102.803%	51,401.50
02/01/2017	Serial Coupon	2.200%	1.60%	50,000.00	102.798%	51,399.00
02/01/2018	Serial Coupon	3.200%	1.89%	50,000.00	107.198%	53,599.00
02/01/2019	Serial Coupon	3.200%	2.19%	55,000.00	106.362%	58,499.10
02/01/2020	Serial Coupon	3.200%	2.49%	55,000.00	104.994%	57,746.70
02/01/2021	Serial Coupon	3.200%	2.75%	55,000.00	103.539%	56,946.45
02/01/2022	Serial Coupon	3.200%	2.95%	55,000.00	101.948% c	56,071.40
02/01/2023	Serial Coupon	3.200%	3.20%	60,000.00	100.000%	60,000.00
02/01/2024	Serial Coupon	3.200%	3.30%	60,000.00	99.012%	59,407.20
02/01/2025	Serial Coupon	3.200%	3.40%	65,000.00	97.904%	63,637.60
02/01/2026	Serial Coupon	3.325%	3.50%	65,000.00	98.065%	63,742.25
02/01/2027	Serial Coupon	3.450%	3.60%	65,000.00	98.260%	63,869.00
02/01/2028	Serial Coupon	3.575%	3.70%	70,000.00	98.486%	68,940.20
02/01/2029	Serial Coupon	3.700%	3.80%	70,000.00	98.741%	69,118.70
02/01/2030	Serial Coupon	3.700%	3.90%	75,000.00	97.401%	73,050.75
02/01/2032	Term 1 Coupon	3.950%	4.05%	155,000.00	98.617%	152,856.35
02/01/2034	Term 2 Coupon	3.950%	4.12%	165,000.00	97.516%	160,901.40
02/01/2039	Term 3 Coupon	4.200%	4.25%	475,000.00	99.181%	471,109.75
Total	-	-	-	\$2,095,000.00	-	\$2,098,965.05

Bid Information

Par Amount of Bonds	\$2,095,000.00
Reoffering Premium or (Discount)	3,965.05
Gross Production	\$2,098,965.05
Total Underwriter's Discount (1.940%)	\$(40,634.74)
Bid (98.250%)	2,058,330.31
Total Purchase Price	\$2,058,330.31
Bond Year Dollars	\$29,218.29
Average Life	13.947 Years
Average Coupon	3.8057927%
Net Interest Cost (NIC)	3.9312952%
True Interest Cost (TIC)	3.9310631%

3/6/2012 | 2:21 PM

Morgan Keegan & Company, Inc.

Public Finance

Final

\$5,645,000

Warren County Water District
Series 1998 Open Market Issue

Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I
12/30/2012	-	-	16,537.50	16,537.50
12/30/2013	360,000.00	-	24,975.00	384,975.00
12/30/2014	375,000.00	4.500%	8,437.50	383,437.50
Total	\$735,000.00	-	\$49,950.00	\$784,950.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/28/2012
Average Life	1.269 Years
Average Coupon	4.500000%
Weighted Average Maturity (Par Basis)	1.269 Years

Refunding Bond Information

Refunding Dated Date	3/28/2012
Refunding Delivery Date	3/28/2012

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Final

\$2,000,000

Warren County Water District
Series 1999 A Rural Development

Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I
12/30/2012	-	-	44,638.75	44,638.75
12/30/2013	31,000.00	-	88,483.13	119,483.13
12/30/2014	33,000.00	-	86,843.13	119,843.13
12/30/2015	34,000.00	-	85,126.25	119,126.25
12/30/2016	37,000.00	-	83,306.88	120,306.88
12/30/2017	38,000.00	-	81,385.01	119,385.01
12/30/2018	40,000.00	-	79,386.26	119,386.26
12/30/2019	42,000.00	-	77,285.01	119,285.01
12/30/2020	44,000.00	-	75,081.26	119,081.26
12/30/2021	47,000.00	-	72,749.38	119,749.38
12/30/2022	49,000.00	-	70,289.38	119,289.38
12/30/2023	52,000.00	-	67,701.26	119,701.26
12/30/2024	54,000.00	-	64,985.01	118,985.01
12/30/2025	57,000.00	-	62,140.63	119,140.63
12/30/2026	60,000.00	-	59,142.50	119,142.50
12/30/2027	63,000.00	-	55,990.63	118,990.63
12/30/2028	66,000.00	-	52,685.01	118,685.01
12/30/2029	70,000.00	-	49,200.01	119,200.01
12/30/2030	73,000.00	-	45,535.63	118,535.63
12/30/2031	77,000.00	-	41,691.88	118,691.88
12/30/2032	81,000.00	-	37,643.13	118,643.13
12/30/2033	85,000.00	-	33,389.38	118,389.38
12/30/2034	89,000.00	-	28,930.63	117,930.63
12/30/2035	94,000.00	-	24,241.25	118,241.25
12/30/2036	99,000.00	-	19,295.63	118,295.63
12/30/2037	104,000.00	-	14,093.76	118,093.76
12/30/2038	109,000.00	-	8,635.63	117,635.63
12/30/2039	114,000.00	5.125%	2,921.25	116,921.25
Total	\$1,742,000.00	-	\$1,512,797.66	\$3,254,797.66

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/28/2012
Average Life	16.703 Years
Average Coupon	5.1250005%
Weighted Average Maturity (Par Basis)	16.703 Years

Refunding Bond Information

Refunding Dated Date	3/28/2012
Refunding Delivery Date	3/28/2012

3/6/2012 | 2:21 PM

Morgan Keegan & Company, Inc.

Public Finance

Final

\$5,645,000

Warren County Water District
Series 1998 Open Market Issue

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/30/2012	735,000.00	8,176.88	743,176.88	-	-	16,537.50	16,537.50
12/30/2013	-	-	-	360,000.00	-	24,975.00	384,975.00
12/30/2014	-	-	-	375,000.00	-	8,437.50	383,437.50
Total	\$735,000.00	\$8,176.88	\$743,176.88	\$735,000.00	-	\$49,950.00	\$784,950.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/28/2012
Average Life	1.269 Years
Average Coupon	4.5000000%
Weighted Average Maturity (Par Basis)	1.269 Years

Refunding Bond Information

Refunding Dated Date	3/28/2012
Refunding Delivery Date	3/28/2012

3/6/2012 | 2:21 PM

Morgan Keegan & Company, Inc.

Public Finance

Final

\$2,000,000

Warren County Water District
Series 1999 A Rural Development

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/30/2012	1,742,000.00	21,945.78	1,763,945.78	-	-	44,638.75	44,638.75
12/30/2013	-	-	-	31,000.00	-	88,483.13	119,483.13
12/30/2014	-	-	-	33,000.00	-	86,843.13	119,843.13
12/30/2015	-	-	-	34,000.00	-	85,126.25	119,126.25
12/30/2016	-	-	-	37,000.00	-	83,306.88	120,306.88
12/30/2017	-	-	-	38,000.00	-	81,385.01	119,385.01
12/30/2018	-	-	-	40,000.00	-	79,386.26	119,386.26
12/30/2019	-	-	-	42,000.00	-	77,285.01	119,285.01
12/30/2020	-	-	-	44,000.00	-	75,081.26	119,081.26
12/30/2021	-	-	-	47,000.00	-	72,749.38	119,749.38
12/30/2022	-	-	-	49,000.00	-	70,289.38	119,289.38
12/30/2023	-	-	-	52,000.00	-	67,701.26	119,701.26
12/30/2024	-	-	-	54,000.00	-	64,985.01	118,985.01
12/30/2025	-	-	-	57,000.00	-	62,140.63	119,140.63
12/30/2026	-	-	-	60,000.00	-	59,142.50	119,142.50
12/30/2027	-	-	-	63,000.00	-	55,990.63	118,990.63
12/30/2028	-	-	-	66,000.00	-	52,685.01	118,685.01
12/30/2029	-	-	-	70,000.00	-	49,200.01	119,200.01
12/30/2030	-	-	-	73,000.00	-	45,535.63	118,535.63
12/30/2031	-	-	-	77,000.00	-	41,691.88	118,691.88
12/30/2032	-	-	-	81,000.00	-	37,643.13	118,643.13
12/30/2033	-	-	-	85,000.00	-	33,389.38	118,389.38
12/30/2034	-	-	-	89,000.00	-	28,930.63	117,930.63
12/30/2035	-	-	-	94,000.00	-	24,241.25	118,241.25
12/30/2036	-	-	-	99,000.00	-	19,295.63	118,295.63
12/30/2037	-	-	-	104,000.00	-	14,093.76	118,093.76
12/30/2038	-	-	-	109,000.00	-	8,635.63	117,635.63
12/30/2039	-	-	-	114,000.00	5.125%	2,921.25	116,921.25
Total	\$1,742,000.00	\$21,945.78	\$1,763,945.78	\$1,742,000.00	-	\$1,512,797.66	\$3,254,797.66

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/28/2012
Average Life	16.703 Years
Average Coupon	5.1250005%
Weighted Average Maturity (Par Basis)	16.703 Years

Refunding Bond Information

Refunding Dated Date	3/28/2012
Refunding Delivery Date	3/28/2012

3/6/2012 | 2:21 PM

Morgan Keegan & Company, Inc.

Public Finance