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JAN 4 2017

Public Service  
Commission

**BRUCE E. SMITH**  
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January 3, 2017

Kentucky Public Service Commission  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
ATTN: Filings Section

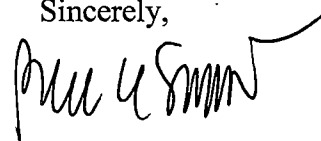
Re: Case No. 2015-00397

TO WHOM IT MAY CONCERN:

Enclosed is an original and seven (7) copies of my client's Disclosure of Financing Terms in compliance with the Commission's Order dated February 3, 2016.

Please contact me if you have any questions or concerns.

Sincerely,



Bruce E. Smith

Enclosure(s)

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**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

RECEIVED

**In the Matter of:**

JAN 4 2017

**APPLICATION OF JESSAMINE-SOUTH )  
ELKHORN WATER DISTRICT TO )  
FINANCE AN APPROVED WATERWORKS ) CASE NO 2015 - 00397  
IMPROVEMENT PROJECT PURSUANT TO )  
KRS 278.300 )**

Public Service  
Commission

**APPLICANT'S DISCLOSURE OF FINANCING TERMS**

Pursuant to ordering paragraphs 2 and 3 of the Kentucky Public Service Commission's Order herein of February 3, 2016 ("Order"), the Applicant, Jessamine-South Elkhorn Water District (the "District"), by counsel, submits the following disclosure of terms with attached amortization schedule.

1. The agreement with the Kentucky Rural Water Finance Corporation ("KRWFC") was entered November 30, 2016;
2. The principal amount of the loan is \$470,000.00;
3. The actual interest rate is 3.6322478%; and
4. The amortization schedule is attached hereto as Exhibit "A".



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Bruce E. Smith, Esq.

Henry E. Smith, Esq.

Bruce E. Smith Law Offices, PLLC

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Nicholasville, Kentucky 40356

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(859)885-3393

**CO-COUNSEL FOR DISTRICT**

Bes\USEWD\Forest Hills\Application No. 2\Statement of Financing Terms

**\$470,000**

Kentucky Rural Water Finance Corporation  
Public Projects Refunding and Improvement Bonds, Series 2016 D  
Jessamine South Elkhorn Water District

## Sources & Uses

Dated 11/30/2016 | Delivered 11/30/2016

### Sources Of Funds

Par Amount of Bonds	\$470,000.00
Reoffering Premium	31,011.00
<b>Total Sources</b>	<b>\$501,011.00</b>

### Uses Of Funds

Total Underwriter's Discount (1.765%)	8,295.50
Costs of Issuance	20,000.00
Deposit to Project Construction Fund	470,000.00
Rounding Amount	2,715.50
<b>Total Uses</b>	<b>\$501,011.00</b>

EX. A

**\$470,000**

Kentucky Rural Water Finance Corporation  
Public Projects Refunding and Improvement Bonds, Series 2016 D  
Jessamine South Elkhorn Water District

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/30/2016	-	-	-	-	-
08/01/2017	-	-	13,050.82	13,050.82	-
12/31/2017	-	-	-	-	13,050.82
02/01/2018	20,000.00	4.100%	9,747.50	29,747.50	-
08/01/2018	-	-	9,337.50	9,337.50	-
12/31/2018	-	-	-	-	39,085.00
02/01/2019	25,000.00	4.100%	9,337.50	34,337.50	-
08/01/2019	-	-	8,825.00	8,825.00	-
12/31/2019	-	-	-	-	43,162.50
02/01/2020	30,000.00	4.100%	8,825.00	38,825.00	-
08/01/2020	-	-	8,210.00	8,210.00	-
12/31/2020	-	-	-	-	47,035.00
02/01/2021	30,000.00	4.100%	8,210.00	38,210.00	-
08/01/2021	-	-	7,595.00	7,595.00	-
12/31/2021	-	-	-	-	45,805.00
02/01/2022	30,000.00	4.100%	7,595.00	37,595.00	-
08/01/2022	-	-	6,980.00	6,980.00	-
12/31/2022	-	-	-	-	44,575.00
02/01/2023	30,000.00	5.100%	6,980.00	36,980.00	-
08/01/2023	-	-	6,215.00	6,215.00	-
12/31/2023	-	-	-	-	43,195.00
02/01/2024	35,000.00	4.100%	6,215.00	41,215.00	-
08/01/2024	-	-	5,497.50	5,497.50	-
12/31/2024	-	-	-	-	46,712.50
02/01/2025	35,000.00	4.100%	5,497.50	40,497.50	-
08/01/2025	-	-	4,780.00	4,780.00	-
12/31/2025	-	-	-	-	45,277.50
02/01/2026	35,000.00	5.100%	4,780.00	39,780.00	-
08/01/2026	-	-	3,887.50	3,887.50	-
12/31/2026	-	-	-	-	43,667.50
02/01/2027	35,000.00	4.100%	3,887.50	38,887.50	-
08/01/2027	-	-	3,170.00	3,170.00	-
12/31/2027	-	-	-	-	42,057.50
02/01/2028	40,000.00	4.100%	3,170.00	43,170.00	-
08/01/2028	-	-	2,350.00	2,350.00	-
12/31/2028	-	-	-	-	45,520.00
02/01/2029	40,000.00	4.100%	2,350.00	42,350.00	-
08/01/2029	-	-	1,530.00	1,530.00	-
12/31/2029	-	-	-	-	43,880.00
02/01/2030	40,000.00	3.600%	1,530.00	41,530.00	-
08/01/2030	-	-	810.00	810.00	-
12/31/2030	-	-	-	-	42,340.00
02/01/2031	45,000.00	3.600%	810.00	45,810.00	-
12/31/2031	-	-	-	-	45,810.00
<b>Total</b>	<b>\$470,000.00</b>	<b>-</b>	<b>\$161,173.32</b>	<b>\$631,173.32</b>	<b>-</b>

**Yield Statistics**

Bond Year Dollars	\$3,949.64
Average Life	8.403 Years
Average Coupon	4.0807103%
Net Interest Cost (NIC)	3.5082959%
True Interest Cost (TIC)	3.4102340%
Bond Yield for Arbitrage Purposes	3.6322478%
All Inclusive Cost (AIC)	4.0128280%

**IRS Form 8038**

Net Interest Cost	3.1231485%
Weighted Average Maturity	8.327 Years

Series 2016 D Loans Final | Jessamine South Elkhorn | 11/17/2016 | 1:58 PM

**Raymond James & Associates, Inc.**

**\$470,000**

Kentucky Rural Water Finance Corporation  
Public Projects Refunding and Improvement Bonds, Series 2016 D  
Jessamine South Elkhorn Water District

### Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
12/31/2016	-	-	-	-	-
12/31/2017	-	-	13,050.82	13,050.82	13,050.82
12/31/2018	20,000.00	4.100%	19,085.00	39,085.00	39,085.00
12/31/2019	25,000.00	4.100%	18,162.50	43,162.50	43,162.50
12/31/2020	30,000.00	4.100%	17,035.00	47,035.00	47,035.00
12/31/2021	30,000.00	4.100%	15,805.00	45,805.00	45,805.00
12/31/2022	30,000.00	4.100%	14,575.00	44,575.00	44,575.00
12/31/2023	30,000.00	5.100%	13,195.00	43,195.00	43,195.00
12/31/2024	35,000.00	4.100%	11,712.50	46,712.50	46,712.50
12/31/2025	35,000.00	4.100%	10,277.50	45,277.50	45,277.50
12/31/2026	35,000.00	5.100%	8,667.50	43,667.50	43,667.50
12/31/2027	35,000.00	4.100%	7,057.50	42,057.50	42,057.50
12/31/2028	40,000.00	4.100%	5,520.00	45,520.00	45,520.00
12/31/2029	40,000.00	4.100%	3,880.00	43,880.00	43,880.00
12/31/2030	40,000.00	3.600%	2,340.00	42,340.00	42,340.00
12/31/2031	45,000.00	3.600%	810.00	45,810.00	45,810.00
<b>Total</b>	<b>\$470,000.00</b>	<b>-</b>	<b>\$161,173.32</b>	<b>\$631,173.32</b>	<b>\$631,173.32</b>

**\$470,000**

Kentucky Rural Water Finance Corporation  
Public Projects Refunding and Improvement Bonds, Series 2016 D  
Jessamine South Elkhorn Water District

## Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2018	Serial Coupon	4.100%	1.400%	20,000.00	103.119%	20,623.80
02/01/2019	Serial Coupon	4.100%	1.650%	25,000.00	105.198%	26,299.50
02/01/2020	Serial Coupon	4.100%	1.900%	30,000.00	106.733%	32,019.90
02/01/2021	Serial Coupon	4.100%	2.100%	30,000.00	107.942%	32,382.60
02/01/2022	Serial Coupon	4.100%	2.300%	30,000.00	108.723%	32,616.90
02/01/2023	Serial Coupon	5.100%	2.500%	30,000.00	114.775%	34,432.50
02/01/2024	Serial Coupon	4.100%	2.700%	35,000.00	109.067%	38,173.45
02/01/2025	Serial Coupon	4.100%	2.900%	35,000.00	108.669%	38,034.15
02/01/2026	Serial Coupon	5.100%	3.100%	35,000.00	115.852%	40,548.20
02/01/2029	Term 1 Coupon	4.100%	3.350%	115,000.00	105.875%	c 121,756.25
02/01/2032	Term 2 Coupon	3.600%	3.700%	85,000.00	98.843%	84,016.55
<b>Total</b>	-	-	-	<b>\$470,000.00</b>	-	<b>\$500,903.80</b>

### Bid Information

Par Amount of Bonds	\$470,000.00
Reoffering Premium or (Discount)	30,903.80
Gross Production	\$500,903.80
Total Underwriter's Discount (1.765%)	\$(8,295.50)
Bid (104.810%)	492,608.30
Total Purchase Price	\$492,608.30
Bond Year Dollars	\$3,949.64
Average Life	8.403 Years
Average Coupon	4.0807103%
Net Interest Cost (NIC)	3.5082959%
True Interest Cost (TIC)	3.4102340%