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MAR 05 2019

PUBLIC SERVICE
COMMISSION

March 4, 2019

Dr. Talina R. Mathews
Executive Director
Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40601

Re: Application of Crittenden-Livingston Water District for Approval to Enter into a Lease Agreement for the Purpose of Refinancing Certain Outstanding Obligations, PSC Case No. 2018-00047

Dear Dr. Mathews:

Enclosed for filing is an original and ten (10) copies of Crittenden-Livingston Water District's (the "District") response to the request of the Commission pursuant to the Order dated as of March 29, 2018, regarding the District's issuance of bonds to refinance certain outstanding obligations. Thank you to Mr. Andrew Bowker for his assistance throughout this matter.

Thank you, and if you have any questions with regard to this matter, please call me.

Sincerely,

DINSMORE & SHOHL LLP



Daniel D. Briscoe, Jr., Esq.

Enclosures

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

MAR 05 2019

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF CRITTENDEN-LIVINGSTON)
COUNTY WATER DISTRICT FOR APPROVAL TO)
ENTER INTO A LEASE AGREEMENT WITH THE)
KENTUCKY ASSOCIATION OF COUNTIES)
LEASING TRUST, IN AN APPROXIMATE) CASE NO. 2018- 00047
PRINCIPAL AMOUNT OF 2,105,000 FOR THE)
PURPOSE OF REFINANCING CERTAIN)
OUTSTANDING OBLIGATIONS OF THE)
CRITTENDEN-LIVINGSTON COUNTY WATER)
DISTRICT.

**THE DISTRICT'S UPDATED RESPONSE TO COMMISSION STAFF'S
SECOND DATA REQUEST**

Crittenden-Livingston County Water District ("the District"), by counsel, hereby files with the Public Service Commission of the Commonwealth of Kentucky (the "Commission"), its response to Commission staff's second data request.

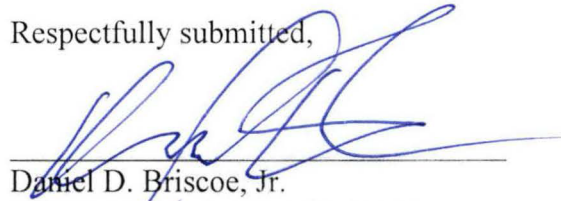
REQUEST NO. 3 OF STAFF'S SECOND DATA REQUEST

1. The final amounts of the RD payoff, the legal fees, and the new KACOFC loan will not be known until the refinancing transaction is finalized. Therefore, Crittenden-Livingston should provide the Commission an updated version of the response to Staff's Second Request, Exhibit B at 5, reflecting the cash flow analysis of the new KACOFC loan within ten days of finalizing the transaction.

Please see the attached Exhibit A, which contains the final amounts of the rural development payoff, the legal fees, and other costs of issuance associated with the completion of this financing.

Responsible Witness: Daniel Briscoe, Dinsmore & Shohl LLP, Bond Counsel to the Kentucky Association of Counties.

Respectfully submitted,



Daniel D. Briscoe, Jr.

DINSMORE & SHOHL LLP

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Covington, KY 41011

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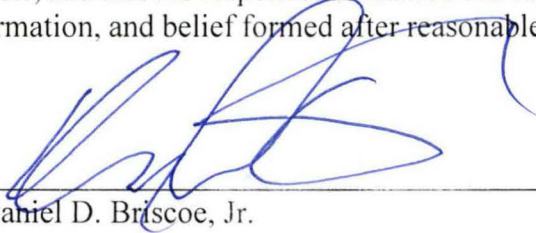
(859) 547-3371

(859) 431-0673 (fax)

Counsel to the District

CERTIFICATION

I hereby certify that, for the data requests for which I have been identified as the responsible witness, I have supervised the preparation of Crittenden-Livingston County Water District's responses to the Commission Staff's data requests, and that the responses contained therein are true and accurate to the best of my knowledge, information, and belief formed after reasonable inquiry.



Daniel D. Briscoe, Jr.
Associate
Dinsmore & Shohl LLP
Bond Counsel to the Kentucky Association of
Counties borrowing program

Date: 3-4-19

Exhibit A

Final Payoff Amount

(Distribution of Funds Schedule)

Pricing: April 19, 2018
Dated Date: May 1, 2018
Delivery Date: May 1, 2018

Sources of Funds:

Par Amount of Lease	\$2,090,000.00	
Plus: Lease Premium	\$54,033.36	
Total Due From Purchaser		\$2,144,033.36
Total Sources of Funds:		<u>\$2,144,033.36</u>

Uses of Funds:

Deposit to the Crittenden-Livingston Water District Disbursement Account	\$2,144,033.36	
Payoff of USDA Loan - Loan #91-12	\$595,902.33	
Payoff of USDA Loan - Loan #91-15	\$1,548,131.03	
Total Uses of Funds:		<u>\$2,144,033.36</u>

Final Net Savings

Crittenden-Livingston Water District - Series 1995 and 2000 USDA Refunding

Calendar Year	Prior Bond Payments			New Lease Payments				Net Savings
	Principal Portion	Interest Portion	Total	Principal Portion	Interest Portion	Program Fees	Total	Savings
2018	\$0	\$47,520	\$47,520	\$0	\$21,082	\$0	\$21,082	\$26,438
2019	\$66,000	\$93,555	\$159,555	\$70,000	\$82,969	\$4,578	\$157,547	\$2,008
2020	\$69,000	\$90,518	\$159,518	\$70,000	\$80,169	\$5,763	\$155,931	\$3,586
2021	\$72,000	\$87,345	\$159,345	\$70,000	\$77,369	\$5,588	\$152,956	\$6,389
2022	\$75,000	\$84,038	\$159,038	\$75,000	\$74,469	\$5,413	\$154,881	\$4,156
2023	\$78,000	\$80,595	\$158,595	\$75,000	\$71,469	\$5,225	\$151,694	\$6,901
2024	\$82,000	\$76,995	\$158,995	\$80,000	\$67,969	\$5,038	\$153,006	\$5,989
2025	\$86,000	\$73,215	\$159,215	\$85,000	\$63,844	\$4,838	\$153,681	\$5,534
2026	\$89,000	\$69,278	\$158,278	\$90,000	\$59,469	\$4,625	\$154,094	\$4,184
2027	\$94,000	\$65,160	\$159,160	\$95,000	\$54,844	\$4,400	\$154,244	\$4,916
2028	\$97,000	\$60,863	\$157,863	\$100,000	\$49,969	\$4,163	\$154,131	\$3,731
2029	\$102,000	\$56,385	\$158,385	\$105,000	\$45,369	\$3,913	\$154,281	\$4,104
2030	\$106,000	\$51,705	\$157,705	\$110,000	\$41,619	\$3,650	\$155,269	\$2,436
2031	\$111,000	\$46,823	\$157,823	\$110,000	\$38,250	\$3,375	\$151,625	\$6,197
2032	\$117,000	\$41,693	\$158,693	\$115,000	\$34,591	\$3,100	\$152,691	\$6,002
2033	\$122,000	\$36,315	\$158,315	\$120,000	\$30,625	\$2,813	\$153,438	\$4,878
2034	\$127,000	\$30,713	\$157,713	\$125,000	\$26,100	\$2,513	\$153,613	\$4,100
2035	\$133,000	\$24,863	\$157,863	\$130,000	\$21,000	\$2,200	\$153,200	\$4,663
2036	\$89,000	\$19,868	\$108,868	\$85,000	\$16,700	\$1,875	\$103,575	\$5,293
2037	\$93,000	\$15,773	\$108,773	\$90,000	\$13,200	\$1,663	\$104,863	\$3,910
2038	\$97,000	\$11,498	\$108,498	\$95,000	\$9,500	\$1,438	\$105,938	\$2,560
2039	\$101,000	\$7,043	\$108,043	\$95,000	\$5,878	\$1,200	\$102,078	\$5,964
2040	\$106,000	\$2,385	\$108,385	\$100,000	\$2,078	\$963	\$103,041	\$5,344
Totals	\$2,112,000	\$1,174,140	\$3,286,140	\$2,090,000	\$988,529	\$78,328	\$3,156,857	\$129,283

Net Savings Amount	
Gross Savings:	\$129,283
Present Value Savings:	\$100,640
Present Value Savings %:	4.77%

Interest Rate Reduction	
Prior Issues Average Rate:	4.50%
Series 2018 REF Interest Rate:	3.45%
Interest Rate Reduction:	1.06%

Final Costs of Issuance

Please note, cost of issuance is paid at the pool-level and is shared on a pro-rata basis by the participants, such as the District.

Kentucky Association of Counties Finance Corporation
Financing Program Revenue Bonds, 2018 First Series B

(Distribution of Funds Schedule)

Pricing: April 19, 2018
Dated Date: May 1, 2018
Delivery Date: May 1, 2018

Sources of Funds:

Par Amount of Bonds	\$8,760,000.00	
Add: Reoffering Premium	\$532,168.90	
Less: Underwriters Discount	(\$82,566.52)	
Total Due From Purchaser		\$9,209,602.38
Total Sources of Funds:		<u>\$9,209,602.38</u>

Uses of Funds:

Deposit to the Participant Payment Account		\$476,896.97
City of Guthrie #1BP2018B	\$96,510.51	
Todd County #11BP2018B	\$380,386.46	
Deposit to the Participant Disbursement Account		\$8,044,947.52
Crittenden-Livingston Water District #1BP2018B	\$2,144,033.36	
City of Guthrie #1BP2018B	\$1,189,956.93	
Todd County #11BP2018B	\$4,710,957.23	
Deposit to the Debt Service Reserve ⁽¹⁾		\$475,000.00
Deposit to the Cost of Issuance Account		\$212,755.89
Remit to Compass Municipal Advisors, LLC, their Financial Advisor Fees	\$89,635.00	
Remit to Dinsmore & Shohl, their Bond Counsel Fees (Includes Advertising & Publication)	\$32,635.89	
Remit to Standard & Poor's, their Rating Agency Fees	\$14,025.00	
Remit to KACo Finance Corporation, their Program Administration Fees	\$8,760.00	
Remit to U.S. Bank their Trustee, Registrar and Paying Agent Fees	\$6,000.00	
Remit to Arntec their Verification Agent Fees	\$1,500.00	
Total Uses of Funds:		<u>\$9,209,602.38</u>

⁽¹⁾ Purchase SLGs to settle on May 1, 2018.