



**Board Meeting Booklet**  
**for**  
**December 9, 2010**

**Kentucky Infrastructure Authority**  
**1024 Capital Center Drive, Suite 340**  
**Frankfort, Kentucky 40601-3646**  
**502-573-0260**  
**502-573-0157 fax**  
**<http://kia.ky.gov>**





# AGENDA

KENTUCKY INFRASTRUCTURE AUTHORITY  
FULL BOARD MEETING  
1024 CAPITAL CENTER DRIVE, SUITE 340  
December 9, 2010 – 1:00 p.m.

## Call to Order:

Vice Chair Damon Talley

- Confirmation of Press Notice
- Confirmation of Quorum
- Recognition of Members/Guests

## I. BUSINESS *(Board Action Required)*

### A. Minutes

- |   |                         |   |
|---|-------------------------|---|
| 1. Consideration of Approval of the <b>Minutes of the Kentucky Infrastructure Authority Regular Board Meeting of October 14, 2010</b><br><i>(Attachment I.A.1.)</i> | Vice Chair Damon Talley | 9 |
|---|-------------------------|---|

### B. New Projects/Action Items

- |  |   |    |
|--|---|----|
| 1. Consideration of the <b>Fiscal Year End June 30, 2010 Kentucky Infrastructure Authority Audit Report</b><br><i>(Handout)</i>  | Ms. Denise Pitts, KIA<br>Mr. Allen Norvell, CPA,<br>Director, Blue & Co., LLC |    |
| 2. Resolution and Order of the Board of Directors for Approval of a <b>Fund A loan (A10-12)</b> in the amount of <b>\$1,105,000</b> to the <b>City of Livermore, McLean County, Kentucky</b><br>(SX21149008)<br><i>(Attachment I.B.2.)</i>                               | Mr. Shafiq Amawi, DOW<br>Ms. Kasi White, KIA                                  | 19 |
| 3. Resolution and Order of the Board of Directors for Approval of a <b>Fund A loan (A10-13)</b> in the amount of <b>\$4,005,000</b> to the <b>Regional Water Resource Agency, Daviess County, Kentucky</b> (SX21059034, SX21059040)<br><i>(Attachment I.B.3.)</i>        | Mr. Shafiq Amawi, DOW<br>Ms. Sandy Williams, KIA                              | 33 |
| 4. Resolution and Order of the Board of Directors for Approval of a <b>Fund A loan (A10-14)</b> in the amount of <b>\$1,800,000</b> to the <b>City of Bardstown, Nelson County, Kentucky</b><br>(SX21179019)<br><i>(Attachment I.B.4.)</i>                               | Mr. Shafiq Amawi, DOW<br>Ms. Kasi White, KIA                                  | 49 |
| 5. Resolution and Order of the Board of Directors for Approval of a <b>Fund A loan (A10-15)</b> in the amount of <b>\$895,000</b> to the <b>City of LaCenter, Ballard County, Kentucky</b><br>(SX21007015)<br><i>(Attachment I.B.5.)</i>                                 | Mr. Shafiq Amawi, DOW<br>Ms. Sandy Williams, KIA                              | 63 |
| 6. Resolution and Order of the Board of Directors for Approval of a <b>Fund A loan (A10-16)</b> in the amount of <b>\$3,000,000</b> to the <b>City of Morehead f/b/o Morehead Utility Plant Board, Rowan County, Kentucky</b> (SX21205034)<br><i>(Attachment I.B.6.)</i> | Mr. Shafiq Amawi, DOW<br>Ms. Sandy Williams, KIA                              | 77 |



- |     |   |  |     |
|-----|---|--|-----|
| 7.  | Resolution and Order of the Board of Directors for Approval of a <b>Fund B loan (B10-08)</b> in the amount of <b>\$100,000</b> to the <b>City of Caneyville, Grayson County, Kentucky</b> (SX21085001)<br><i>(Attachment I.B.7.)</i>  | Ms. Kasi White, KIA                              | 91  |
| 8.  | Resolution and Order of the Board of Directors for Approval of a <b>Fund B loan (B10-09)</b> in the amount of <b>\$810,000</b> to the <b>City of Crab Orchard, Lincoln County, Kentucky</b> (WX21137015)<br><i>(Attachment I.B.8.)</i>  | Ms. Kasi White, KIA                              | 103 |
| 9.  | Resolution and Order of the Board of Directors for Approval of a <b>Fund B loan (B10-10)</b> in the amount of <b>\$475,000</b> to the <b>Bracken County Water District, Bracken County, Kentucky</b> (WX21023030)<br><i>(Attachment I.B.9.)</i>   | Ms. Kasi White, KIA                              | 115 |
| 10. | Resolution and Order of the Board of Directors for Authorizing an <b>Amendment</b> to the Conditional Commitment for a <b>Fund F Loan (F09-02) increasing</b> the amount to <b>\$16,000,000</b> to the <b>Northern Kentucky Water District, Kenton County, Kentucky</b> (WX21117208)<br><i>(Attachment I.B.10.)</i>                               | Mr. Shafiq Amawi, DOW<br>Ms. Kasi White, KIA     | 127 |
| 11. | Resolution and Order of the Board of Directors for Approval of a <b>Fund F loan (F10-04)</b> in the amount of <b>\$940,225</b> to the <b>Madison County Utilities District, Madison County, Kentucky</b> (WX21151033)<br><i>(Attachment I.B.11.)</i>  | Mr. Shafiq Amawi, DOW<br>Ms. Sandy Williams, KIA | 143 |
| 12. | Resolution and Order of the Board of Directors Authorizing and Approving the Issuance of Obligations of the Kentucky Infrastructure Authority to <b>Reimburse Capital Expenditures</b> made by Governmental Agencies Pursuant to Loans made by the Kentucky Infrastructure Authority to such Governmental Agencies<br><i>(Attachment I.B.12.)</i> | Ms. Sandy Williams, KIA                          | 159 |

**II. EXECUTIVE DIRECTOR’S REPORT**

Mr. John Covington, KIA

**III. STATUS REPORTS FOR FUNDS**

Mr. John Covington, KIA

- |    |   |     |
|----|---|-----|
| A. | 2003 Coal/Tobacco Development Fund Grants | 163 |
| B. | 2020 Account / Fund B Grants              | 177 |
| C. | IEDF Fund Grants                          | 183 |
| D. | Funds A, A2, B, B1, C, F, F2              | 205 |

**IV. ANNOUNCEMENTS/NOTIFICATIONS**

Mr. John Covington, KIA

*Next KIA Board Meeting:  
Tentatively set for **Thursday, January 6th, 2010**  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340, Frankfort*

**V. ADJOURN**

Vice Chair Damon Talley



**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.A.1.**



**KENTUCKY INFRASTRUCTURE AUTHORITY  
Minutes of the Full Board**

**Meeting Date/Location: October 14, 2010 – 1:00 p.m.  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340, Frankfort**

**Members present:**

Mr. Tony Wilder, Commission, Department for Local Government  
Mr. Greg Haskamp, Finance and Administration Cabinet  
(proxy for Secretary Jonathan Miller, FAC)  
Mr. Hank List, Energy and Environment Cabinet  
(permanent proxy for Secretary Leonard K. Peters, EEC)  
Mr. Ken Robinson, Economic Development Cabinet  
(proxy for Secretary Larry Hayes, EDC)  
Mr. Jerry Wuetcher, Public Service Commission  
(permanent proxy for Executive Director Jeff Derouen, PSC)  
Mr. Damon Talley, representing the Kentucky Rural Water Association  
Mr. David W. Cartmell, Mayor, City of Maysville, representing the Kentucky League of Cities  
Ms. Linda C. Bridwell, representing for-profit private water companies  
Mr. C. Ronald Lovan, representing the American Water Works Association

**Members absent:**

Mr. Thomas P. Calkins, representing the Kentucky Municipal Utilities Association  
Mr. Jody Jenkins, Union County Judge/Executive, representing the Kentucky  
Association of Counties

**Guests:**

Mr. John Herring, Pennyriple Area Development District  
Mr. Mark Bryant, City of Marion  
Ms. Joanna Davis, Green River Area Development District  
Ms. Sandy Howard, Mayor of the City of Sacramento  
Ms. Lynsey Womack-Denney, Department for Local Government  
Mr. Tom Midkiff, Office of Financial Management  
Ms. Samantha Gange, Legislative Research Commission  
Ms. Kristi Culpepper, Legislative Research Commission

**PROCEEDINGS**

**Chair Tony Wilder called the meeting of the Kentucky Infrastructure Authority (KIA) Board to order. He noted that a quorum was present and that the press had been notified regarding the meeting. Chair Wilder welcomed Mr. Ron Lovan as the new board member representing the American Water Works Association. He asked board members and guests to introduce themselves.**

Mr. Rusty Anderson, KIA, made maps available for viewing via the Water Resource Information System (WRIS) which showed an overview of all the projects that were to be considered at this board meeting.

**I. BUSINESS (Board Action Required)**

**A. 1. APPROVAL OF MINUTES**

**For: KIA Regular Board Meeting of August 5, 2010**

*Mr. Damon Talley moved to approve the revised minutes of the August 5th, 2010 regular board meeting that were signed October 13, 2010. Ms. Linda Bridwell seconded, and the motion carried unanimously.*

**B. NEW PROJECTS/ACTION ITEMS**

- 1. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AMENDMENT OF THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN FOR \$10,500,000 (A10-08), DECREASING THE INTEREST RATE TO 2.0% TO THE LEXINGTON FAYETTE URBAN COUNTY GOVERNMENT, FAYETTE COUNTY, KENTUCKY**

**RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AMENDMENT OF THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN FOR \$3,928,375 (A10-09), DECREASING THE INTEREST RATE TO 2.0% TO THE LEXINGTON FAYETTE URBAN COUNTY GOVERNMENT, FAYETTE COUNTY, KENTUCKY**

Ms. Sandy Williams, KIA, presented both resolutions to the Board. The Board had approved both loans to the Lexington Fayette Urban County Government on June 3, 2010. The resolutions for both projects signed on July 3, 2010, identified and approved an interest rate of 3.0%. However, since both of the projects comply with Lexington Fayette Urban County Government's Consent Decrees they qualified for the 2.0% interest rate. KIA Staff requested the Board's re-approval of the correct interest rate of 2.0% for both projects.

*Ms. Linda Bridwell moved to approve both resolutions. Mr. Damon Talley seconded, and the motion carried unanimously.*

- 2. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND (B10-05) LOAN IN THE AMOUNT OF \$1,246,754 TO THE CITY OF MARION, CRITTENDEN COUNTY, KENTUCKY**

Ms. Sandy Williams, KIA, presented the project to the board. The City of Marion requested a Fund B loan for the water distribution upgrade project. The project

will replace the existing 4-inch, 6-inch, and 8-inch cast iron waterline along Main Street with new 12-inch ductile iron (DI) waterline from the intersection of East Cruce Lane and US 641, north approximately 7,100 feet to Second Street. In general, the design will consist of the replacement of the old waterline, new connections to all intersecting lines, installation of new valves and fire hydrants, and reconnection of water services. Periodic line breaks over the years have forced businesses, particularly restaurants, to use alternative water sources or to shut down while repairs to the water system are being made. Mr. Mark Bryant, City of Marion, spoke to the board stating the importance of this project to the City.

KIA staff recommended approval of the loan with the standard conditions and the following special condition. The City shall pass an ordinance no later than March 1, 2011 that will enact the following rate increases: a) a rate increase of 1.5% to go into effect no later than July 1, 2011; b) an additional rate increase of 5.0% to go into effect no later than July 1, 2012; and c) an additional rate increase of 4.5% to go into effect no later than July 1, 2013.

*Mr. Damon Talley moved to approve the resolution with the standard conditions and the special condition indicated in the staff recommendations. Ms. Linda Bridwell seconded, and the motion carried unanimously.*

**3. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND (B10-06) LOAN IN THE AMOUNT OF \$394,000 TO THE CITY OF PRINCETON, CALDWELL COUNTY, KENTUCKY**

Ms. Kasi White, KIA, presented the project to the board. The City of Princeton on behalf of the Princeton Water & Wastewater Commission requested a Fund B Loan in the amount of \$394,000 for the Jeff Watson Road Sewer System Rehabilitation project. This project will replace approximately 3,500 liner feet (LF) of 8"VCP and 800 LF of 10" VCP. The existing pipe will replace HDPE using the pipe bursting method. KIA staff recommended approval of the Fund B loan with the standard conditions and the following special condition: No later than July 1, 2011, the City shall pass the necessary resolution or ordinance affecting a rate increase to the sewer utility of at least 3% or such amount needed to provide additional annual revenues of at least \$75,000.

*Mayor David Cartmell moved to approve the resolution with the standard conditions and the special condition indicated in the staff recommendations. Ms. Linda Bridwell seconded, and the motion carried unanimously.*

**4. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND (B10-07) LOAN IN THE AMOUNT OF \$1,115,000 TO THE CITY OF GREENVILLE, MUHLENBURG COUNTY, KENTUCKY**

Ms. Kasi White, KIA, presented the project to the board. The City of Greenville for the benefit of Greenville Utilities Commission requested a Fund B loan in the amount of \$1,115,000 for construction of a new lagoon, repair to the liner of the existing aeration lagoon and inflow and infiltration correction. There have been six violations in the past few months for non-compliance at the WWTP. The new lagoon and improvements will increase plant capacity from 1.3 MGD to 1.6 MGD and provide a backup system to the existing lagoon. There is over 60,000 linear feet of lines throughout the system that have been identified as having I&I issues and need correction and/or replacement. This funding package will assist in bringing the WWTP into compliance and reducing I&I and sanitary sewer overflows throughout the system. Mr. John Herring, Pennyriple Area Development District, spoke to the board regarding the timing of the City's application for this project. KIA staff recommended approval of the loan with the standard conditions.

*Mr. Hank List moved to approve the resolution with the standard conditions. Mr. Ron Lovan seconded, and the motion carried unanimously.*

**5. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A 2020 WATER SERVICE ACCOUNT GRANT OF \$150,000 TO THE MCLEAN COUNTY FISCAL COURT ON BEHALF OF THE MCLEAN COUNTY – DRIVING AREA WATER NEEDS (DAWN) CONSORTIUM, MCLEAN COUNTY, KENTUCKY**

Ms. Debby Milton, KIA, presented the project to the board. The McLean County Fiscal Court on behalf of The McLean County – Driving Area Water Needs (DAWN) Consortium requested a \$150,000 grant from the 2020 Water Service Account Fund Program for a water needs assessment, study and design project. DAWN is a collaborative effort between McLean County Fiscal Court, Beech Grove Water Association, North McLean County Water District, and the Cities of Calhoun, Island, Livermore, and Sacramento to improve drinking water service for the residents of McLean County. City, county, and water district officials are seeking a regional approach to deliver improved water quality and water pressure to customers across the county. Included in the study will be a comparison of options for McLean County water systems and a recommendation of the most cost effective programs to ensure all citizens will have access to an adequate amount of safe and affordable water. KIA staff recommended approval of the grant with the standard grant assistance agreement conditions.

*Mr. Damon Talley moved to approve the resolution with the standard conditions. Ms. Linda Bridwell seconded, and the motion carried unanimously.*

**6. RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AND APPROVING THE ISSUANCE OF OBLIGATIONS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY TO REIMBURSE CAPITAL EXPENDITURES MADE BY GOVERNMENTAL AGENCIES PURSUANT TO LOANS MADE BY THE KENTUCKY INFRASTRUCTURE AUTHORITY TO SUCH GOVERNMENTAL AGENCIES**

Ms. Sandy Williams, KIA, noted this is a routine resolution allowing KIA to reimburse expenses that are paid out of the Authority's funds with bond proceeds. The projects listed below are covered under this resolution:

| APPLICANT          | FUND | AMOUNT       |
|--------------------|------|--------------|
| City of Marion     | B    | \$ 1,246,754 |
| City of Princeton  | B    | \$ 394,000   |
| City of Greenville | B    | \$ 1,115,000 |

***Ms. Linda Bridwell moved to approve the resolution. Mr. Damon Talley seconded, and the motion carried unanimously.***

## II. EXECUTIVE DIRECTOR'S REPORT

Mr. John Covington, KIA, reported on the following items to the Board:

- A. The 2012 Call for Projects for the SRF Programs opened October 1, 2010. The transition from a paper based form to utilizing the new Project Profile in the WRIS system was successful. Training for the 2012 Funding Cycles was available on October 11-12, 2010, in Bowling Green and Morehead, Kentucky. Potential borrowers, consultants, and area development district staff were invited and the new project profile was addressed. Each water management council is also being contacted to present the new project profile and how it is being used with the SRF programs.
- B. Invitation letters were sent to potential borrowers who were ranked for the 2011 Funding Cycle. Fund A received 39 applications totaling \$144,000,000 and Fund F received 12 applications totaling \$40,000,000. A second round of invitations will not be anticipated.
- C. The 2009-2010 Audit will be presented at the next board meeting.
- D. A KIA Fall-Winter 2010 Calendar was presented to the board members regarding important upcoming dates. Mr. Covington noted that due to many events scheduled in November, the December board meeting date may need to be rescheduled.

***Mr. Damon Talley moved to reschedule the December 2nd board meeting to December 9<sup>th</sup>, 2010. Mr. Ron Lovan seconded, and the motion carried unanimously.***

- E. The CWSRF and CWSRF ARRA Project Status handouts were discussed.

## III. STATUS REPORT FOR FUNDS

- A. 2003 Coal/Tobacco Development Grants
- B. IEDF Fund Grants
- C. 2020 Account / Fund B Grants
- D. Funds A, A2, B, B1, C, F, F2

**IV. ANNOUNCEMENTS/NOTIFICATIONS**

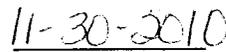
- Next scheduled KIA board meeting:  
Tentatively scheduled for  
Thursday, November 4th, 2010  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky

***There being no further business Mayor David Cartmell moved to adjourn. Mr. Hank List seconded and the motion carried unanimously. The October 14th, 2010, regular meeting of the Board of the Kentucky Infrastructure Authority was adjourned.***

Submitted by:



Sandy Williams, Secretary  
Kentucky Infrastructure Authority



Date

# **HANDOUT**



**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.2.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A10-12) OF \$1,105,000 TO THE CITY OF LIVERMORE, MCLEAN COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Wastewater Revolving Loan Program (Fund A) with the City of Livermore, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund A loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$1,105,000 of project expense including capitalized interest for the construction period, to the City of Livermore for the Livermore Rehabilitation Project. Such amounts are subject to adjustment by further action of the

Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. Principal forgiveness of 30% will be deducted from the approved loan amount. The unforgiven principal balance of \$773,500 shall be repaid.

Section 4. The unforgiven principal shall be repayable over 20 years at an interest rate of 1.0%. In addition to debt service, a 0.2% annual administration fee on the unpaid, unforgiven principal balance will be charged. From annual revenues, \$5,200 must be set aside in a borrower held replacement reserve. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

STEVEN L. BESHEAR  
GOVERNOR



LEONARD K. PETERS  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
200 FAIR OAKS LANE, 4TH FLOOR  
FRANKFORT, KENTUCKY 40601  
[www.kentucky.gov](http://www.kentucky.gov)

November 5, 2010

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: 2011-028  
Livermore WWTP--3107  
Activity ID: FGL20110007  
HUC No.: 05110005020: Green River,  
near Lake Calhoun  
Fund A

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Livermore is entitled to receive priority for funding for the Livermore Infiltration & Inflow (I&I) Sewer Rehabilitation Project and is eligible to receive \$1,105,000 from the Clean Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications were approved by DOW on January 13, 2010.
2. Construction bids are expected to be opened on January 1, 2011.
3. The Categorical Exclusion was approved on November 4, 2010.

The binding commitment letter should include the following general conditions to satisfy federal requirements:

1. The Authority to Award (bid) package must be submitted to DOW for approval within 14 days of bid opening. DOW must perform the MBE/WBE reviews, conduct a pre-construction and project management conference and approve executed contract documents.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.
4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated

project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.

5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Assessment before bidding the project.

Upon compliance with the general and special conditions, the DOW will issue its final project certification prior to finalizing the loan agreement.

Please forward the draft binding commitment letter to this office for review when completed. Should you have any questions concerning this letter, do not hesitate to contact Bill Averell, Project Administrator, at (502) 564-8158, extension 4980.

Sincerely,



Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG: ba

Enclosures

C: The Honorable Dennis Revlett, Mayor  
Sheryl Chino, Senior Project Administrator, Green River ADD  
Louis Robbins, P. E., GRW Engineering (Nashville)

|   |   |                           |                                    |                       |
|---|---|---------------------------|------------------------------------|-----------------------|
| <b>EXECUTIVE SUMMARY</b>                      |   | Reviewer:                 | Kasi White                         |                       |
| <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>      |   | Date:                     | December 9, 2010                   |                       |
| <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>  |   | KIA Loan Number:          | A10-12                             |                       |
| <b>REVOLVING LOAN FUND</b>                    |   | WRIS Number:              | SX21149008                         |                       |
|   |   | HUC Code:                 | 05110005020                        |                       |
| <b>BORROWER:</b>                              | <b>CITY OF LIVERMORE</b>  |                           |                                    |                       |
|   | <b>MCLEAN COUNTY</b>  |                           |                                    |                       |
| <b>BRIEF DESCRIPTION:</b>                     | <p>The City of Livermore is requesting \$1,105,000 in Clean Water SRF funds for their Sewer Rehabilitation project. This project involves the rehabilitation of 64 manholes, 13 point repairs, reconnection of 353 services and repair and/or replacement of 15,000 linear feet of old clay pipe. Additionally, the Lawrence Street and Green River lift stations will be replaced to ensure consistent flow to the wastewater treatment plant. The project will rectify inflow and infiltration (I&amp;I) issues and extend the life of the WWTP. The project will also contribute \$1,105,000 towards Kentucky's green reserve requirement.</p> |                           |                                    |                       |
| <b>PROJECT FINANCING:</b>                     |   | <b>PROJECT BUDGET</b>     |                                    |                       |
| Fund A Loan                                   | \$ 1,105,000  | Administrative Expenses   | \$ 75,000                          |                       |
| CDBG  | 1,000,000   | Legal Expenses            | 17,000                             |                       |
|   |   | Engineering Fees          | 220,024                            |                       |
|   |   | Construction              | 1,663,000                          |                       |
|   |   | Contingency               | 104,976                            |                       |
|   |   | Other                     | 25,000                             |                       |
| <b>TOTAL</b>                                  | <b>\$ 2,105,000</b>   | <b>TOTAL</b>              | <b>\$ 2,105,000</b>                |                       |
| <b>REPAYMENT</b>                              |   |                           |                                    |                       |
|   | Rate  | 1.00%                     | Est. Annual Payment \$ 44,315      |                       |
|   | Term  | 20 years                  | 1st Payment 6 Mo. after first draw |                       |
| <b>PROFESSIONAL SERVICES</b>                  | Engineer  | GRW Engineering           |                                    |                       |
|   | Bond Counsel  | Peck, Shaffer, & Williams |                                    |                       |
| <b>PROJECT SCHEDULE</b>                       |   |                           |                                    |                       |
|   | Bid Opening:  | January 31, 2011          |                                    |                       |
|   | Construction Start:   | March 31, 2011            |                                    |                       |
|   | Construction Stop:  | March 31, 2012            |                                    |                       |
| <b>DEBT PER CUSTOMER</b>                      | Existing:   | \$ 661                    |                                    |                       |
|   | Proposed:   | \$ 1,685                  |                                    |                       |
| <b>OTHER DEBT</b>                             | See Attached  |                           |                                    |                       |
| <b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b> | See Attached  |                           |                                    |                       |
| <b>RESIDENTIAL RATES</b>                      |   | <u>Users</u>              | <u>Avg. Bill</u>                   |                       |
|   | Current   | 684 \$                    | 36.46 (for 4,000 gallons)          |                       |
|   | Additional  | 0 \$                      | 43.19 (for 4,000 gallons)          |                       |
| <b>REGIONAL COORDINATION</b>                  | This project is consistent with regional planning recommendations.  |                           |                                    |                       |
| <b>CASHFLOW</b>                               | <b>Cash Available for Debt Service</b>  | <b>Debt Service</b>       | <b>Income after Debt Service</b>   | <b>Coverage Ratio</b> |
| Audited 2007                                  | 38,181  | 52,995                    | (14,814)                           | 0.72                  |
| Audited 2008                                  | 42,364  | 53,846                    | (11,482)                           | 0.79                  |
| Audited 2009                                  | 44,279  | 54,173                    | (9,894)                            | 0.82                  |
| Prelim 2010                                   | 34,357  | 54,646                    | (20,289)                           | 0.63                  |
| Budgeted 2011                                 | 78,623  | 57,263                    | 21,360                             | 1.37                  |
| Projected 2012                                | 65,595  | 61,731                    | 3,864                              | 1.06                  |
| Projected 2013                                | 101,689   | 97,810                    | 3,879                              | 1.04                  |
| Projected 2014                                | 103,127   | 91,665                    | 11,462                             | 1.13                  |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND "A")  
CITY OF LIVERMORE, MCLEAN COUNTY  
PROJECT REVIEW  
SX21149008**

**I. PROJECT DESCRIPTION**

The City of Livermore is requesting \$1,105,000 in Clean Water SRF funds for their Sewer Rehabilitation project. This project involves the rehabilitation of 64 manholes, 13 point repairs, reconnection of 353 services and repair and/or replacement of 15,000 linear feet of old clay pipe. Additionally, the Lawrence Street and Green River lift stations will be replaced to ensure consistent flow to the wastewater treatment plant. The project will rectify inflow and infiltration (I&I) issues and extend the life of the WWTP.

The plans were approved in January, 2010 and the environmental review was completed in November, 2010 so the project is ready to bid once funding is secured.

**II. PROJECT BUDGET**

|                         | <u>Total</u>        |
|-------------------------|---------------------|
| Administrative Expenses | \$ 75,000           |
| Legal Expenses          | 17,000              |
| Engineering Fees        | 220,024             |
| Construction            | 1,663,000           |
| Contingency             | 104,976             |
| Other                   | 25,000              |
| <b>Total</b>            | <b>\$ 2,105,000</b> |

**III. PROJECT FUNDING**

|              | <u>Amount</u>       | <u>%</u>    |
|--------------|---------------------|-------------|
| Fund A Loan  | \$ 1,105,000        | 52%         |
| CDBG         | 1,000,000           | 48%         |
| <b>Total</b> | <b>\$ 2,105,000</b> | <b>100%</b> |

**IV. KIA DEBT SERVICE**

|  |                   |
|--|-------------------|
| Construction Loan                          | \$1,105,000       |
| Less: Principal Forgiveness (30%)          | 331,500           |
| Amortized Loan Amount                      | <u>\$ 773,500</u> |
| Interest Rate                              | 1.00%             |
| Loan Term (Years)                          | 20                |
| Estimated Annual Debt Service              | \$ 42,768         |
| Administrative Fee (0.20%)                 | <u>1,547</u>      |
| <b>Total Estimated Annual Debt Service</b> | <b>\$ 44,315</b>  |

**V. PROJECT SCHEDULE**

|                    |               |
|--------------------|---------------|
| Bid Opening        | January, 2011 |
| Construction Start | March, 2011   |
| Construction Stop  | March, 2012   |

**VI. RATE STRUCTURE**

|                       |                |
|-----------------------|----------------|
| <u>Customers</u>      | <u>Current</u> |
| Residential Customers | 557            |
| Commercial Customers  | <u>127</u>     |
| Total                 | 684            |

- No new customers will be added as a result of this project.

Rates

The monthly charge for wastewater utility service as modified in June, 2010 is as follows:

|  | <u>City</u>     | <u>Outside City</u> |
|--|-----------------|---------------------|
| Date of Last Rate Increase                     | 6/1/2010        | 6/1/2010            |
| Minimum (debt service and maintenance reserve) | \$ 8.10         | \$ 8.10             |
| Rates Per 1,000 Gallons                        | \$ 7.09         | \$ 7.32             |
| <b>Cost for 4,000 gallons</b>                  | <b>\$ 36.46</b> | <b>\$ 37.38</b>     |
| Affordability Index (Rate/MHI)                 | 1.9%            | 1.9%                |

## **VII. DEMOGRAPHICS**

In 2000, the City's population was 1,482 with a Median Household Income (MHI) of \$23,086. The median household income for the Commonwealth is \$33,672. The project will qualify for a 1% interest rate because the MHI is less than 80% of the state MHI.

## **VIII. 2010 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for \$1,105,000 under the GPR category of energy efficiency.
- 2) Additional Subsidization – This project qualifies for 30% of additional subsidization (estimated at \$331,500) in the form of principal forgiveness.

## **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for City is from audited financial statements for the years ended June 30, 2007, 2008 and 2009. Selected unaudited management information was provided for 2010 and the City's budget was provided for 2011.

For years 2007 – 2010 revenues increased from \$217,753 to approximately \$262,000. Increases were typically due to rate adjustments. Operating expenses ranged from \$234,730 to \$283,000. The increase in expenses between 2009 and 2010 is mainly the result of almost \$60,000 in repairs and maintenance paid out by the city. The debt coverage ratio was less than one for each year reflecting the need for additional revenues to sustain the utility.

At the end of fiscal 2010 the City had approximately \$79,000 in restricted assets related to various bond and loan covenants. Per the audit, this is in excess of the requirements necessary to date reflecting the city's commitment to ensure funds are available for necessary debt service payments and good maintenance of reserve or O&M required accounts. The balance sheet reflects that the city maintaining a debt to equity ratio of near .5 for all years reviewed.

Projections are based on the following assumptions:

- Revenues are anticipated to increase by 1% annually due to growth and/or consumption related factors. Revenues from the conditional rate increases are included in the revenue projections for 2013 and 2014.
- Expenses increase by 5% per year.
- An annual replacement reserve of \$5,200 will be funded monthly
- The new debt service is estimated at \$44,315 annually.

Debt service coverage is 1.04 in 2013 when principal and interest repayments begin. Based on the proforma assumptions, the utility shows adequate cashflow to repay the KIA Fund A loan.

## REPLACEMENT RESERVE

The annual replacement cost is \$5,200. A proportionate amount should be added monthly to the replacement account until the balance reaches \$52,000 and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

|                         | <u>Outstanding</u> | <u>Maturity</u> |
|-------------------------|--------------------|-----------------|
| Series 1980 Sewer Bonds | \$242,000          | 2019            |
| Series 1986 Sewer Bonds | 181,000            | 2025            |
| KIA (B92-03)            | 16,022             | 2013            |
| <b>Total</b>            | <b>\$439,022</b>   |                 |

## XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u>                  | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|---------------------------------------|-----------------------|---------------|-------------|
| Sewer System Evaluation (McLean F.C.) | HB267                 | \$205,000     | Grant       |
| Sewer System Evaluation (McLean F.C.) | HB380                 | \$100,000     | Grant       |
| Water Plant Improvements              | HB608                 | \$200,000     | Grant       |

## XII. CONTACTS

| <b>Applicant</b> |                                     | <b>Applicant Contact</b> |  |
|------------------|-------------------------------------|--------------------------|--|
| Name             | City of Livermore                   | Name                     | Green River Area<br>Development District         |
| Address          | P.O. Box 279<br>Livermore, KY 42352 | Address                  | 3860 U.S. Highway 60 West<br>Owensboro, KY 42301 |
| County           | McLean                              | Contact                  | Sheryl Chino                                     |
| Contact          | Dennis Revlett                      | Phone                    | (270) 926-4433                                   |
| Phone            | (270) 278-2113                      | Email                    | SherylChino@gradd.com                            |
| Email            | livermoremayor@bellsouth.net        |                          |  |

| <b>Engineer</b> |   |
|-----------------|---|
| Name            | Louis Robbins                                   |
| Firm            | GRW Engineering                                 |
| Address         | 404 BNA Drive, Suite 201<br>Nashville, TN 37217 |
| Phone           | (615) 366-1600                                  |
| Email           | lrobbins@grwinc.com                             |

### **XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions and the following special condition:

1. The City will pass an ordinance increasing sewer rates per the following schedule no later than March 1, 2011.
  - a) 15% to be effective on or before July 1, 2012
  - b) 3% to be effective on or before July 1, 2013

**EXHIBIT 1  
CITY OF LIVERMORE  
CASH FLOW ANALYSIS**

|   | Audited<br>2007 | %<br>Change | Audited<br>2008 | %<br>Change | Audited<br>2009 | %<br>Change | Prelim<br>2010 | Budgeted<br>2011 | Projected<br>2012 | Projected<br>2013 | Projected<br>2014 |
|---|-----------------|-------------|-----------------|-------------|-----------------|-------------|----------------|------------------|-------------------|-------------------|-------------------|
| <b>Operating Revenues</b>                                 |                 |             |                 |             |                 |             |                |                  |                   |                   |                   |
| Revenues  | 213,932         | 11%         | 236,943         | -1%         | 233,808         | 12%         | 261,174        | 290,364          | 293,268           | 296,201           | 343,593           |
| Miscellaneous   | 3,821           |             | 5,113           |             | 626             | 508         |                | 500              | 500               | 500               | 500               |
| Additional Revenues from Rate Increase *                  |                 |             |                 |             |                 |             |                |                  |                   |                   |                   |
| <b>Total Revenues</b>                                     | 217,753         | 11%         | 242,056         | -3%         | 234,434         | 12%         | 261,682        | 290,864          | 293,768           | 341,131           | 354,401           |
| <b>Operating Expenses</b>                                 |                 |             |                 |             |                 |             |                |                  |                   |                   |                   |
| Operating Expenses  | 183,861         | 11%         | 203,443         | -4%         | 194,757         | 20%         | 233,960        | 214,641          | 225,373           | 236,642           | 248,474           |
| Depreciation  | 50,624          | -4%         | 48,683          | 0%          | 48,882          | 0%          | 48,900         | 49,878           | 102,503           | 104,553           | 106,644           |
| Replacement Reserve                                       |                 |             |                 |             |                 |             |                |                  | 5,200             | 5,200             | 5,200             |
| <b>Total Expenses</b>                                     | 234,485         | 8%          | 252,126         | -3%         | 243,639         | 16%         | 282,860        | 264,519          | 333,076           | 346,395           | 360,318           |
| <b>Net Operating Income</b>                               | (16,732)        | -40%        | (10,070)        | -9%         | (9,205)         | 130%        | (21,178)       | 26,345           | (39,308)          | (5,264)           | (5,917)           |
| <b>Non-Operating Income and Expenses</b>                  |                 |             |                 |             |                 |             |                |                  |                   |                   |                   |
| Interest on Investments                                   | 3,489           | 8%          | 3,751           | -36%        | 2,412           | 1%          | 2,427          | 2,400            | 2,400             | 2,400             | 2,400             |
| Other   | 800             |             | 0               |             | 2,190           | 4,208       |                | 0                | 0                 | 0                 | 0                 |
| <b>Total Non-Operating Income &amp; Expenses</b>          | 4,289           | -13%        | 3,751           | 23%         | 4,602           | 44%         | 6,635          | 2,400            | 2,400             | 2,400             | 2,400             |
| <b>Add Non-Cash Expenses</b>                              |                 |             |                 |             |                 |             |                |                  |                   |                   |                   |
| Depreciation  | 50,624          | -4%         | 48,683          | 0%          | 48,882          | 0%          | 48,900         | 49,878           | 102,503           | 104,553           | 106,644           |
| <b>Cash Available for Debt Service</b>                    | <b>38,181</b>   | <b>11%</b>  | <b>42,364</b>   | <b>5%</b>   | <b>44,279</b>   | <b>-22%</b> | <b>34,357</b>  | <b>78,623</b>    | <b>65,595</b>     | <b>101,689</b>    | <b>103,127</b>    |
| <b>Debt Service</b> <small>(enter as positive #s)</small> |                 |             |                 |             |                 |             |                |                  |                   |                   |                   |
| Existing Principal  | 26,669          |             | 28,796          |             | 30,301          | 32,060      |                | 33,198           | 35,339            | 36,484            | 32,000            |
| Existing Interest   | 26,326          |             | 25,050          |             | 23,872          | 22,585      |                | 20,198           | 18,656            | 17,011            | 15,350            |
| Proposed KIA Loan   |                 |             |                 |             |                 | 3,868       |                | 3,868            | 7,735             | 44,315            | 44,315            |
| <b>Total Debt Service</b>                                 | 52,995          |             | 53,846          |             | 54,173          | 54,646      |                | 57,263           | 61,731            | 97,810            | 91,665            |
| <b>Income After Debt Service</b>                          | (14,814)        |             | (11,482)        |             | (9,894)         | (20,289)    |                | 21,360           | 3,864             | 3,879             | 11,462            |
| <b>Debt Coverage Ratio</b>                                | 0.72            |             | 0.79            |             | 0.82            | 0.63        |                | 1.37             | 1.06              | 1.04              | 1.13              |
| <b>* Rate Increases Needed</b>                            |                 |             |                 |             |                 |             |                |                  |                   | <b>15%</b>        | <b>3%</b>         |

**CITY OF LIVERMORE  
BALANCE SHEETS**

| <b>ASSETS</b>                                  | <b>Audited<br/>2007</b> | <b>Audited<br/>2008</b> | <b>Audited<br/>2009</b> | <b>Unaudited<br/>2010</b> | <b>Upon<br/>Completion</b> |
|--|-------------------------|-------------------------|-------------------------|---------------------------|----------------------------|
| <b>Current Assets</b>                          |                         |                         |                         |                           |                            |
| Cash   | 6,872                   | 8,916                   | 5,501                   | 9,322                     | 3,864                      |
| Accounts Receivable                            | 27,203                  | 33,613                  | 29,587                  | 32,207                    | 30,653                     |
| Due from Other Governments (ins)/Funds         | 0                       | 0                       | 12,420                  | 11,393                    | 9,339                      |
| Prepaid  | 1,812                   | 15,434                  | 880                     | 880                       | 880                        |
| Other Current Assets                           | 47                      | 15                      | 47                      | 47                        | 39                         |
| <b>Total Current Assets</b>                    | <b>35,934</b>           | <b>57,978</b>           | <b>48,435</b>           | <b>53,849</b>             | <b>44,775</b>              |
| <b>Restricted Assets</b>                       |                         |                         |                         |                           |                            |
| KIA Replacement                                | 3,750                   | 3,876                   | 3,911                   | 3,955                     | 4,043                      |
| KIA Debt Service                               | 7,665                   | 4,330                   | 4,374                   | 4,423                     | 4,521                      |
| Revenue Bond Depreciation                      | 30,170                  | 31,215                  | 32,402                  | 33,635                    | 36,101                     |
| Revenue Bond Reserve                           | 59,330                  | 30,434                  | 32,611                  | 36,706                    | 44,896                     |
| <b>Total Restricted Assets</b>                 | <b>100,915</b>          | <b>69,855</b>           | <b>73,298</b>           | <b>78,719</b>             | <b>89,561</b>              |
| <b>Utility Plant</b>                           |                         |                         |                         |                           |                            |
| Land, System, Building and Equipment           | 3,179,431               | 3,109,689               | 3,129,857               | 3,129,857                 | 5,234,857                  |
| <b>Less Accumulated Depreciation ( )</b>       | <b>(1,730,337)</b>      | <b>(1,701,042)</b>      | <b>(1,749,924)</b>      | <b>(1,749,924)</b>        | <b>(1,802,549)</b>         |
| <b>Net Fixed Assets</b>                        | <b>1,449,094</b>        | <b>1,408,647</b>        | <b>1,379,933</b>        | <b>1,379,933</b>          | <b>3,432,308</b>           |
| <b>Total Assets</b>                            | <b>1,585,943</b>        | <b>1,536,480</b>        | <b>1,501,666</b>        | <b>1,512,501</b>          | <b>3,566,644</b>           |
| <b>LIABILITIES</b>                             |                         |                         |                         |                           |                            |
| <b>Current Liabilities</b>                     |                         |                         |                         |                           |                            |
| Accounts Payable                               | 6,526                   | 5,859                   | 5,392                   | 6,619                     | 6,099                      |
| Accrued Interest                               | 6,282                   | 5,971                   | 5,647                   | 5,647                     | 5,887                      |
| Notes and Mortgages Payable                    | 4,796                   | 4,927                   | 5,060                   | 5,060                     | 5,339                      |
| Capital Lease                                  | 0                       | 0                       | 1,541                   | 1,541                     | 1,541                      |
| Bonds Payable                                  | 32,000                  | 33,000                  | 33,000                  | 35,000                    | 30,000                     |
| Due to Other Funds                             | 0                       | 13,096                  | 4,028                   | 641                       | 0                          |
| Other  | 2,056                   | 329                     | 611                     | 830                       | 1,000                      |
| <b>Total Current Liabilities</b>               | <b>51,660</b>           | <b>63,182</b>           | <b>55,279</b>           | <b>55,338</b>             | <b>49,866</b>              |
| <b>Long Term Liabilities</b>                   |                         |                         |                         |                           |                            |
| Notes and Mortgages Payable                    | 26,009                  | 21,082                  | 16,022                  | 16,022                    | 778,985                    |
| Revenue Bonds Payable                          | 473,000                 | 448,000                 | 423,000                 | 396,000                   | 338,000                    |
| Capital Lease Payable                          | 0                       | 0                       | 6,710                   | 5,169                     | 2,087                      |
| <b>Total Long Term Liabilities</b>             | <b>499,009</b>          | <b>469,082</b>          | <b>445,732</b>          | <b>417,191</b>            | <b>1,119,072</b>           |
| <b>Total Liabilities</b>                       | <b>550,669</b>          | <b>532,264</b>          | <b>501,011</b>          | <b>472,529</b>            | <b>1,168,938</b>           |
| <b>Retained Earnings:</b>                      |                         |                         |                         |                           |                            |
| Invested in Capital Assets Net of Related Debt | 913,289                 | 901,638                 | 894,600                 | 928,785                   | 2,254,318                  |
| Restricted                                     | 100,915                 | 69,854                  | 73,298                  | 78,719                    | 89,561                     |
| Unrestricted                                   | 21,070                  | 32,724                  | 32,757                  | 32,468                    | 53,828                     |
| <b>Total Retained Earnings</b>                 | <b>1,035,274</b>        | <b>1,004,216</b>        | <b>1,000,655</b>        | <b>1,039,972</b>          | <b>2,397,706</b>           |
| <b>Total Liabilities and Equities</b>          | <b>1,585,943</b>        | <b>1,536,480</b>        | <b>1,501,666</b>        | <b>1,512,501</b>          | <b>3,566,644</b>           |
| <b>Balance Sheet Analysis</b>                  |                         |                         |                         |                           |                            |
| Current Ratio                                  | 0.70                    | 0.92                    | 0.88                    | 0.97                      | 0.90                       |
| Debt to Equity                                 | 0.53                    | 0.53                    | 0.50                    | 0.45                      | 0.49                       |
| Working Capital                                | (15,726)                | (5,204)                 | (6,844)                 | (1,489)                   | (5,091)                    |
| Percent of Total Assets in Working Capital     | -0.99%                  | -0.34%                  | -0.46%                  | -0.10%                    | -0.14%                     |
| Days Sales Outstanding                         | 45.6                    | 50.7                    | 46.1                    | 44.9                      | 38.5                       |

**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.3.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A10-13) OF \$4,005,000 TO THE REGIONAL WATER RESOURCE AGENCY, DAVIESS COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Wastewater Revolving Loan Program (Fund A) with the Regional Water Resource Agency, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund A loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$4,005,000 of project expense including capitalized interest for the construction period, to the Regional Water Resource Agency for construction of the Dublin Lane Tunnel Sewer Outfall Reconstruction and Veteran's Blvd CSO Upgrade project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of

bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable over 20 years at an interest rate of 2.0%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
200 FAIR OAKS LANE, 4TH FLOOR  
FRANKFORT, KENTUCKY 40601  
[www.kentucky.gov](http://www.kentucky.gov)

December 2, 2010

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: CWL#2011-125 Fund A  
Max Rhoads WWTP--946  
Activity ID: FGL20110004  
Watershed Name: Cowhide of Slough of  
Ohio River  
Watershed Code (HUC11): 05140201240

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Regional Water Resource Agency is entitled to receive priority for funding for the Dublin Lane Tunnel Sewer Outfall Reconstruction and Veteran's Drive Sewer Rehabilitation and is eligible to receive \$4,005,000 from the Clean Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications are expected to be submitted to DOW for Dublin Lane Outfall Reconstruction project in January of 2011 and for Veteran's Drive Sewer Rehabilitation in December of 2010.
2. Construction bids are expected to be opened for the Dublin Lane project in March 2011 and for Veteran's Drive in February 2011.
3. Project specific environmental information is expected to be submitted to DOW for Dublin Lane in January 2011 and for Veteran's Drive in December 2010.

The binding commitment letter should include the following general conditions to satisfy federal requirements:

1. The Authority to Award (bid) package must be submitted to DOW for approval within 14 days of bid opening. DOW must perform the DBE reviews and conduct a pre-construction and project management conference.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.

4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.
5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Assessment before bidding the project.

Upon compliance with the general and special conditions, the DOW will issue its final project certification prior to finalizing the loan agreement.

Please forward the draft binding commitment letter to this office for review when completed. Should you have any questions concerning this letter, do not hesitate to contact Buddy Griffin, Project Administrator, at (502) 564-8158, extension 4971.

Sincerely,



Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG:bg

Enclosures

C: David Hawes, Executive Director, RWRA  
Sheryl Chino, GRADD  
Chuck Anderson, PEH/Strand Engineers

**EXECUTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**FUND A, FEDERALLY ASSISTED WASTEWATER**  
**REVOLVING LOAN FUND**

Reviewer: Sandy Williams  
 Date: December 9, 2010  
 KIA Loan Number: A10-13  
 WRIS Number: SX21059034, SX21059040  
 HUC Code: 05140201240

**BORROWER:** REGIONAL WATER RESOURCE AGENCY  
 DAVIESS COUNTY

**BRIEF DESCRIPTION:**

The Regional Water Resource Agency (RWRA) proposes to complete two projects. The Agency is under enforcement to mitigate combined sewer overflows. First, the Dublin Lane sewer outfall is deteriorating rapidly. A new outfall sewer at a higher elevation will be constructed and a pump station intake will be reconstructed. This will establish a configuration that will improve CSO environmental conditions at this location thus reducing combined sewage overflows.

The Veteran's Drive Sewer Rehabilitation project is an extension, replacement and upgrade to an existing combined sewer that runs parallel to the Ohio River beginning at Daviess Street to the Locust Street Tunnel Sewer. This project will continue improvement from Frederica Street westward to the Locust Street Tunnel sewer system and reduce overflows at the Daviess Street and Frederica Street CSO's, respectively. Because this project is a part of RWRA's Long-Term Control Plan for the entire system, it effectively impacts the entire population of 64,000 served by RWRA.

| PROJECT FINANCING: |                     | PROJECT BUDGET   |                     |
|--------------------|---------------------|------------------|---------------------|
| KIA                | \$ 4,005,000        | Legal Expenses   | 55,000              |
|                    |                     | Engineering Fees | 435,000             |
|                    |                     | Construction     | 3,100,000           |
|                    |                     | Contingency      | 310,000             |
|                    |                     | Other            | 105,000             |
| <b>TOTAL</b>       | <b>\$ 4,005,000</b> | <b>TOTAL</b>     | <b>\$ 4,005,000</b> |

| REPAYMENT |          | Est. Annual |                        |
|-----------|----------|-------------|------------------------|
| Rate      | 2.00%    | Payment     | \$ 251,959             |
| Term      | 20 years | 1st Payment | 6 Mo. after first draw |

| PROFESSIONAL SERVICES |                           |
|-----------------------|---------------------------|
| Engineer              | PEH/Strand Engineers      |
| Bond Counsel          | Peck, Shaffer, & Williams |

| PROJECT SCHEDULE    |  | Dublin Lane      | Veteran's Drive  |
|---------------------|--|------------------|------------------|
| Bid Opening:        |  | March 1, 2011    | February 1, 2011 |
| Construction Start: |  | June 1, 2011     | March 1, 2011    |
| Construction Stop:  |  | November 1, 2011 | July 1, 2011     |

| DEBT PER CUSTOMER |          |
|-------------------|----------|
| Existing:         | \$ 1,334 |
| Proposed:         | \$ 1,200 |

**OTHER DEBT** See Attached

**OTHER STATE-FUNDED PROJECTS LAST 5 YRS** See Attached

| RESIDENTIAL RATES |  | Users  | Avg. Bill                    |
|-------------------|--|--------|------------------------------|
| Current           |  | 28,219 | \$22.23 (for 4,000 gallons)  |
| Additional        |  | 0      | \$ 22.23 (for 4,000 gallons) |

**REGIONAL COORDINATION** This project is consistent with regional planning recommendations.

| CASHFLOW       | Cash Available for |              | Income after Debt |                |
|----------------|--------------------|--------------|-------------------|----------------|
|                | Debt Service       | Debt Service | Service           | Coverage Ratio |
| Audited 2006   | 4,335,853          | 2,348,910    | 1,986,943         | 1.85           |
| Audited 2007   | 5,997,336          | 2,415,967    | 3,581,369         | 2.48           |
| Audited 2008   | 10,173,741         | 3,054,467    | 7,119,274         | 3.33           |
| Audited 2009   | 5,492,616          | 3,032,595    | 2,460,021         | 1.81           |
| Prelim 2010    | 5,365,915          | 3,218,262    | 2,147,653         | 1.67           |
| Projected 2011 | 5,125,762          | 3,219,061    | 1,906,701         | 1.59           |
| Projected 2012 | 4,977,121          | 3,365,066    | 1,612,056         | 1.48           |
| Projected 2013 | 4,817,130          | 3,470,221    | 1,346,909         | 1.39           |
| Projected 2014 | 4,645,230          | 3,468,621    | 1,176,609         | 1.34           |
| Projected 2015 | 4,460,832          | 3,467,959    | 992,873           | 1.29           |
| Projected 2016 | 4,263,325          | 3,467,959    | 795,366           | 1.23           |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND "A")  
REGIONAL WATER RESOURCE AGENCY, DAVIESS COUNTY  
PROJECT REVIEW  
SX21059034, SX21059040**

**I. PROJECT DESCRIPTION**

The Regional Water Resource Agency (RWRA) is requesting a Fund A loan in the amount of \$4,005,000 to complete two projects. RWRA is under enforcement with the Commonwealth of Kentucky (September 5, 2007) to mitigate combined sewer overflows.

The RWRA was created by the enactment of identical ordinances by the City of Owensboro and Daviess County Fiscal Court on October 18, 1994 and October 5, 1994, respectively, for the purpose of managing, controlling and operating regional comprehensive wastewater facilities within Daviess County. RWRA is considered a related organization of the City of Owensboro and Daviess County. All operations of the RWRA are managed by its own professional staff and governed by a board of directors, which consists of four city board appointments and three county board appointments. RWRA revenue is derived 100% from its ratepayers who reside in areas of Daviess County inside and outside of the city limits.

RWRA is a regionalization model for other counties in Kentucky and nationally. The Wastewater Treatment Plant was highlighted in EPA's 2004 Annual Report on the Clean Water State Revolving Fund Programs.

**Dublin Lane Sewer Outfall**

The Dublin Lane sewer outfall is deteriorating rapidly. A new outfall sewer at a higher elevation will be constructed and a pump station intake will be reconstructed. This will establish a configuration that will improve CSO environmental conditions at this location thus reducing combined sewage overflows.

**Veteran's Drive Sewer Rehabilitation**

The Veteran's Drive Sewer Rehabilitation project is an extension, replacement and upgrade to an existing combined sewer that runs parallel to the Ohio River beginning at Daviess Street to the Locust Street Tunnel Sewer. This project will continue improvement from Frederica Street westward to the Locust Street Tunnel sewer system and reduce overflows at the Daviess Street and Frederica Street CSO's, respectively. Because this project is a part of RWRA's Long-Term Control Plan for the entire system, it effectively impacts the entire population of 64,000 served by RWRA.

## II. PROJECT BUDGET

|                  | <u>Total</u>       |
|------------------|--------------------|
| Legal Expenses   | \$55,000           |
| Engineering Fees | 435,000            |
| Construction     | 3,100,000          |
| Contingency      | 310,000            |
| Other            | 105,000            |
| <b>Total</b>     | <b>\$4,005,000</b> |

## III. PROJECT FUNDING

|              | <u>Amount</u>       | <u>%</u>    |
|--------------|---------------------|-------------|
| KIA          | \$ 4,005,000        | 100%        |
| <b>Total</b> | <b>\$ 4,005,000</b> | <b>100%</b> |

## IV. KIA DEBT SERVICE

|  |                   |
|--|-------------------|
| Construction Loan                          | \$ 4,005,000      |
| Interest Rate                              | 2.00%             |
| Loan Term (years)                          | 20                |
| Estimated Annual Debt Service              | \$ 243,949        |
| Administrative Fee (0.20%)                 | 8,010             |
| <b>Total Estimated Annual Debt Service</b> | <b>\$ 251,959</b> |

## V. PROJECT SCHEDULE

|                     | <u>Dublin Lane</u> | <u>Veteran's Drive</u> |
|---------------------|--------------------|------------------------|
| Bid Opening:        | March 1, 2011      | February 1, 2011       |
| Construction Start: | June 1, 2011       | March 1, 2011          |
| Construction Stop:  | November 1, 2011   | July 1, 2011           |

## VI. CUSTOMER BREAKDOWN AND RATE STRUCTURE

| <u>Customers</u> | <u>Current</u> | <u>Proposed</u> | <u>Total</u>  |
|------------------|----------------|-----------------|---------------|
| Residential      | 25,634         | 0               | 25,634        |
| Commercial       | 2,514          | 0               | 2,514         |
| Industrial       | 71             | 0               | 71            |
|                  | <u>28,219</u>  | <u>0</u>        | <u>28,219</u> |

## **Rates**

|                                |                |
|--------------------------------|----------------|
| Date of Last Rate Increase     | 7/1/2007       |
| Minimum                        | \$10.71        |
| Rates Per 1,000 Gallons        | \$3.57         |
| System Development Fee         | \$7.95         |
| <b>Cost for 4,000 gallons</b>  | <b>\$22.23</b> |
| Affordability Index (Rate/MHI) | 0.8%           |

### The Following Fees Apply To RWRA's Sewer Extension Areas

Capacity Fee for each Equivalent Residential Unit (ERU) is \$398.00. Qualified existing users are allowed to pay in monthly installments of \$2.40/month.

System Development Fee for each ERU is currently \$1,320.00. Qualified existing users are allowed to pay this fee in monthly installments of \$7.95/month. All proposed and future customers within the project area will be charged an ERU fee of \$1,320.00 to be billed in monthly installments of \$7.95.

Assessment Fee – when the extension of service requires the construction of collection sewers within a neighborhood or area, the associated costs of the extension is pro-rated and apportioned to the served properties. These costs vary between projects. Existing property owners have the option to finance assessment fees on their monthly bill or pay the full amount in advance.

Industrial Surcharge - Commercial/Industrial customers with high-strength waste above the RWRA discharge limits will be assessed “surcharges” to offset the additional costs of treatment. Current charges are \$0.145 per pound of Biochemical Oxygen Demand (B.O.D.) and \$0.156 per pound of Total Suspended Solids (T.S.S.) for strength exceeding 265 mg/l.

## **VII. DEMOGRAPHICS**

The RWRA serves approximately 26,000 customers in Owensboro and Daviess County. In 2000, Owensboro's Median Household Income (MHI) was \$31,867 and the MHI for Daviess County was \$36,813. The median household income for the Commonwealth is \$33,672. Based on median household income and the regional status of the borrower, the project will qualify for the 2% interest rate.

## **VIII. 2010 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project does not include Green Project Reserve (GPR) components.
- 2) Additional Subsidization – This project does not qualify for principal forgiveness.

## **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for the utility was obtained from the audited financial statements of the Regional Water Resource Agency for the years ended June 30, 2006 through 2009. Amounts for the year ended June 30, 2010 are estimated.

### **HISTORICAL**

In 2007 revenue from sewer service charges, the primary operational revenue source, increased by 19% primarily as a result of increased industrial volume and a 19% rate increase which took effect April 1, 2006. Revenue from sewer service charges increase by 4% in 2008. An 8% rate increase that became effective July 1, 2007 was partially offset by decreased usage in all customer segments (residential, commercial, industrial). Slight increases in 2009 and 2010 are due to both usage and customer increases.

Operating expenses increased by 11% in 2007 primarily as a result of salary, benefits and maintenance increases. Expenses increased 4% in 2008 with compensation costs being the significant contributing factor. In 2009 expenses increased for repairs (\$167,000) and electric (\$113,000). Benefit cost increases were partly offset by staff reductions. Expenses were estimated to have increased 4% for 2010.

RWRA has maintained designated reserves for a number of years. As a part of the KIA loan agreement, \$2,500,000 has been designated as a reserve. Additionally, the RWRA Board has designated \$500,000 as a replacement reserve, \$2,000,000 as an emergency capital reserve and \$1,000,000 as an operating reserve.

Total debt service is strong with coverage of 2.5 in 2007, 3.3 in 2008, 1.8 in 2009 and 1.7 in 2010.

### **PROFORMA**

The proforma is based on the following assumptions:

- Revenue will increase 2% per year.
- Expenses will increase 4% per year.
- The \$2.5 million Replacement Reserve will remain fully funded.

The new debt service is estimated at \$251,959 annually and will increase overall debt service to \$3,470,221 in 2013. Debt service coverage is 1.39 in 2013, which is the first full year of principal and interest payments.

Based on the proforma assumptions, the utility shows adequate cashflow to repay the KIA Fund A loan.

## REPLACEMENT RESERVE

\$2,500,000 has been deposited into the Replacement Reserve Account and will be maintained for the life of all RWRA loans. No additional reserve will be required as a result of this loan.

### X. DEBT OBLIGATIONS

|                             | <u>Outstanding</u>  | <u>Maturity</u> |
|-----------------------------|---------------------|-----------------|
| 2007 Series A Revenue Bonds | \$6,705,000         | varies          |
| KIA A95-06                  | 3,710,583           | Dec-17          |
| KIA A99-04                  | 19,156,101          | Jun-23          |
| KIA A06-02                  | 6,725,815           | Dec-27          |
| KIA A07-08                  | 1,393,207           | Dec-28          |
| <b>Total</b>                | <b>\$37,690,706</b> |                 |

### XI. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u>                 | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|--------------------------------------|-----------------------|---------------|-------------|
| CDBG #2                              | CDBG                  | \$445,860     | Grant       |
| Yellow Creek Park PTP Connection     | HB267                 | \$57,000      | Grant       |
| Glenview Subdivision Sewer Extension | HB267                 | \$243,888     | Grant       |
| Riverside/Highlands Sewer Extension  |                       | \$370,500     | Grant       |
| Broad Acre Sewer Extension           | HB380                 | \$140,000     | Grant       |

### XII. CONTACTS

#### **Applicant**

Name Regional Water Resource Agency  
Address 1722 Pleasant Valley Road  
Owensboro, KY 42303  
County Daviess  
Contact David Hawes  
Phone (270) 687-8440  
Email hawesdw@rwra.org

#### **Applicant Contact**

Name Green River Area Development District  
Address 3860 US Highway 60 West  
Owensboro, KY 42301  
Contact Sheryl Chino  
Phone (270) 926-4433  
Email Sheryl.Chino@gradd.com

**Engineer**

Name Chuck Anderson  
Firm PEH/Strand Engineers  
Address Waterfront Plaza, Suite 710, 325 West Main  
Street  
Louisville, KY 40202  
Phone (502) 583-7020

**XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions.

**EXHIBIT 1**  
**REGIONAL WATER RESOURCE AGENCY**  
**CASH FLOW ANALYSIS**

June 30

|   | Audited<br>2006   | %<br>Change  | Audited<br>2007   | %<br>Change | Audited<br>2008   | %<br>Change | Audited<br>2009   | %<br>Change  | Prelim<br>2010    | Projected<br>2011 | Projected<br>2012 | Projected<br>2013  | Projected<br>2014  | Projected<br>2015  | Projected<br>2016  |
|---|-------------------|--------------|-------------------|-------------|-------------------|-------------|-------------------|--------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Operating Revenues</b>                                 |                   |              |                   |             |                   |             |                   |              |                   |                   |                   |                    |                    |                    |                    |
| Sewer Service Charges                                     | 8,995,485         | 19%          | 10,665,382        | 4%          | 11,116,102        | 4%          | 11,322,161        | 2%           | 11,548,604        | 11,779,576        | 12,015,168        | 12,255,471         | 12,500,580         | 12,750,592         | 13,005,604         |
| Industrial Surcharge                                      | 271,699           | 90%          | 515,062           | -22%        | 402,976           | -22%        | 639,522           | 59%          | 652,312           | 665,359           | 678,666           | 692,239            | 706,084            | 720,206            | 734,610            |
| Sewer Taps  | 138,587           | -15%         | 118,328           | 16%         | 137,017           | 16%         | 89,048            | -35%         | 90,829            | 92,646            | 94,499            | 96,389             | 98,317             | 100,283            | 102,289            |
| Storm Water   | 364,077           | 41%          | 514,241           | 8%          | 553,871           | 8%          | 588,520           | 6%           | 600,290           | 612,296           | 624,542           | 637,033            | 649,774            | 662,769            | 676,024            |
| Other   | 381,776           | 54%          | 589,131           | -7%         | 547,389           | -7%         | 343,380           | -37%         | 350,248           | 357,253           | 364,398           | 371,686            | 379,120            | 386,702            | 394,436            |
| <b>Total Revenues</b>                                     | <b>10,151,624</b> | <b>22%</b>   | <b>12,402,144</b> | <b>3%</b>   | <b>12,757,355</b> | <b>3%</b>   | <b>12,982,631</b> | <b>2%</b>    | <b>13,242,284</b> | <b>13,507,130</b> | <b>13,777,273</b> | <b>14,052,818</b>  | <b>14,333,875</b>  | <b>14,620,552</b>  | <b>14,912,963</b>  |
| <b>Operating Expenses</b>                                 |                   |              |                   |             |                   |             |                   |              |                   |                   |                   |                    |                    |                    |                    |
| Operating Expenses  | 7,613,493         | 11%          | 8,449,919         | 8%          | 9,166,888         | 8%          | 9,679,739         | 6%           | 10,086,929        | 10,469,606        | 10,888,390        | 11,323,926         | 11,776,883         | 12,247,958         | 12,737,876         |
| Depreciation  | 3,223,487         | 2%           | 3,296,247         | 6%          | 3,480,729         | 6%          | 3,786,463         | 9%           | 3,800,000         | 3,800,000         | 3,870,263         | 3,940,526          | 3,940,526          | 3,940,526          | 3,940,526          |
| Replacement Reserve                                       |                   |              |                   |             |                   |             |                   |              |                   |                   |                   |                    |                    |                    |                    |
| <b>Total Expenses</b>                                     | <b>10,836,980</b> | <b>8%</b>    | <b>11,746,166</b> | <b>8%</b>   | <b>12,647,617</b> | <b>8%</b>   | <b>13,466,202</b> | <b>6%</b>    | <b>13,866,929</b> | <b>14,269,606</b> | <b>14,758,653</b> | <b>15,264,452</b>  | <b>15,717,409</b>  | <b>16,188,484</b>  | <b>16,678,402</b>  |
| <b>Net Operating Income</b>                               | <b>(685,356)</b>  | <b>-196%</b> | <b>655,978</b>    | <b>-83%</b> | <b>109,738</b>    | <b>-83%</b> | <b>(483,571)</b>  | <b>-541%</b> | <b>(624,645)</b>  | <b>(762,476)</b>  | <b>(981,380)</b>  | <b>(1,211,634)</b> | <b>(1,383,534)</b> | <b>(1,567,932)</b> | <b>(1,765,439)</b> |
| <b>Non-Operating Income and Expenses</b>                  |                   |              |                   |             |                   |             |                   |              |                   |                   |                   |                    |                    |                    |                    |
| Investment Income   | 252,633           | 27%          | 321,237           | 94%         | 621,927           | 94%         | 674,164           | 8%           | 675,000           | 607,500           | 607,500           | 607,500            | 607,500            | 607,500            | 607,500            |
| Miscellaneous Income                                      | 170,946           |              | 78,291            |             | 424,819           |             | 322,792           |              | 322,792           | 290,513           | 290,513           | 290,513            | 290,513            | 290,513            | 290,513            |
| Capital Contributions                                     | 1,431,851         |              | 1,700,167         |             | 5,594,193         |             | 1,256,327         |              | 1,256,327         | 1,256,327         | 1,256,327         | 1,256,327          | 1,256,327          | 1,256,327          | 1,256,327          |
| Miscellaneous Expense                                     | (57,708)          | -5%          | (54,584)          | 6%          | (57,685)          | 6%          | (63,559)          |              | (63,559)          | (66,101)          | (66,101)          | (66,101)           | (66,101)           | (66,101)           | (66,101)           |
| <b>Total Non-Operating Income &amp; Expenses</b>          | <b>1,797,722</b>  | <b>14%</b>   | <b>2,045,111</b>  | <b>222%</b> | <b>6,583,274</b>  | <b>222%</b> | <b>2,189,724</b>  | <b>-67%</b>  | <b>2,190,560</b>  | <b>2,088,238</b>  | <b>2,088,238</b>  | <b>2,088,238</b>   | <b>2,088,238</b>   | <b>2,088,238</b>   | <b>2,088,238</b>   |
| <b>Add Non-Cash Expenses</b>                              |                   |              |                   |             |                   |             |                   |              |                   |                   |                   |                    |                    |                    |                    |
| Depreciation  | 3,223,487         | 2%           | 3,296,247         | 6%          | 3,480,729         | 6%          | 3,786,463         | 9%           | 3,800,000         | 3,800,000         | 3,870,263         | 3,940,526          | 3,940,526          | 3,940,526          | 3,940,526          |
| <b>Cash Available for Debt Service</b>                    | <b>4,335,853</b>  | <b>38%</b>   | <b>5,997,336</b>  | <b>70%</b>  | <b>10,173,741</b> | <b>70%</b>  | <b>5,492,616</b>  | <b>-46%</b>  | <b>5,365,915</b>  | <b>5,125,762</b>  | <b>4,977,121</b>  | <b>4,817,130</b>   | <b>4,645,230</b>   | <b>4,460,832</b>   | <b>4,263,325</b>   |
| <b>Debt Service</b> <small>(enter as positive #s)</small> |                   |              |                   |             |                   |             |                   |              |                   |                   |                   |                    |                    |                    |                    |
| Existing Debt   | 2,348,910         |              | 2,415,967         |             | 3,054,467         |             | 3,032,595         |              | 3,218,262         | 3,219,061         | 3,219,061         | 3,218,262          | 3,216,662          | 3,216,000          | 3,216,000          |
| Proposed KIA Loan   | 0                 |              | 0                 |             | 0                 |             | 0                 |              | 0                 | 0                 | 125,980           | 251,959            | 251,959            | 251,959            | 251,959            |
| Construction Period Interest                              | 0                 |              | 0                 |             | 0                 |             | 0                 |              | 0                 | 0                 | 20,025            | 0                  | 0                  | 0                  | 0                  |
| <b>Total Debt Service</b>                                 | <b>2,348,910</b>  |              | <b>2,415,967</b>  |             | <b>3,054,467</b>  |             | <b>3,032,595</b>  |              | <b>3,218,262</b>  | <b>3,219,061</b>  | <b>3,365,066</b>  | <b>3,470,221</b>   | <b>3,468,621</b>   | <b>3,467,959</b>   | <b>3,467,959</b>   |
| <b>Income After Debt Service</b>                          | <b>1,986,943</b>  |              | <b>3,581,369</b>  |             | <b>7,119,274</b>  |             | <b>2,460,021</b>  |              | <b>2,147,653</b>  | <b>1,906,701</b>  | <b>1,612,056</b>  | <b>1,346,909</b>   | <b>1,176,609</b>   | <b>992,873</b>     | <b>795,366</b>     |
| <b>Debt Coverage Ratio</b>                                | <b>1.85</b>       |              | <b>2.48</b>       |             | <b>3.33</b>       |             | <b>1.81</b>       |              | <b>1.67</b>       | <b>1.59</b>       | <b>1.48</b>       | <b>1.39</b>        | <b>1.34</b>        | <b>1.29</b>        | <b>1.23</b>        |

**REGIONAL WATER RESOURCE AGENCY  
BALANCE SHEETS**

| ASSETS   | 2006                | 2007                | 2008                | 2009                | 2010                | Project<br>Completion |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| <b>Current Assets</b>                                |                     |                     |                     |                     |                     |                       |
| Cash and Cash Equivalents                            | 650                 | 600                 | 350                 | 350                 | 350                 | 350                   |
| Accounts Receivable                                  | 1,662,973           | 1,863,714           | 1,967,653           | 2,055,827           | 1,995,827           | 2,075,827             |
| Equity in External Investment Pool                   | 769,996             | 849,196             | 2,098,335           | 3,350,800           | 3,350,800           | 3,350,800             |
| Other Current Assets                                 | 494,208             | 486,811             | 300,148             | 370,272             | 370,272             | 370,272               |
| <b>Total Current Assets</b>                          | <b>2,927,827</b>    | <b>3,200,321</b>    | <b>4,366,486</b>    | <b>5,777,249</b>    | <b>5,717,249</b>    | <b>5,797,249</b>      |
| <b>Restricted Assets</b>                             |                     |                     |                     |                     |                     |                       |
| Revenue Bond Debt Service Reserve                    | 456,733             | 680,067             | 686,078             | 677,121             | 665,000             | 645,000               |
| Construction Account                                 | 0                   | 0                   | 0                   | 0                   | 0                   | 0                     |
| Renewal & Replacement Account - KIA                  | 2,500,000           | 2,500,000           | 2,500,000           | 2,500,000           | 2,500,000           | 2,500,000             |
| Renewal & Replacement Account - Internal             | 0                   | 500,000             | 500,000             | 500,000             | 500,000             | 500,000               |
| Emergency Capital Reserve                            | 0                   | 2,000,000           | 2,000,000           | 2,000,000           | 2,000,000           | 2,000,000             |
| Operating Reserve                                    | 0                   | 1,000,000           | 1,000,000           | 1,000,000           | 1,000,000           | 1,000,000             |
| Construction Account                                 | 0                   | 4,171,417           | 2,287,565           | 891,052             | 900,000             | 900,000               |
| Debt Service   | 165,387             | 270,402             | 203,619             | 210,380             | 210,000             | 210,000               |
| Reserved Capacity Fees                               | 0                   | 2,048,471           | 2,387,674           | 2,647,169           | 2,650,000           | 2,650,000             |
| <b>Total Restricted Assets</b>                       | <b>3,122,120</b>    | <b>13,170,357</b>   | <b>11,564,936</b>   | <b>10,425,722</b>   | <b>10,425,000</b>   | <b>10,405,000</b>     |
| <b>Utility Plant</b>                                 |                     |                     |                     |                     |                     |                       |
| Land, System, Building and Equipment                 | 94,512,321          | 98,055,620          | 106,213,300         | 104,101,632         | 104,101,632         | 108,106,632           |
| <b>Less Accumulated Depreciation ( )</b>             | <b>(33,088,965)</b> | <b>(36,246,759)</b> | <b>(39,015,999)</b> | <b>(37,961,536)</b> | <b>(41,761,536)</b> | <b>(49,431,799)</b>   |
| <b>Net Fixed Assets</b>                              | <b>61,423,356</b>   | <b>61,808,861</b>   | <b>67,197,301</b>   | <b>66,140,096</b>   | <b>62,340,096</b>   | <b>58,674,833</b>     |
| <b>Other Assets</b>                                  |                     |                     |                     |                     |                     |                       |
| Unamortized Bond Costs and Discount, Net             | 50,490              | 127,540             | 121,163             | 114,786             | 108,409             | 95,655                |
| <b>Total Other Assets</b>                            | <b>50,490</b>       | <b>127,540</b>      | <b>121,163</b>      | <b>114,786</b>      | <b>108,409</b>      | <b>95,655</b>         |
| <b>Total Assets</b>                                  | <b>67,523,793</b>   | <b>78,307,079</b>   | <b>83,249,886</b>   | <b>82,457,853</b>   | <b>78,590,754</b>   | <b>74,972,737</b>     |
| <b>LIABILITIES</b>                                   |                     |                     |                     |                     |                     |                       |
| <b>Current Liabilities</b>                           |                     |                     |                     |                     |                     |                       |
| Accounts Payable                                     | 419,374             | 277,588             | 678,595             | 374,457             | 400,000             | 400,000               |
| Accrued Liabilities                                  | 67,014              | 94,188              | 123,346             | 148,109             | 150,000             | 150,000               |
| <b>Total Current Liabilities</b>                     | <b>486,388</b>      | <b>371,776</b>      | <b>801,941</b>      | <b>522,566</b>      | <b>550,000</b>      | <b>550,000</b>        |
| <b>Liabilities Payable - Restricted Assets</b>       |                     |                     |                     |                     |                     |                       |
| Current Maturities of Long Term Debt                 | 1,855,745           | 2,356,702           | 2,418,809           | 2,536,579           | 2,587,892           | 2,692,715             |
| Contracts and Retainage Payable                      | 111,830             | 59,847              | 22,598              | 20,818              | 25,000              | 25,000                |
| Accrued Interest                                     | 7,419               | 76,191              | 0                   | 137,834             | 125,000             | 125,000               |
| C.P. Proposed KIA Loan                               | 0                   | 0                   | 0                   | 0                   | 0                   | 164,805               |
| <b>Total Liabilities Payable - Restricted Assets</b> | <b>1,974,994</b>    | <b>2,492,740</b>    | <b>2,441,407</b>    | <b>2,695,231</b>    | <b>2,737,892</b>    | <b>3,007,520</b>      |
| <b>Long Term Liabilities</b>                         |                     |                     |                     |                     |                     |                       |
| Compensated Absences                                 | 507,037             | 539,685             | 560,529             | 578,817             | 580,000             | 580,000               |
| Long Term Debt & Capital Leases, Less Current P      | 29,279,999          | 37,578,084          | 36,183,666          | 35,105,074          | 32,517,182          | 27,184,537            |
| Proposed KIA Loan                                    | 0                   | 0                   | 0                   | 0                   | 0                   | 3,826,610             |
| <b>Total Long Term Liabilities</b>                   | <b>29,787,036</b>   | <b>38,117,769</b>   | <b>36,744,195</b>   | <b>35,683,891</b>   | <b>33,097,182</b>   | <b>31,591,147</b>     |
| <b>Total Liabilities</b>                             | <b>32,248,418</b>   | <b>40,982,285</b>   | <b>39,987,543</b>   | <b>38,901,688</b>   | <b>36,385,074</b>   | <b>35,148,666</b>     |
| <b>Equity</b>  |                     |                     |                     |                     |                     |                       |
| <b>Total Equity</b>                                  | <b>35,275,375</b>   | <b>37,324,794</b>   | <b>43,262,343</b>   | <b>43,556,165</b>   | <b>42,205,680</b>   | <b>39,824,070</b>     |
| <b>Total Liabilities and Equities</b>                | <b>67,523,793</b>   | <b>78,307,079</b>   | <b>83,249,886</b>   | <b>82,457,853</b>   | <b>78,590,754</b>   | <b>74,972,737</b>     |
| <b>Balance Sheet Analysis</b>                        |                     |                     |                     |                     |                     |                       |
| Current Ratio  | 6.02                | 8.61                | 5.44                | 11.06               | 10.39               | 10.54                 |
| Debt to Equity                                       | 0.91                | 1.10                | 0.92                | 0.89                | 0.86                | 0.88                  |
| Working Capital                                      | 2,441,439           | 2,828,545           | 3,564,545           | 5,254,683           | 5,167,249           | 5,247,249             |
| Percent of Total Assets in Working Capital           | 3.62%               | 3.61%               | 4.28%               | 6.37%               | 6.57%               | 7.00%                 |



**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.4.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A10-14) OF \$1,800,000 TO THE CITY OF BARDSTOWN, NELSON COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Wastewater Revolving Loan Program (Fund A) with the City of Bardstown, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund A loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$1,800,000 of project expense including capitalized interest for the construction period, to the City of Bardstown for construction of the Bardstown-Bloomfield Sewer Connection project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction

of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable over 20 years at an interest rate of 2.0%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
200 FAIR OAKS LANE, 4TH FLOOR  
FRANKFORT, KENTUCKY 40601  
[www.kentucky.gov](http://www.kentucky.gov)

November 8, 2010

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: 2011-013  
Bardstown WWTP--3245  
Activity ID: FGL20110008  
*HUC11 No.: 05140103150 – Beech Fork,  
near Bardstown*  
Fund A

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of Bardstown is entitled to receive priority for funding for the Bardstown – Bloomfield Sewer Connection Project and is eligible to receive \$1,800,000 from the Clean Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications are expected to be submitted to DOW on 9/15/10.
2. Construction bids are expected to be opened on 12/15/10.
3. Project specific environmental information is expected to be submitted to DOW on 11/4/10.

The binding commitment letter should include the following general conditions to satisfy federal requirements:

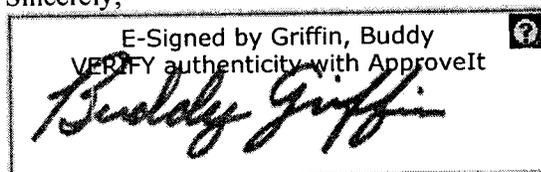
1. The Authority to Award (bid) package must be submitted to DOW for approval within 14 days of bid opening. DOW must perform the MBE/WBE reviews, conduct a pre-construction and project management conference and approve executed contract documents.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.
4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.

5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Assessment before bidding the project.

Upon compliance with the general and special conditions, the DOW will issue its final project certification prior to finalizing the loan agreement.

Please forward the draft binding commitment letter to this office for review when completed. Should you have any questions concerning this letter, do not hesitate to contact Bill Averell, Project Administrator, at (502) 564-8158, extension 4980

Sincerely,



Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG: ba

Enclosures

C: The Honorable J. Richard Heaton, Mayor  
Larry Green, Administrative Officer, City of Bardstown  
Richard Smith, P. E., HDR Engineering

|   |  |                           |                                    |
|---|--|---------------------------|------------------------------------|
| <b>EXECUTIVE SUMMARY</b>                      |  | Reviewer:                 | Kasi White                         |
| <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>      |  | Date:                     | December 9, 2010                   |
| <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>  |  | KIA Loan Number:          | <b>A10-14</b>                      |
| <b>REVOLVING LOAN FUND</b>                    |  | WRIS Number               | <b>SX21179019</b>                  |
|   |  | HUC Code:                 | 05140103150                        |
| <b>BORROWER:</b>                              | <b>CITY OF BARDSTOWN</b>   |                           |                                    |
|   | <b>NELSON COUNTY</b>   |                           |                                    |
| <b>BRIEF DESCRIPTION:</b>                     | The City of Bardstown is requesting \$1,800,000 in Clean Water SRF funds for the Bardstown-Bloomfield Sewer Connection. This project is for the construction of 12,500 liner feet (LF) of 16 inch forcemain from the KY 162/US 62 intersection to the Town Creek Interceptor Sewer near Bardstown Reservoir #3. The project will connect Bloomfield's 12 inch forcemain with the Bardstown Sewer System and eliminate the Bloomfield WWTP. The project also includes replacing approximately 8,000 LF of 8 inch forcemain with a 12 inch forcemain on Pottershop Road. The project will eliminate the Bloomfield WWTP's discharge point located on the east fork of Simpson Creek. |                           |                                    |
| <b>PROJECT FINANCING:</b>                     |  | <b>PROJECT BUDGET</b>     |                                    |
| Fund A Loan                                   | \$ 1,800,000   | Administrative Expenses   | \$ 20,000                          |
|   |  | Legal Expenses            | 10,000                             |
|   |  | Engineering Fees          | 197,020                            |
|   |  | Construction              | 1,336,000                          |
|   |  | Contingency               | 236,980                            |
| <b>TOTAL</b>                                  | <b>\$ 1,800,000</b>  | <b>TOTAL</b>              | <b>\$ 1,800,000</b>                |
| <b>REPAYMENT</b>                              |  | Est. Annual               |                                    |
|   | Rate   | 2.00%                     | Payment \$ 113,240                 |
|   | Term   | 20 years                  | 1st Payment 6 Mo. after first draw |
| <b>PROFESSIONAL SERVICES</b>                  | Engineer   | HDR Engineering, Inc.     |                                    |
|   | Bond Counsel   | Peck, Shaffer, & Williams |                                    |
| <b>PROJECT SCHEDULE</b>                       |  | Bid Opening:              | March, 2011                        |
|   |  | Construction Start:       | June, 2011                         |
|   |  | Construction Stop:        | February, 2012                     |
| <b>DEBT PER CUSTOMER</b>                      | Existing:  | \$ 2,705                  |                                    |
|   | Proposed:  | \$ 2,948                  |                                    |
| <b>OTHER DEBT</b>                             | See Attached   |                           |                                    |
| <b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b> | See Attached   |                           |                                    |
| <b>RESIDENTIAL RATES</b>                      |  | <u>Users</u>              | <u>Avg. Bill</u>                   |
|   | Current  | 6,167                     | \$ 22.54 (for 4,000 gallons)       |
|   | Additional   | 435                       | \$ 22.54 (for 4,000 gallons)       |
| <b>REGIONAL COORDINATION</b>                  | This project is consistent with regional planning recommendations.   |                           |                                    |
| <b>CASHFLOW</b>                               | <b>Cash Available for</b>  | <b>Income after Debt</b>  | <b>Coverage Ratio</b>              |
|   | <b>Debt Service</b>  | <b>Debt Service</b>       | <b>Service</b>                     |
| Audited 2006                                  | 6,047,888  | 2,538,929                 | 3,508,959 2.38                     |
| Audited 2007                                  | 6,786,667  | 2,531,685                 | 4,254,982 2.68                     |
| Audited 2008                                  | 7,697,333  | 2,536,007                 | 5,161,326 3.04                     |
| Audited 2009                                  | 5,172,035  | 2,537,723                 | 2,634,312 2.04                     |
| Draft Audit 2010                              | 6,301,696  | 2,531,026                 | 3,770,670 2.49                     |
| Projected 2011                                | 5,705,144  | 1,992,191                 | 3,712,953 2.86                     |
| Projected 2012                                | 5,068,170  | 2,300,490                 | 2,767,680 2.20                     |
| Projected 2013                                | 4,355,752  | 2,381,130                 | 1,974,622 1.83                     |
| Projected 2014                                | 3,675,057  | 1,741,249                 | 1,933,808 2.11                     |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 CLEAN WATER STATE REVOLVING FUND (FUND "A")  
 CITY OF BARDSTOWN, NELSON COUNTY  
 PROJECT REVIEW  
 SX21179019**

**I. PROJECT DESCRIPTION**

The City of Bardstown is requesting \$1,800,000 in Clean Water SRF funds for the construction of the Bardstown – Bloomfield Sewer Connection. The project includes 12,500 liner feet (LF) of 16 inch forcemain to be constructed from the KY 162/US 62 intersection to the Town Creek Interceptor Sewer near Bardstown Reservoir #3. This will connect Bloomfield's 12 inch forcemain with the Bardstown Sewer System and eliminate the Bloomfield WWTP. The project also includes replacing approximately 8,000 LF of 8 inch forcemain with a 12 inch forcemain on Pottershop Road. The project will eliminate the Bloomfield WWTP's discharge point located on the east fork of Simpson Creek.

**II. PROJECT BUDGET**

|                         | <u>Total</u>        |
|-------------------------|---------------------|
| Administrative Expenses | \$ 20,000           |
| Legal Expenses          | 10,000              |
| Engineering Fees        | 197,020             |
| Construction            | 1,336,000           |
| Contingency             | <u>236,980</u>      |
| <b>Total</b>            | <b>\$ 1,800,000</b> |

**III. PROJECT FUNDING**

|              | <u>Amount</u>       | <u>%</u>    |
|--------------|---------------------|-------------|
| Fund A Loan  | \$ 1,800,000        | 100%        |
| <b>Total</b> | <b>\$ 1,800,000</b> | <b>100%</b> |

**IV. KIA DEBT SERVICE**

|  |                   |
|--|-------------------|
| Construction Loan                          | \$ 1,800,000      |
| Less: Principal Forgiveness (0%)           | <u>\$ -</u>       |
| Amortized Loan Amount                      | \$ 1,800,000      |
| Interest Rate                              | 2.00%             |
| Loan Term (Years)                          | 20                |
| Estimated Annual Debt Service              | \$ 109,640        |
| Administrative Fee (0.20%)                 | <u>3,600</u>      |
| <b>Total Estimated Annual Debt Service</b> | <b>\$ 113,240</b> |



## **VIII. 2010 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project does not include Green Project Reserve (GPR) components.
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

## **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for the city was reviewed from audited financial statements for the years ended June 30, 2006 through 2009 and preliminary unaudited financial statements for 2010. The statements reflect the combined utilities of the city including water, sewer, internet, electric, cable and garbage. Utility revenues are being pledged to secure the KIA loan.

### **HISTORICAL**

Revenues have increased from just over \$22 million in 2006 to approximately \$28.5 million in 2010. These increases represent a combination of utility rate increases and addition of new customers during the past 4 years. In 2010, sewer revenues represented approximately 11% of total revenues. Expenses have increased as well from approximately \$19 million in 2006 to just under \$25 million in 2010. Purchases include electric purchases for re-sale and the payment of the affiliate fees for cable. The debt service ratio has remained strong throughout the years reviewed never falling below 2. In July 2010 the City issued General Obligation Bonds for \$14,030,000 for the purpose of refunding existing Combined Utilities Revenue Bonds. This will improve the debt service ratio by about 0.7 points for years 2011 through 2014.

Current and restricted assets rose from 2006 to 2008 but dropped slightly in 2009 and 2010. A major reason for this drop was related to capital financing that the city chose to self-fund in 2008. Restricted assets also include debt reserve requirements have averaged around \$7 million. Current liabilities have almost tripled during the same period but Long Term Liabilities decreased over \$6.5 million from 2006 to 2010 and thus a net decrease in Total Liabilities is represented. A large portion of the current liabilities (\$3.2 million in 2010) is Due to Other Funds which represents utility funds that have been transferred to the city's general fund to help cover budgeted expenses. The city is working to reduce their dependency on excess utility funds but they are still needed in the near future. The city has maintained working capital in excess of \$3 million and reflects decreasing debt to equity from a high of 0.51 in 2006 to a low of 0.37 in 2010 due to the consistency of long term debt repayment.

## PROJECTED

Projections are based on the following assumptions:

- For 2011 through 2014, revenues are anticipated to increase by 1% annually. Additional revenues anticipated as a result of the project are added starting in 2012 and are estimated based on the 2010 ratio of Bloomfield's and Bardstown's respective treated flows.
- For 2011 through 2014, expenses are anticipated to increase by 5% annually.
- Two KIA loans (C09-01 in the amount of \$1.8 million and C09-02 in the amount of \$3.5 million) which were approved in October 2010 are assumed to be fully funded by the end of FY2011 and will start full repayment in FY2012.
- A replacement reserve of \$4,500 will be required annually. This combined with the replacement reserves for C09-01 and C09-02 of \$4,500 and \$8,750 will bring total reserve requirements for KIA loans to \$17,750 in 2013.
- The new debt service for the Fund A loan is estimated to be \$113,240 annually. Combined with the previously approved Fund C loans, the estimated new KIA debt service will be \$478,168 in 2013 when all loans are in full repayment.

Debt service coverage is 1.83 in 2013 when principal and interest repayments begin on the Fund A loan. Based on the proforma assumptions, the utility shows adequate cashflow to repay the KIA loan.

## REPLACEMENT RESERVE

The annual replacement cost is \$4,500. This amount should be added to the replacement account on December 1 each year until the balance reaches \$45,000 and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

|                               | <u>Outstanding</u>  | <u>Maturity</u> |
|-------------------------------|---------------------|-----------------|
| Series 2010 Bonds (July 2010) | \$14,030,000        | 2020            |
| <b>Total</b>                  | <b>\$14,030,000</b> |                 |

## XI. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u>   | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|------------------------|-----------------------|---------------|-------------|
| Water Tank             | HB380                 | \$550,000     | Grant       |
| Water Tank             | HB608                 | \$1,000,000   | Grant       |
| Town Creek Interceptor | HB608                 | \$245,000     | Grant       |

**XII. CONTACTS**

|   |   |
|---|---|
| <b>Applicant</b><br>Name City of Bardstown<br>Address 220 N. 5th Street<br>Bardstown, KY 40094<br>County Nelson<br>Contact J. Richard Heaton<br>Phone 502-348-5947 ext 2207<br>Email mayorheaton@bardstowncable.net | <b>Applicant Contact</b><br>Name City of Bardstown<br>Address 220 N. 5th Street<br>Bardstown, KY 40094<br>Contact Larry Green<br>Phone 502-348-5947 ext 2208<br>Email lgreen@bardstowncable.net |
| <b>Engineer</b><br>Name Richard Smith, P.E.<br>Firm HDR Engineering, Inc.<br>Address 2517 Sir Barton Way<br>Lexington, KY 40509<br>Phone (859) 223-3755<br>Email richsmith@hdrinc.com                               |   |

**XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions.

**EXHIBIT 1**  
**CITY OF BARDSTOWN**  
**CASH FLOW ANALYSIS**

June 30

|   | Audited<br>2006   | %<br>Change | Audited<br>2007   | %<br>Change | Audited<br>2008   | %<br>Change | Audited<br>2009   | %<br>Change | Draft Audit<br>2010 | Projected<br>2011 | Projected<br>2012 | Projected<br>2013 | Projected<br>2014 |
|---|-------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Operating Revenues</b>                                 |                   |             |                   |             |                   |             |                   |             |                     |                   |                   |                   |                   |
| Charges for Services                                      | 21,221,211        | 5%          | 22,262,677        | 8%          | 23,944,609        | 4%          | 24,997,616        | 8%          | 27,058,716          | 27,329,303        | 27,602,596        | 27,878,622        | 28,157,408        |
| Surcharges, Connection and Development Fee                | 584,112           | -12%        | 512,951           | -28%        | 366,833           | -17%        | 304,953           | 6%          | 323,376             | 326,610           | 329,876           | 333,175           | 336,507           |
| Intergovernmental   | 142,890           |             | 0                 |             | 0                 |             | 0                 | 0           | 0                   | 0                 | 0                 | 0                 | 0                 |
| Penalties   | 279,649           | -4%         | 268,698           | -23%        | 206,210           | 22%         | 251,461           | 19%         | 298,231             | 301,213           | 304,225           | 307,267           | 310,340           |
| Miscellaneous   | 225,190           | 50%         | 337,706           | 111%        | 713,924           | 38%         | 986,230           | -26%        | 730,155             | 737,457           | 744,832           | 752,280           | 759,803           |
| Revenue from Bloomfield (cumulative)                      |                   |             |                   |             |                   |             |                   | 0           | 0                   | 0                 | 62,164            | 227,944           | 229,621           |
| <b>Total Revenues</b>                                     | <b>22,453,052</b> | <b>4%</b>   | <b>23,382,032</b> | <b>8%</b>   | <b>25,231,576</b> | <b>5%</b>   | <b>26,540,260</b> | <b>7%</b>   | <b>28,410,478</b>   | <b>28,694,583</b> | <b>28,981,529</b> | <b>29,271,344</b> | <b>29,564,058</b> |
| <b>Operating Expenses</b>                                 |                   |             |                   |             |                   |             |                   |             |                     |                   |                   |                   |                   |
| Purchases   | 9,585,101         | 5%          | 10,090,984        | 3%          | 10,414,818        | 19%         | 12,444,197        | 4%          | 12,898,133          | 13,285,077        | 13,683,629        | 14,094,138        | 14,516,962        |
| Operating Expenses  | 7,303,791         | -1%         | 7,251,096         | 9%          | 7,874,792         | 19%         | 9,359,328         | 1%          | 9,440,345           | 9,912,362         | 10,424,480        | 11,011,704        | 11,562,289        |
| Depreciation  | 2,395,810         | -6%         | 2,261,763         | 10%         | 2,484,058         | 0%          | 2,478,652         | 2%          | 2,523,641           | 2,574,114         | 2,790,364         | 2,846,171         | 2,903,095         |
| Replacement Reserve                                       |                   |             |                   |             |                   |             |                   |             |                     |                   | 13,250            | 17,750            | 17,750            |
| <b>Total Expenses</b>                                     | <b>19,284,702</b> | <b>2%</b>   | <b>19,603,843</b> | <b>6%</b>   | <b>20,773,668</b> | <b>17%</b>  | <b>24,282,177</b> | <b>2%</b>   | <b>24,862,119</b>   | <b>25,771,553</b> | <b>26,911,723</b> | <b>27,969,763</b> | <b>29,000,096</b> |
| <b>Net Operating Income</b>                               | <b>3,168,350</b>  | <b>19%</b>  | <b>3,778,189</b>  | <b>18%</b>  | <b>4,457,908</b>  | <b>-49%</b> | <b>2,258,083</b>  | <b>57%</b>  | <b>3,548,359</b>    | <b>2,923,030</b>  | <b>2,069,806</b>  | <b>1,301,581</b>  | <b>563,962</b>    |
| <b>Non-Operating Income and Expenses</b>                  |                   |             |                   |             |                   |             |                   |             |                     |                   |                   |                   |                   |
| Interest on Investments                                   | 476,728           | 55%         | 739,715           | 1%          | 748,367           | -43%        | 426,590           | -48%        | 221,586             | 200,000           | 200,000           | 200,000           | 200,000           |
| Lease Revenue   | 7,000             | 0%          | 7,000             |             | 7,000             |             | 8,710             |             | 8,110               | 8,000             | 8,000             | 8,000             | 8,000             |
| <b>Total Non-Operating Income &amp; Expenses</b>          | <b>483,728</b>    | <b>54%</b>  | <b>746,715</b>    | <b>1%</b>   | <b>755,367</b>    | <b>-42%</b> | <b>435,300</b>    | <b>-47%</b> | <b>229,696</b>      | <b>208,000</b>    | <b>208,000</b>    | <b>208,000</b>    | <b>208,000</b>    |
| <b>Add Non-Cash Expenses</b>                              |                   |             |                   |             |                   |             |                   |             |                     |                   |                   |                   |                   |
| Depreciation  | 2,395,810         | -6%         | 2,261,763         | 10%         | 2,484,058         | 0%          | 2,478,652         | 2%          | 2,523,641           | 2,574,114         | 2,790,364         | 2,846,171         | 2,903,095         |
| <b>Cash Available for Debt Service</b>                    | <b>6,047,888</b>  | <b>12%</b>  | <b>6,786,667</b>  | <b>13%</b>  | <b>7,697,333</b>  | <b>-33%</b> | <b>5,172,035</b>  | <b>22%</b>  | <b>6,301,696</b>    | <b>5,705,144</b>  | <b>5,068,170</b>  | <b>4,355,752</b>  | <b>3,675,057</b>  |
| <b>Debt Service</b> <small>(enter as positive #s)</small> |                   |             |                   |             |                   |             |                   |             |                     |                   |                   |                   |                   |
| Existing Debt (Series 2010)                               | 2,538,929         |             | 2,531,685         |             | 2,536,007         |             | 2,537,723         |             | 2,531,026           | 1,903,691         | 1,899,562         | 1,902,963         | 1,263,081         |
| KIA Loan (C09-01 i/alo \$1.8MM)                           |                   |             |                   |             |                   |             |                   |             | 27,000              | 27,000            | 123,938           | 123,938           | 123,938           |
| KIA Loan (C09-02 i/alo \$3.5MM)                           |                   |             |                   |             |                   |             |                   |             | 52,500              | 52,500            | 240,990           | 240,990           | 240,990           |
| Proposed KIA Loan (A10-14)                                |                   |             |                   |             |                   |             |                   |             | 9,000               | 9,000             | 36,000            | 113,240           | 113,240           |
| <b>Total Debt Service</b>                                 | <b>2,538,929</b>  |             | <b>2,531,685</b>  |             | <b>2,536,007</b>  |             | <b>2,537,723</b>  |             | <b>2,531,026</b>    | <b>1,992,191</b>  | <b>2,300,490</b>  | <b>2,381,130</b>  | <b>1,741,249</b>  |
| <b>Income After Debt Service</b>                          | <b>3,508,959</b>  |             | <b>4,254,982</b>  |             | <b>5,161,326</b>  |             | <b>2,634,312</b>  |             | <b>3,770,670</b>    | <b>3,712,953</b>  | <b>2,767,680</b>  | <b>1,974,622</b>  | <b>1,933,808</b>  |
| <b>Debt Coverage Ratio</b>                                | <b>2.38</b>       |             | <b>2.68</b>       |             | <b>3.04</b>       |             | <b>2.04</b>       |             | <b>2.49</b>         | <b>2.86</b>       | <b>2.20</b>       | <b>1.83</b>       | <b>2.11</b>       |

City of Bardstown  
BALANCE SHEETS

2012

| ASSETS   | 2006                | 2007                | 2008                | 2009                | Draft Audit<br>2010 | Upon Project<br>Completion |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------------|
| <b>Current Assets</b>                          |                     |                     |                     |                     |                     |                            |
| Cash and Investments                           | 2,610,623           | 4,849,743           | 6,952,248           | 3,717,080           | 4,971,040           | 4,767,680                  |
| Accounts Receivable                            | 2,204,638           | 2,525,599           | 2,408,628           | 2,789,367           | 2,401,171           | 2,593,265                  |
| Inventory                                      | 962,087             | 1,105,233           | 1,021,059           | 1,060,559           | 1,035,956           | 1,055,702                  |
| Other Current Assets                           | 1,450,947           | 912,434             | 895,727             | 474,203             | 46,651              | 45,000                     |
| Internal Balances                              |                     |                     |                     | 2,020,411           | 1,107,067           | 193,723                    |
| <b>Total Current Assets</b>                    | <b>7,228,295</b>    | <b>9,393,009</b>    | <b>11,277,662</b>   | <b>10,061,620</b>   | <b>9,561,885</b>    | <b>8,655,369</b>           |
| <b>Restricted Assets</b>                       |                     |                     |                     |                     |                     |                            |
| Cash and Investments                           | 10,249,783          | 10,099,431          | 9,114,489           | 7,270,988           | 7,012,035           | 7,362,637                  |
| <b>Total Restricted Assets</b>                 | <b>10,249,783</b>   | <b>10,099,431</b>   | <b>9,114,489</b>    | <b>7,270,988</b>    | <b>7,012,035</b>    | <b>7,362,637</b>           |
| <b>Utility Plant</b>                           |                     |                     |                     |                     |                     |                            |
| Land, System, Building and Equipment           | 77,323,534          | 81,921,680          | 84,795,912          | 91,078,516          | 94,239,856          | 102,889,856                |
| <b>Less Accumulated Depreciation ( )</b>       | <b>(24,908,094)</b> | <b>(27,169,858)</b> | <b>(29,576,082)</b> | <b>(32,051,950)</b> | <b>(34,540,449)</b> | <b>(34,756,699)</b>        |
| <b>Net Fixed Assets</b>                        | <b>52,415,440</b>   | <b>54,751,822</b>   | <b>55,219,830</b>   | <b>59,026,566</b>   | <b>59,699,407</b>   | <b>59,483,157</b>          |
| <b>Total Assets</b>                            | <b>69,893,518</b>   | <b>74,244,262</b>   | <b>75,611,981</b>   | <b>76,359,174</b>   | <b>76,273,327</b>   | <b>75,501,163</b>          |
| <b>LIABILITIES</b>                             |                     |                     |                     |                     |                     |                            |
| <b>Current Liabilities</b>                     |                     |                     |                     |                     |                     |                            |
| Accounts Payable                               | 224,734             | 132,611             | 74,158              | 74,610              | 114,026             | 110,787                    |
| Customer Deposits                              | 258,462             | 144,999             | 297,447             | 293,726             | 367,192             | 396,567                    |
| Current Portion Long Term Debt                 | 1,448,936           | 1,510,095           | 1,571,295           | 1,644,222           | 1,752,218           | 1,846,792                  |
| Due to Other Funds                             | 2,565               | 2,056,221           | 1,882,475           | 3,996,664           | 3,285,464           | 2,805,206                  |
| Other  | 294,645             | 311,786             | 356,164             | 275,888             | 351,551             | 304,404                    |
| <b>Total Current Liabilities</b>               | <b>2,229,342</b>    | <b>4,155,712</b>    | <b>4,181,539</b>    | <b>6,285,110</b>    | <b>5,870,451</b>    | <b>5,463,756</b>           |
| <b>Long Term Liabilities</b>                   |                     |                     |                     |                     |                     |                            |
| Bonds, Notes and Loans Payable                 | 21,406,467          | 19,896,372          | 18,325,077          | 16,680,855          | 14,928,637          | 17,618,208                 |
| <b>Total Long Term Liabilities</b>             | <b>21,406,467</b>   | <b>19,896,372</b>   | <b>18,325,077</b>   | <b>16,680,855</b>   | <b>14,928,637</b>   | <b>17,618,208</b>          |
| <b>Total Liabilities</b>                       | <b>23,635,809</b>   | <b>24,052,084</b>   | <b>22,506,616</b>   | <b>22,965,965</b>   | <b>20,799,088</b>   | <b>23,081,964</b>          |
| <b>Retained Earnings:</b>                      |                     |                     |                     |                     |                     |                            |
| Invested in Capital Assets Net of Related Debt | 29,560,037          | 33,345,355          | 35,323,458          | 40,701,489          | 42,285,300          | 41,363,043                 |
| Restricted                                     | 10,286,137          | 9,752,254           | 9,264,233           | 9,536,912           | 9,382,942           | 7,037,207                  |
| Unrestricted                                   | 6,411,535           | 7,094,569           | 8,517,674           | 3,154,808           | 3,805,997           | 4,018,950                  |
| <b>Total Retained Earnings</b>                 | <b>46,257,709</b>   | <b>50,192,178</b>   | <b>53,105,365</b>   | <b>53,393,209</b>   | <b>55,474,239</b>   | <b>52,419,199</b>          |
| <b>Total Liabilities and Equities</b>          | <b>69,893,518</b>   | <b>74,244,262</b>   | <b>75,611,981</b>   | <b>76,359,174</b>   | <b>76,273,327</b>   | <b>75,501,163</b>          |
| <b>Balance Sheet Analysis</b>                  |                     |                     |                     |                     |                     |                            |
| Current Ratio                                  | 3.24                | 2.26                | 2.70                | 1.60                | 1.63                | 1.58                       |
| Debt to Equity                                 | 0.51                | 0.48                | 0.42                | 0.43                | 0.37                | 0.44                       |
| Working Capital                                | 4,998,953           | 5,237,297           | 7,096,123           | 3,776,510           | 3,691,434           | 3,191,613                  |
| Percent of Total Assets in Working Capital     | 7.15%               | 7.05%               | 9.38%               | 4.95%               | 4.84%               | 4.23%                      |
| DSO  | 35.8                | 39.4                | 34.8                | 38.4                | 30.8                | 32.7                       |

**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.5.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A10-15) OF \$895,000 TO THE CITY OF LACENTER, BALLARD COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Wastewater Revolving Loan Program (Fund A) with the City of LaCenter, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund A loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$895,000 of project expense including capitalized interest for the construction period, to the City of LaCenter for construction of the WWTP Improvements project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions

of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable over 20 years at an interest rate of 2.0%. In addition to debt service, a 0.2% annual administration fee on the unpaid loan balance will be charged. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

\_\_\_\_\_  
TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

\_\_\_\_\_  
SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

\_\_\_\_\_  
PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

STEVEN L. BESHEAR  
GOVERNOR



LEONARD K. PETERS  
SECRETARY

ENERGY AND ENVIRONMENT CABINET

DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER

200 FAIR OAKS LANE, 4TH FLOOR  
FRANKFORT, KENTUCKY 40601

[www.kentucky.gov](http://www.kentucky.gov)

RECEIVED  
KENTUCKY INFRASTRUCTURE  
AUTHORITY

2010 NOV 10 A 11:52

November 5, 2010

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: 2011-027  
La Center WWTP--56  
Activity ID: FGL20110007  
HUC11 No.: 05140206130-Humphrey Creek  
Fund A

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the City of LaCenter is entitled to receive priority for funding for the Wastewater Plant Improvements and is eligible to receive \$895,000 from the Clean Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications were submitted to DOW on June 11, 2010.
2. Construction bids are expected to be opened on December 21, 2010.
3. Project specific environmental information was submitted to DOW on November 1, 2010.

The binding commitment letter should include the following general conditions to satisfy federal requirements:

1. The Authority to Award (bid) package must be submitted to DOW for approval within 14 days of bid opening. DOW must perform the MBE/WBE reviews, conduct a pre-construction and project management conference and approve executed contract documents.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.
4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.

5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Assessment before bidding the project.

Upon compliance with the general and special conditions, the DOW will issue its final project certification prior to finalizing the loan agreement.

Please forward the draft binding commitment letter to this office for review when completed. Should you have any questions concerning this letter, do not hesitate to contact Bill Averell, Project Administrator, at (502) 564-8158, extension 4980.

Sincerely,



Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG: ba

Enclosures

C: The Honorable James Hack, Mayor  
Jeremy Buchanan, Project Administrator, Purchase ADD  
Mary Austin, P. E., Austin Engineering, Inc.

|   |   |                           |                       |                             |
|---|---|---------------------------|-----------------------|-----------------------------|
| <b>EXECUTIVE SUMMARY</b>                      |   | Reviewer:                 | Sandy Williams        |                             |
| <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>      |   | Date:                     | December 9, 2010      |                             |
| <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>  |   | KIA Loan Number:          | <b>A10-15</b>         |                             |
| <b>REVOLVING LOAN FUND</b>                    |   | WRIS Number               | <b>SX21007015</b>     |                             |
|   |   | HUC Code:                 | 05140206130           |                             |
| <b>BORROWER:</b>                              | <b>CITY OF LACENTER</b>   |                           |                       |                             |
|   | <b>BALLARD COUNTY</b>   |                           |                       |                             |
| <b>BRIEF DESCRIPTION:</b>                     | <p>This project is for the construction of two lift stations to replace undersized and dilapidated lift stations located on Broadway and the East side of LaCenter. The replacement of these lift stations will provide a smaller partial size in the influent which will slightly improve the treatment process. Operation and maintenance of these facilities has become a financial burden to the city. This is the first phase of a larger project to bring the city into compliance.</p> |                           |                       |                             |
| <b>PROJECT FINANCING:</b>                     |   |                           | <b>PROJECT BUDGET</b> |                             |
| Fund A Loan                                   | \$  | 895,000                   | Engineering Fees      | 90,500                      |
|   |   |                           | Construction          | 713,505                     |
|   |   |                           | Contingency           | 90,995                      |
| <b>TOTAL</b>                                  | <b>\$</b>   | <b>895,000</b>            | <b>TOTAL</b>          | <b>\$ 895,000</b>           |
| <b>REPAYMENT</b>                              |   |                           | Est. Annual           |                             |
|   | Rate  | 2.00%                     | Payment               | \$56,306                    |
|   | Term  | 20 years                  | 1st Payment           | 6 Mo. after first draw      |
| <b>PROFESSIONAL SERVICES</b>                  | Engineer  | Austin Engineering, Inc.  |                       |                             |
|   | Bond Counsel  | Peck, Shaffer, & Williams |                       |                             |
| <b>PROJECT SCHEDULE</b>                       | Bid Opening:  |                           | December 21, 2010     |                             |
|   | Construction Start:   |                           | January 1, 2011       |                             |
|   | Construction Stop:  |                           | June 30, 2011         |                             |
| <b>DEBT PER CUSTOMER</b>                      | Existing:   | \$                        | 1,093                 |                             |
|   | Proposed:   | \$                        | 3,047                 |                             |
| <b>OTHER DEBT</b>                             | See Attached  |                           |                       |                             |
| <b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b> | See Attached  |                           |                       |                             |
| <b>RESIDENTIAL RATES</b>                      |   |                           | <u>Users</u>          | <u>Avg. Bill</u>            |
|   | Current   |                           | 453                   | \$15.00 (for 4,000 gallons) |
|   | Additional  |                           | 0                     | \$25.55 (for 4,000 gallons) |
| <b>REGIONAL COORDINATION</b>                  | This project is consistent with regional planning recommendations.  |                           |                       |                             |
| <b>CASHFLOW</b>                               | <b>Cash Available for</b>   | <b>Debt</b>               | <b>Income after</b>   | <b>Coverage</b>             |
|   | <b>Debt Service</b>   | <b>Service</b>            | <b>Debt Service</b>   | <b>Ratio</b>                |
| Audited 2007                                  | 83,157  | 35,782                    | 47,375                | 2.32                        |
| Audited 2008                                  | 53,174  | 45,470                    | 7,704                 | 1.17                        |
| Audited 2009                                  | 20,455  | 27,880                    | (7,425)               | 0.73                        |
| Audited 2010                                  | (15,741)  | 27,814                    | (43,555)              | -0.57                       |
| Projected 2011                                | (12,913)  | 32,538                    | (45,451)              | -0.40                       |
| Projected 2012                                | 80,596  | 64,564                    | 16,032                | 1.25                        |
| Projected 2013                                | 102,908   | 84,270                    | 18,639                | 1.22                        |
| Projected 2014                                | 99,115  | 83,951                    | 15,165                | 1.18                        |
| Projected 2015                                | 95,129  | 83,632                    | 11,498                | 1.14                        |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 CLEAN WATER STATE REVOLVING FUND (FUND "A")  
 CITY OF LACENTER, BALLARD COUNTY  
 PROJECT REVIEW**

**I. PROJECT DESCRIPTION**

The City of LaCenter is requesting a Fund A loan for the construction of two lift stations to replace undersized and dilapidated lift stations located on Broadway and the East side of LaCenter. The replacement of these lift stations will provide a smaller partial size in the influent which will slightly improve the treatment process. Operation and maintenance of these facilities has become a financial burden to the city. This is the first phase of a larger project to bring the city into compliance.

**II. PROJECT BUDGET**

|                  | <u>Total</u>      |
|------------------|-------------------|
| Engineering Fees | 90,500            |
| Construction     | 713,505           |
| Contingency      | 90,995            |
| <b>Total</b>     | <b>\$ 895,000</b> |

**III. PROJECT FUNDING**

|              | <u>Amount</u>     | <u>%</u>    |
|--------------|-------------------|-------------|
| Fund A Loan  | \$ 895,000        | 100%        |
| <b>Total</b> | <b>\$ 895,000</b> | <b>100%</b> |

**IV. KIA DEBT SERVICE**

|  |           |               |
|--|-----------|---------------|
| <b>KIA Debt Service</b>                    |           |               |
| Construction Loan                          | \$        | 895,000       |
| Interest Rate                              |           | 2.00%         |
| Loan Term (Years)                          |           | 20            |
| Estimated Annual Debt Service              | \$        | 54,516        |
| Administrative Fee (0.20%)                 |           | 1,790         |
| <b>Total Estimated Annual Debt Service</b> | <b>\$</b> | <b>56,306</b> |

**V. PROJECT SCHEDULE**

Bid Opening: December 21, 2010  
 Construction Start: January 1, 2011  
 Construction Stop: June 30, 2011

**VI. CUSTOMER BREAKDOWN AND RATE STRUCTURE**

| <b>Customers</b> | <b>Current</b> | <b>Proposed</b> | <b>Total</b> |
|------------------|----------------|-----------------|--------------|
| Residential      | 383            | 0               | 383          |
| Commercial       | 70             | 0               | 70           |
| Industrial       | 0              | 0               | 0            |
| <b>Total</b>     | <b>453</b>     | <b>0</b>        | <b>453</b>   |

| <b>Rate Structure</b>       | <b>Water</b>     | <b>Sewer</b>     | <b>Water</b>    | <b>Sewer</b>    |
|-----------------------------|------------------|------------------|-----------------|-----------------|
| Date of Last Rate Increase  | <b>1/22/2002</b> | <b>1/22/2002</b> | <b>Proposed</b> | <b>Proposed</b> |
| Minimum (3,000 gallons)     | \$13.00          | \$13.00          | \$16.25         | \$16.25         |
| Next 2,000 gallons          | \$2.00           | \$2.00           | \$2.50          | \$2.50          |
| All Over 5,000 gallons      | \$1.50           | \$1.50           | \$1.83          | \$1.83          |
| Date of Surcharge Increase  | <b>3/1/2005</b>  |                  |                 | <b>Proposed</b> |
| Base Surcharge              | \$2.00           |                  | \$2.00          | \$2.00          |
| Surcharge Per 1,000 Gallons | \$1.72           |                  | \$1.72          | \$1.20          |
| Base Cost for 4,000 gallons | \$15.00          | \$15.00          | \$18.75         | \$18.75         |
| Surcharge                   | \$8.88           |                  | \$8.88          | \$6.80          |
| <b>Total</b>                | <b>\$23.88</b>   | <b>\$15.00</b>   | <b>\$27.63</b>  | <b>\$25.55</b>  |

Affordability Index (Rate/MHI)                      1.1%                      0.7%                      1.2%                      1.1%

Sewer rates are 100% of the base water bill.

**VII. DEMOGRAPHICS**

In 2000, the City's population was 1,038 with a Median Household Income (MHI) of \$27,188. The median household income for the Commonwealth is \$33,672. The project will qualify for an interest rate of 2.0% because the MHI is more than 80% of the state MHI.

**VIII. 2010 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project does not include Green Project Reserve (GPR) components.
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

## **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for City is from audited financial statements for the years ended June 30, 2007 through 2010.

Cash available for debt service has declined each year from \$83,000 in 2007 to a deficit of \$15,741 in 2010 (transfers between enterprise funds and government funds are excluded from available cash flow). Consequently, the debt service ratio has decreased from 2.3 in 2007 to (0.57) in 2010. Revenues have declined while expenses have increased significantly. Neither water nor sewer rates have been adjusted during the period reviewed. For each of the audited periods available the City was noted as not being in compliance with debt reserve and depreciation reserve funding requirements of its bond ordinances (amounts were not quantified).

### **PROJECTED**

Projections are based on the following assumptions.

- \* Revenue reflects no volume growth
- \* A 10% rate increase is projected to go into effect by February 2011.
- \* A 15% rate increase is projected to go into effect by July 2011.
- \* A surcharge of \$2.00 per customer per month plus \$1.20 per 1,000 gallons will be added in July 1, 2011
- \* Rates will be adjusted annually by 1.5% for inflation beginning July 1, 2012
- \* A replacement reserve of \$2,238 will be funded annually.
- \* The annual debt service is estimated to be \$56,306.

The new debt service is estimated at \$56,306 annually and will increase overall debt service to \$84,270 in 2013. Debt service coverage is 1.22 in 2013, which is the first full year of principal and interest payments. Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund A loan.

### **REPLACEMENT RESERVE**

The annual replacement cost is \$2,238. This amount should be added to the replacement account on the first day of each month until the balance reaches \$22,380 and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

|                 |                    |                 |
|-----------------|--------------------|-----------------|
| USDA - RD 5.25% | <u>Outstanding</u> | <u>Maturity</u> |
|                 | \$501,500          | 2044            |
| <b>Total</b>    | <b>\$501,500</b>   |                 |

**XI. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS**

| <u>Project Title</u>                 | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|--------------------------------------|-----------------------|---------------|-------------|
| Water Tower Repair; School Extension | HB267                 | \$100,000     | Grant       |
| Water System Improvements            | HB608                 | \$300,000     | Grant       |

**XII. CONTACTS**

**Applicant**

Name City of LaCenter  
Address P.O. Box 420  
LaCenter, KY 42056  
County Ballard  
Contact James Hack  
Phone (270) 665-5162  
Email lacityhall@brtc.net

**Applicant Contact**

Name Purchase Area Development District  
Address P.O. Box 588  
Mayfield, KY 42066  
Contact Jeremy Buchanan  
Phone (270) 251-6161  
Email Jeremy.Buchanan@purchaseadd.org

**Engineer**

Name Mary Austin  
Firm Austin Engineering, Inc.  
Address 101 S. 3rd Street  
LaCenter, KY 42056  
Phone (270) 442-0906  
Email maustin@austinengineeringinc.com

### **XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions and the following special conditions.

1. The City shall pass an ordinance no later than January 21, 2011 that will enact the following rate increases:
  - a) Water rates and sewer rates shall both be increased by a minimum of 10% to go into effect by February 2011.
  - b) Water rates and sewer rates shall both be increased by a minimum of 15% to go into effect by July 2011.
  
2. The City shall pass an ordinance no later than January 21, 2011 that will enact the following sewer surcharges:
  - a) A base surcharge of \$2.00 per customer, per month plus;
  - b) An additional variable surcharge of \$1.20 per 1,000 gallons per month will be added to the sewer bill to go into effect no later than July 2011.

**EXHIBIT 1  
CITY OF LACENTER  
CASH FLOW ANALYSIS**

June 30

|   | Audited<br>2007 | %<br>Change  | Audited<br>2008 | %<br>Change | Audited<br>2009 | %<br>Change  | Audited<br>2010 | Projected<br>2011 | Projected<br>2012 | Projected<br>2013 | Projected<br>2014 | Projected<br>2015 |
|---|-----------------|--------------|-----------------|-------------|-----------------|--------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Operating Revenues</b>                                 |                 |              |                 |             |                 |              |                 |                   |                   |                   |                   |                   |
| Water and Sewer Revenues                                  | 299,285         | 2%           | 304,205         | -7%         | 283,249         | 1%           | 286,208         | 298,133           | 342,853           | 347,996           | 353,216           | 358,514           |
| Connection Fees   | 1,500           | 0            | 0               | 0           | 0               | 0            | 0               | 0                 | 0                 | 0                 | 0                 | 0                 |
| Other   | 2,312           | 972          | 523             | 1,200       |                 |              | 1,200           | 1,200             | 1,200             | 1,200             | 1,200             | 1,200             |
| <b>Total Revenues</b>                                     | <b>303,097</b>  | <b>1%</b>    | <b>305,177</b>  | <b>-7%</b>  | <b>283,772</b>  | <b>1%</b>    | <b>287,408</b>  | <b>299,333</b>    | <b>372,212</b>    | <b>405,513</b>    | <b>410,733</b>    | <b>416,031</b>    |
| <b>Operating Expenses</b>                                 |                 |              |                 |             |                 |              |                 |                   |                   |                   |                   |                   |
| Operating Expenses  | 221,030         | 14%          | 252,460         | 5%          | 264,817         | 15%          | 303,230         | 312,327           | 321,697           | 300,448           | 309,461           | 318,745           |
| Anticipated Expense Reduction                             |                 |              |                 |             |                 |              |                 |                   | (30,000)          |                   |                   |                   |
| Depreciation  | 74,426          | 2%           | 76,035          | -6%         | 71,558          | 9%           | 77,954          | 71,558            | 92,140            | 92,140            | 92,140            | 92,140            |
| Replacement Reserve                                       |                 |              |                 |             |                 |              |                 |                   |                   | 2,238             | 2,238             | 2,238             |
| <b>Total Expenses</b>                                     | <b>295,456</b>  | <b>11%</b>   | <b>328,495</b>  | <b>2%</b>   | <b>336,375</b>  | <b>13%</b>   | <b>381,184</b>  | <b>383,885</b>    | <b>383,837</b>    | <b>394,826</b>    | <b>403,839</b>    | <b>413,123</b>    |
| <b>Net Operating Income</b>                               | <b>7,641</b>    | <b>-405%</b> | <b>(23,318)</b> | <b>126%</b> | <b>(52,603)</b> | <b>78%</b>   | <b>(93,776)</b> | <b>(84,552)</b>   | <b>(11,625)</b>   | <b>10,687</b>     | <b>6,894</b>      | <b>2,908</b>      |
| <b>Non-Operating Income and Expenses</b>                  |                 |              |                 |             |                 |              |                 |                   |                   |                   |                   |                   |
| Interest on Investments                                   | 471             | -3%          | 457             | 31%         | 600             | -87%         | 81              | 81                | 81                | 81                | 81                | 81                |
| Other   | 619             | -100%        | 0               | 900         |                 |              | 0               | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>Total Non-Operating Income &amp; Expenses</b>          | <b>1,090</b>    | <b>-58%</b>  | <b>457</b>      | <b>228%</b> | <b>1,500</b>    | <b>-95%</b>  | <b>81</b>       | <b>81</b>         | <b>81</b>         | <b>81</b>         | <b>81</b>         | <b>81</b>         |
| <b>Add Non-Cash Expenses</b>                              |                 |              |                 |             |                 |              |                 |                   |                   |                   |                   |                   |
| Depreciation  | 74,426          | 2%           | 76,035          | -6%         | 71,558          | 9%           | 77,954          | 71,558            | 92,140            | 92,140            | 92,140            | 92,140            |
| <b>Cash Available for Debt Service</b>                    | <b>83,157</b>   | <b>-36%</b>  | <b>53,174</b>   | <b>-62%</b> | <b>20,455</b>   | <b>-177%</b> | <b>(15,741)</b> | <b>(12,913)</b>   | <b>80,596</b>     | <b>102,908</b>    | <b>99,115</b>     | <b>95,129</b>     |
| <b>Debt Service</b> <small>(enter as positive #s)</small> |                 |              |                 |             |                 |              |                 |                   |                   |                   |                   |                   |
| Existing Principal  | 22,833          |              | 22,967          |             | 6,000           |              | 6,500           | 6,500             | 7,000             | 7,500             | 7,500             | 7,500             |
| Existing Interest   | 12,949          |              | 22,503          |             | 21,880          |              | 21,314          | 21,038            | 20,761            | 20,464            | 20,145            | 19,826            |
| Proposed KIA Loan Service                                 |                 |              |                 |             |                 |              |                 |                   |                   |                   |                   |                   |
| Construction Period Interest - KIA                        |                 |              |                 |             |                 |              |                 |                   |                   |                   |                   |                   |
| <b>Total Debt Service</b>                                 | <b>35,782</b>   |              | <b>45,470</b>   |             | <b>27,880</b>   |              | <b>27,814</b>   | <b>32,538</b>     | <b>64,564</b>     | <b>84,270</b>     | <b>83,951</b>     | <b>83,632</b>     |
| <b>Income After Debt Service</b>                          | <b>47,375</b>   |              | <b>7,704</b>    |             | <b>(7,425)</b>  |              | <b>(43,555)</b> | <b>(45,451)</b>   | <b>16,032</b>     | <b>18,639</b>     | <b>15,165</b>     | <b>11,498</b>     |
| <b>Debt Coverage Ratio</b>                                | <b>2.32</b>     |              | <b>1.17</b>     |             | <b>0.73</b>     |              | <b>(0.57)</b>   | <b>(0.40)</b>     | <b>1.25</b>       | <b>1.22</b>       | <b>1.18</b>       | <b>1.14</b>       |

**CITY OF LACENTER  
BALANCE SHEET**

June 30

| ASSETS   | 2007               | 2008               | 2009               | 2010               | Project<br>Closeout |
|--|--------------------|--------------------|--------------------|--------------------|---------------------|
| <b>Current Assets</b>                                |                    |                    |                    |                    |                     |
| Cash   | 41,814             | 57,818             | 24,338             | 23,288             | 23,288              |
| Accounts Receivable                                  | 35,973             | 33,730             | 28,616             | 34,605             | 40,790              |
| Prepaid  | 2,783              | 6,467              | 3,173              | 597                | 597                 |
| Other  | 0                  | 0                  | 2,504              | 43,417             | 0                   |
| <b>Total Current Assets</b>                          | <b>80,570</b>      | <b>98,015</b>      | <b>58,631</b>      | <b>101,907</b>     | <b>64,675</b>       |
| <b>Restricted Assets</b>                             |                    |                    |                    |                    |                     |
| Cash   | 6,125              | 22,180             | 26,102             | 34,327             | 34,327              |
| Investments  | 8,298              | 8,527              | 8,871              | 8,931              | 8,931               |
| Grant Receivable                                     | 14,978             | 0                  | 0                  | 0                  | 0                   |
| <b>Total Restricted Assets</b>                       | <b>29,401</b>      | <b>30,707</b>      | <b>34,973</b>      | <b>43,258</b>      | <b>43,258</b>       |
| <b>Utility Plant</b>                                 |                    |                    |                    |                    |                     |
| Land, System, Building and Equipment                 | 3,254,284          | 3,279,089          | 3,166,764          | 3,552,448          | 4,061,764           |
| <b>Less Accumulated Depreciation ( )</b>             | <b>(1,143,553)</b> | <b>(1,219,588)</b> | <b>(1,091,282)</b> | <b>(1,159,866)</b> | <b>(1,323,564)</b>  |
| <b>Net Fixed Assets</b>                              | <b>2,110,731</b>   | <b>2,059,501</b>   | <b>2,075,482</b>   | <b>2,392,582</b>   | <b>2,738,200</b>    |
| <b>Other Assets</b>                                  |                    |                    |                    |                    |                     |
| Unamortized Bond Costs and Discount, Net             | 11,786             | 11,071             | 10,759             | 10,447             | 9,647               |
| <b>Total Other Assets</b>                            | <b>11,786</b>      | <b>11,071</b>      | <b>10,759</b>      | <b>10,447</b>      | <b>9,647</b>        |
| <b>Total Assets</b>                                  | <b>2,232,488</b>   | <b>2,199,294</b>   | <b>2,179,845</b>   | <b>2,548,194</b>   | <b>2,855,780</b>    |
| <b>LIABILITIES</b>                                   |                    |                    |                    |                    |                     |
| <b>Current Liabilities</b>                           |                    |                    |                    |                    |                     |
| Accounts Payable                                     | 11,855             | 32,745             | 42,083             | 65,073             | 65,073              |
| Accrued Liabilities                                  | 6,523              | 3,137              | 3,234              | 3,870              | 3,870               |
| Interest Payable                                     | 11,021             | 10,784             | 10,657             | 10,519             | 10,519              |
| Bonds Payable  | 22,967             | 6,000              | 6,500              | 6,500              | 7,000               |
| Current Portion KIA                                  | 0                  | 0                  | 0                  | 0                  | 36,829              |
| <b>Total Current Liabilities</b>                     | <b>52,366</b>      | <b>52,666</b>      | <b>62,474</b>      | <b>85,962</b>      | <b>123,291</b>      |
| <b>Liabilities Payable - Restricted Assets</b>       |                    |                    |                    |                    |                     |
| Accounts Payable                                     | 14,947             | 0                  | 0                  | 0                  | 0                   |
| Meter Deposits                                       | 34,231             | 36,587             | 37,815             | 38,552             | 38,552              |
| <b>Total Liabilities Payable - Restricted Assets</b> | <b>49,178</b>      | <b>36,587</b>      | <b>37,815</b>      | <b>38,552</b>      | <b>38,552</b>       |
| <b>Long Term Liabilities</b>                         |                    |                    |                    |                    |                     |
| Revenue Bonds  | 507,500            | 501,500            | 495,000            | 488,500            | 481,500             |
| Notes Payable - KIA                                  | 0                  | 0                  | 0                  | 0                  | 855,135             |
| <b>Total Long Term Liabilities</b>                   | <b>507,500</b>     | <b>501,500</b>     | <b>495,000</b>     | <b>488,500</b>     | <b>1,336,635</b>    |
| <b>Total Liabilities</b>                             | <b>609,044</b>     | <b>590,753</b>     | <b>595,289</b>     | <b>613,014</b>     | <b>1,498,478</b>    |
| <b>Retained Earnings:</b>                            |                    |                    |                    |                    |                     |
| Invested in Capital Assets Net of Related Debt       | 1,580,264          | 1,552,001          | 1,571,062          | 1,897,582          | 1,897,582           |
| Restricted   | (19,777)           | (5,880)            | (2,842)            | 4,706              | 4,706               |
| Unrestricted   | 62,957             | 62,420             | 16,336             | 32,892             | (544,986)           |
| <b>Total Retained Earnings</b>                       | <b>1,623,444</b>   | <b>1,608,541</b>   | <b>1,584,556</b>   | <b>1,935,180</b>   | <b>1,357,302</b>    |
| <b>Total Liabilities and Equities</b>                | <b>2,232,488</b>   | <b>2,199,294</b>   | <b>2,179,845</b>   | <b>2,548,194</b>   | <b>2,855,780</b>    |
| <b>Balance Sheet Analysis</b>                        |                    |                    |                    |                    |                     |
| Current Ratio  | 1.54               | 1.86               | 0.94               | 1.19               | 0.52                |
| Debt to Equity                                       | 0.38               | 0.37               | 0.38               | 0.32               | 1.10                |
| Working Capital                                      | 28,204             | 45,349             | (3,843)            | 15,945             | (58,616)            |
| Percent of Total Assets in Working Capital           | 1.26%              | 2.06%              | -0.18%             | 0.63%              | -2.05%              |
| Percent of Operating Revenue in Receivables          | 43                 | 40                 | 37                 | 44                 | 40                  |

**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.6.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED WASTEWATER REVOLVING FUND LOAN (A10-16) OF \$3,000,000 TO THE CITY OF MOREHEAD f/b/o MOREHEAD UTILITY PLANT BOARD, ROWAN COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Wastewater Revolving Loan Program (Fund A) with the City of Morehead f/b/o Morehead Utility Plant Board, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund A loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Wastewater Revolving Fund loan for \$3,000,000 of project expense including capitalized interest for the construction period, to the City of Morehead f/b/o Morehead

Utility Plant Board for the WWTP Flood Rebuild Project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. Principal forgiveness of 30% will be deducted from the approved loan amount. The unforgiven principal balance of \$2,100,000 shall be repaid.

Section 4. The unforgiven principal shall be repayable over 20 years at an interest rate of 1.0%. In addition to debt service, a 0.2% annual administration fee on the unpaid, unforgiven principal balance will be charged. From annual revenues, \$7,500 must be set aside in a borrower held replacement reserve. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

|   |  |                           |                          |                        |
|---|--|---------------------------|--------------------------|------------------------|
| <b>EXECUTIVE SUMMARY</b>                      |  | Reviewer:                 | Sandy Williams           |                        |
| <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>      |  | Date:                     | December 9, 2010         |                        |
| <b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>  |  | KIA Loan Number:          | <b>A10-16</b>            |                        |
| <b>REVOLVING LOAN FUND</b>                    |  | WRIS Number               | <b>SX21205034</b>        |                        |
|   |  | HUC Code:                 | 05100101130              |                        |
| <b>BORROWER:</b>                              | <b>The City of Morehead f/b/o Morehead Utility Plant Board</b>   |                           |                          |                        |
|   | Rowan County   |                           |                          |                        |
| <b>BRIEF DESCRIPTION:</b>                     | The City of Morehead for the benefit of the Morehead Utility Plant Board is requesting a Fund A loan in the amount of \$3,000,000 for the Wastewater Treatment Plant (WWTP) Flood Rebuild project. During the weekend of May 1 and 2, 2010, the 5mgd WWTP that serves the City of Morehead and Rowan County experienced flooding conditions during a record rainfall event. This event was declared an emergency by the Governor of Kentucky. Many plant processes were submerged and electrical equipment was flooded. A Damage Assessment Report was prepared by CDP Engineers that documented damages and recovery priorities. Priorities were grouped into two phases. The Morehead Utility Plant Board has completed Phase I priorities. Phase II of the project will complete the rebuild of necessary plant processes to get the plant back to conditions prior to the flood event. This work includes the replacement of damaged equipment, motors, and related electrical and communication systems. The Phase II priority rebuild is necessary in order to keep pollutants out of the Licking River. |                           |                          |                        |
| <b>PROJECT FINANCING:</b>                     |  |                           | <b>PROJECT BUDGET</b>    |                        |
| Fund A Loan                                   | \$   | 3,000,000                 | Administrative Expenses  | \$ 20,000              |
|   |  |                           | Legal Expenses           | 10,000                 |
|   |  |                           | Engineering Fees         | 195,000                |
|   |  |                           | Construction             | 2,615,000              |
|   |  |                           | Contingency              | 160,000                |
| <b>TOTAL</b>                                  | <b>\$</b>  | <b>3,000,000</b>          | <b>TOTAL</b>             | <b>\$ 3,000,000</b>    |
| <b>REPAYMENT</b>                              |  |                           |                          |                        |
|   | Rate   | 1.00%                     | Est. Annual Payment      | \$120,311              |
|   | Term   | 20 years                  | 1st Payment              | 6 Mo. after first draw |
| <b>PROFESSIONAL SERVICES</b>                  | Engineer   | Eclipse Engineers, PLLC   |                          |                        |
|   | Bond Counsel   | Peck, Shaffer, & Williams |                          |                        |
| <b>PROJECT SCHEDULE</b>                       |  |                           |                          |                        |
|   | Bid Opening:   | December 15, 2010         |                          |                        |
|   | Construction Start:  | January 15, 2011          |                          |                        |
|   | Construction Stop:   | June 30, 2011             |                          |                        |
| <b>DEBT PER CUSTOMER</b>                      | Existing:  | \$                        | 4,503                    |                        |
|   | Proposed:  | \$                        | 5,463                    |                        |
| <b>OTHER DEBT</b>                             | See Attached   |                           |                          |                        |
| <b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b> | See Attached   |                           |                          |                        |
| <b>RESIDENTIAL RATES</b>                      |  |                           |                          |                        |
|   |  | <u>Users</u>              | <u>Avg. Bill</u>         |                        |
|   | Current  | 4,489                     | \$ 29.96                 | (for 4,000 gallons)    |
|   | Additional   | 0                         | \$ 29.96                 | (for 4,000 gallons)    |
| <b>REGIONAL COORDINATION</b>                  | This project is consistent with regional planning recommendations.   |                           |                          |                        |
| <b>CASHFLOW</b>                               | <b>Cash Available for</b>  |                           | <b>Income after Debt</b> |                        |
|   | <b>Debt Service</b>  | <b>Debt Service</b>       | <b>Service</b>           | <b>Coverage Ratio</b>  |
| Audited 2005                                  | 2,160,290  | 1,391,007                 | 769,283                  | 1.55                   |
| Audited 2006                                  | 3,043,428  | 1,478,510                 | 1,564,918                | 2.06                   |
| Audited 2007                                  | 1,612,451  | 1,934,216                 | (321,765)                | 0.83                   |
| Audited 2008                                  | 2,228,104  | 1,827,703                 | 400,401                  | 1.22                   |
| Audited 2009                                  | 4,672,813  | 4,392,450                 | 280,363                  | 1.06                   |
| Projected 2010                                | 2,126,033  | 1,571,338                 | 554,695                  | 1.35                   |
| Projected 2011                                | 2,159,990  | 1,609,211                 | 550,779                  | 1.34                   |
| Projected 2012                                | 2,198,839  | 1,669,281                 | 529,559                  | 1.32                   |
| Projected 2013                                | 2,231,879  | 1,717,773                 | 514,106                  | 1.30                   |
| Projected 2014                                | 2,272,962  | 1,704,605                 | 568,357                  | 1.33                   |
| Projected 2015                                | 2,314,796  | 1,553,525                 | 761,271                  | 1.49                   |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND "A")  
 CITY OF MOREHEAD/B/O MOREHEAD UTILITY PLANT BOARD  
 ROWAN COUNTY  
 PROJECT REVIEW  
 SX21205034**

**I. PROJECT DESCRIPTION**

The City of Morehead for the benefit of the Morehead Utility Plant Board is requesting a Fund A loan in the amount of \$3,000,000 for the Wastewater Treatment Plant (WWTP) Flood Rebuild project. During the weekend of May 1 and 2, 2010, the 5mgd WWTP that serves the City of Morehead and Rowan County experienced flooding conditions during a record rainfall event. This event was declared an emergency by the Governor of Kentucky. Many plant processes were submerged and electrical equipment was flooded. A Damage Assessment Report was prepared by CDP Engineers that documented damages and recovery priorities. Priorities were grouped into two phases. The Morehead Utility Plant Board has completed Phase I priorities. Phase II of the project will complete the rebuild of necessary plant processes to get the plant back to conditions prior to the flood event. This work includes the replacement of damaged equipment, motors, and related electrical and communication systems. The Phase II priority rebuild is necessary in order to keep pollutants out of the Licking River.

**II. PROJECT BUDGET**

|                         | <b>Total</b>        |
|-------------------------|---------------------|
| Administrative Expenses | \$ 20,000           |
| Legal Expenses          | 10,000              |
| Engineering Fees        | 195,000             |
| Construction            | 2,615,000           |
| Contingency             | 160,000             |
| <b>TOTAL</b>            | <b>\$ 3,000,000</b> |

**III. PROJECT FUNDING**

|                 | <b>Amount</b>    | <b>%</b>    |
|-----------------|------------------|-------------|
| Funding Sources |                  |             |
| Fund A Loan     | 3,000,000        | 100%        |
| <b>Total</b>    | <b>3,000,000</b> | <b>100%</b> |

#### IV. KIA DEBT SERVICE

|  |           |                |
|--|-----------|----------------|
| Construction Loan                          | \$        | 3,000,000      |
| Less: Principal Forgiveness (30%)          | \$        | 900,000        |
| Amortized Loan Amount                      | \$        | 2,100,000      |
| Interest Rate                              |           | 1.00%          |
| Loan Term (Years)                          |           | 20             |
| Estimated Annual Debt Service              | \$        | 116,111        |
| Administrative Fee (0.20%)                 |           | 4,200          |
| <b>Total Estimated Annual Debt Service</b> | <b>\$</b> | <b>120,311</b> |

#### V. PROJECT SCHEDULE

|                     |                   |
|---------------------|-------------------|
| Bid Opening:        | December 15, 2010 |
| Construction Start: | January 15, 2011  |
| Construction Stop:  | June 30, 2011     |

#### VI. CUSTOMER BREAKDOWN AND RATE STRUCTURE

##### Customers

|             | Current | Proposed | Total |
|-------------|---------|----------|-------|
| Residential | 3,905   | 0        | 3,905 |
| Commercial  | 577     | 0        | 577   |
| Industrial  | 7       | 0        | 7     |
| Total       | 4,489   | 0        | 4,489 |

##### Rates

The monthly charge for wastewater utility service is:

|  | City      | County    | Rowan<br>Co SD | Bath /<br>Farmers |
|--|-----------|-----------|----------------|-------------------|
| Date of Last Rate Increase             | 1/25/2006 | 1/25/2006 | 1/25/2006      | 1/25/2006         |
| Minimum (2,000 gallons)                | \$6.75    | \$8.10    | \$13.50        | \$17.34           |
| All over 2,000 gallons (Per 1,000 gal) | \$3.50    | \$4.06    | \$6.31         | \$6.31            |
| Cost for 4,000 gallons                 | \$13.75   | \$16.22   | \$26.12        | \$29.96           |
| Affordability Index (Rate/MHI)         | 0.7%      | 0.8%      | 1.3%           | 1.5%              |

#### VII. DEMOGRAPHICS

In 2000, the City's population was 5,914 with a Median Household Income (MHI) level of \$24,014, which is 71.3% of the MHI for the Commonwealth (\$33,672). Based on median household income, the project will qualify for the 1% interest rate and principal forgiveness of 30%.

## **VIII. 2010 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project does not include Green Project Reserve (GPR) components.
- 2) Additional Subsidization – This project qualifies for principal forgiveness of \$900,000.

## **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for Morehead Utility Plant Board was obtained from the audited financial statements for the years ended June 30, 2005 through 2009.

Morehead Utility Plant Board (MUPB) is a component unit of the City of Morehead and is accounted for as a business activity fund. It is financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed primarily through user charges. MUPB provides water, wastewater and gas services for the city and sections of Rowan County.

### **HISTORICAL**

In 2009, MUPB's total revenue decreased by 15.2% and the total expenses decreased by about the same percentage (15.0%). Gas revenues decreased \$1.64 million reflecting the high volatility of the unit price of gas. This accounts for 93% of the revenue decrease and is mirrored in the lower gas operating expenses due to lower gas unit cost. After factoring out the gas cost reduction, the remaining operating expenses increased only about \$90,000 (1.58%) mostly attributable to normal cost of living salary adjustments offset by cost control measures which have helped to maintain the current expense levels for most categories. Due to a continued drop in short term interest rate yields, MUPB experienced a substantial decrease in its interest income from bond and other reserve funds. This reflects a reduction in the yield of about 1.7%. In relation to this continued drop in short and longer term yields, management decided to apply certain funds restricted for bond repayment to specific outstanding long term debt.

In 2008, MUPB's total revenue (including interest income) increased by 15.6% and total expenses increased only by 1.3%. Gas revenues increased due to a rate increase during the fiscal year and the higher cost of natural gas. This accounts for 87% of the revenue increase and is mirrored in the higher gas operating expenses due to higher gas cost. However, this increased cost in gas purchased was offset this year by the decreased other non-operating expenses of approximately \$800,000. The \$800,000 for the prior year resulted from a settlement of underpaid gas costs from the year ended June 30, 2006. After factoring out the effect of the increased gas cost and the repayment from the prior year, the resulting increase in expenses represents a very reasonable increase due to normal cost of living salary adjustments as well as normal price increases due to inflation. Water and sewer revenue reflected a 5.4% and 3.5%

increase respectively and these combined increases effectively offset the additional water and sewer department operating expenses. In reviewing total operating revenue for the entire system, MUPB has seen their revenue growth rate expand and contract ranging from a low of a 7% decline to a high of 10% growth. The largest decline in total revenue in 2007 was due to declines in all service areas, water, sewer, and solid waste. Due to a marked drop in short term interest rate yields, MUPB experienced a substantial decrease in its interest income from the bond and other reserve funds. This reflects a reduction in the yield of about 1.75%.

In 2007, MUPB's total revenue decreased by 2.0% and the total expensed increased by 25.1%. Due to slightly reduced gas costs, gas revenues decreased by 6% (\$328,000).

Water and sewer revenue combined were essentially equal to the prior year. The unit price of natural gas continues to stay relatively high in the winter months but the overall average was fairly comparable to the prior year. Due to continued strength and sustained increase in short term interest rate yields, MUPB experienced its second straight year of substantial increases in its interest income from the bond and other reserve funds. The most significant item impacting the current year expenses and comparability to prior year expense relates to an apparent defective gas meter resulting in billing errors to MUPB for the cost of its purchased natural gas for the year ended June 30, 2006. The significant changes from the prior year in expenses are from increases in employee benefits (health insurance and retirement benefits contributions), Lift station expenses due to an increase in the number of lift stations and their operation and maintenance costs, increases in depreciation and interest expenses from the new WWTP, and increases in fuel and energy related items.

At year-end 2009, MUPB had \$20.2 million in outstanding short and long-term debt. There were no new loan funds advanced during the year as the reduced level of capital improvements were funded by reserves and capital grants. In addition to normal debt retirement of about \$1.3 million, MUPB retired nearly \$2.5 million of the highest interest rate long-term debt remaining from various construction projects. This resulted in an actual decrease of the outstanding debt of about 16%. Due to the significant reduction in investment earnings, this action optimized the value of the sinking bond funds that were restricted for payment of certain bond issues and debt.

## PROFORMA

Projections are based on the following assumptions:

- Water, wastewater and gas service revenues are projected to grow 2% per year.
- All expenses are projected to average 80% of total revenues.
- Existing debt service payments were provided from the audited financial statements.
- A replacement reserve of \$7,500 will be funded annually.
- Debt service is estimated to be \$120,311 annually.
- The new loan will increase overall debt service to \$1,669,281 in 2012.

Debt service coverage is 1.32 in 2012 when principal and interest repayments begin. Based on the proforma assumptions, the utility shows adequate cashflow to repay the KIA Fund A loan.

## REPLACEMENT RESERVE

The annual replacement reserve is \$7,500. This amount should be added to the replacement account each December 1 until the balance reaches \$75,000 and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

| <b>Debt Issue</b>                     | <b>Outstanding</b>  | <b>Maturity</b> |
|---------------------------------------|---------------------|-----------------|
| 1966 Issue                            | \$20,000            | 2009            |
| KRWFC - Series 2003                   | 1,732,000           | 2021            |
| KRWFC - Series 2004                   | 564,000             | 2022            |
| KIA 1992 Sludge Dewatering            | 78,754              | 2013            |
| KIA Loan (RCSD)                       | 1,069,774           | 2015            |
| Rural Development Series 1998 & 1998B | 1,005,000           | 2037            |
| Rural Development - Series 2001A      | 4,170,000           | 2042            |
| KIA Wastewater Treatment Plant        | 6,200,023           | 2026            |
| RUS Wastewater Treatment Plant        | 1,451,000           | 2044            |
| KIA Water Plant Expansion and Upgrade | 3,923,700           | 2023            |
| <b>Total</b>                          | <b>\$20,214,251</b> |                 |

Balances at 6/30/2009

## XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

| <b>Project Title</b>                          | <b>Source</b> | <b>Amount</b>      | <b>Type</b> |
|---|---------------|--------------------|-------------|
| Cardinal Lane Sewer Project (SX21205027)      | HB608         | \$224,850          | Grant       |
| Phase II Sewer Rehab Project (SX21205028)     | HB608         | 789,600            | Grant       |
| Meter Replacement Project (WX21205032)        | HB380         | 103,200            | Grant       |
| Standby Power Generator Project (WX21205025)  | HB608         | 170,000            | Grant       |
| Standby Power Generator Project (WX21205025)  | HB380         | 500,000            | Grant       |
| Various Water and Sewer Projects (SX21205024) | HB267         | 250,000            | Grant       |
| <b>Total</b>                                  |               | <b>\$2,037,650</b> |             |

**XII. CONTACTS**

**Applicant**

Name City of Morehead f/b/o Morehead Utility Plant Board  
Address 105 East Main Street  
Morehead, KY 40351  
County Rowan  
Contact David Perkins  
Phone 606-784-8505  
Email dperkins@cityofmorehead.com

**Engineer**

Name Alan R. Robinson, PE  
Firm Eclipse Engineers, PLLC  
Address 325 Briggs Avenue  
Lexington, KY 40509  
Phone (859) 433-9585  
Email alan.robinson1028@yahoo.com

**Contacts**

|         |   |   |
|---------|---|---|
| Name    | Robert M. Nickell                                   | Cindy J. Kinkaid                          |
| Title   | General Manager                                     | Infrastructure Dev. Specialist            |
| Firm    | Morehead Utility Plant Board                        | Gateway Area Development District         |
| Address | 135 South Wilson Avenue<br>Morehead, Kentucky 40351 | 110 Lake Park Drive<br>Morehead, KY 40351 |
| Phone   | (606) 784-5538                                      | (606) 780-0090 Ext. 2207                  |
| Email   | mnickell@mupb.com                                   | cindy.kinkaid@ky.gov                      |

**XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions.

**EXHIBIT 1**  
**The City of Morehead (b)io Morehead Utility Plant Board**  
**CASH FLOW ANALYSIS**

|  | Audited<br>2005  | %<br>Change | Audited<br>2006   | %<br>Change  | Audited<br>2007   | %<br>Change | Audited<br>2008   | %<br>Change | Audited<br>2009  | Projected<br>2010 | Projected<br>2011 | Projected<br>2012 | Projected<br>2013 | Projected<br>2014 | Projected<br>2015 |
|--|------------------|-------------|-------------------|--------------|-------------------|-------------|-------------------|-------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Operating Revenues</b>  |                  |             |                   |              |                   |             |                   |             |                  |                   |                   |                   |                   |                   |                   |
| Gas  | 4,391,848        | 23%         | 5,410,455         | -6%          | 5,082,541         | 29%         | 6,572,759         | -25%        | 4,935,211        | 5,033,915         | 5,134,594         | 5,237,285         | 5,342,031         | 5,448,872         | 5,557,849         |
| Water  | 2,500,411        | -7%         | 2,333,166         | 1%           | 2,349,789         | 5%          | 2,477,070         | 1%          | 2,502,340        | 2,552,387         | 2,603,435         | 2,655,503         | 2,708,613         | 2,762,786         | 2,818,041         |
| Sewer  | 2,477,295        | -6%         | 2,331,161         | -1%          | 2,309,636         | 3%          | 2,389,377         | -5%         | 2,261,804        | 2,307,040         | 2,354,357         | 2,401,444         | 2,449,473         | 2,498,462         | 2,548,432         |
| Penalties  | 52,815           | 12%         | 59,250            | -2%          | 57,770            | -2%         | 56,890            | -8%         | 52,376           | 55,679            | 54,982            | 54,345            | 55,002            | 54,776            | 54,708            |
| Other  | 40,509           | 11%         | 45,085            | -24%         | 34,378            | 45%         | 49,900            | -23%        | 38,404           | 40,894            | 43,066            | 40,788            | 41,583            | 41,812            | 41,394            |
| <b>Total Revenues</b>  | <b>9,462,878</b> | <b>8%</b>   | <b>10,179,117</b> | <b>-3%</b>   | <b>9,834,114</b>  | <b>17%</b>  | <b>11,545,996</b> | <b>-15%</b> | <b>9,790,135</b> | <b>9,889,915</b>  | <b>10,190,432</b> | <b>10,389,366</b> | <b>10,596,702</b> | <b>10,806,708</b> | <b>11,020,424</b> |
| <b>Operating Expenses</b>  |                  |             |                   |              |                   |             |                   |             |                  |                   |                   |                   |                   |                   |                   |
| Operating Expenses   | 7,387,826        | 0%          | 7,356,514         | 16%          | 8,567,249         | 11%         | 9,545,697         | -19%        | 7,750,353        | 7,991,932         | 8,152,346         | 8,311,493         | 8,477,361         | 8,645,367         | 8,816,339         |
| Depreciation   | 1,712,949        | 5%          | 1,791,487         | 20%          | 2,143,320         | 1%          | 2,175,461         | 2%          | 2,210,833        | 2,255,050         | 2,300,151         | 2,346,154         | 2,393,077         | 2,440,938         | 2,489,757         |
| Replacement Reserve  |                  |             |                   |              |                   |             |                   |             | 0                | 5,200             | 5,200             | 5,200             | 12,700            | 12,700            |                   |
| <b>Total Expenses</b>  | <b>9,100,775</b> | <b>1%</b>   | <b>9,148,001</b>  | <b>17%</b>   | <b>10,710,569</b> | <b>9%</b>   | <b>11,721,158</b> | <b>-15%</b> | <b>9,961,186</b> | <b>10,246,981</b> | <b>10,457,697</b> | <b>10,662,847</b> | <b>10,883,138</b> | <b>11,099,005</b> | <b>11,318,796</b> |
| <b>Net Operating Income</b>  | <b>362,103</b>   | <b>185%</b> | <b>1,031,116</b>  | <b>-185%</b> | <b>(876,455)</b>  | <b>-80%</b> | <b>(175,162)</b>  | <b>-2%</b>  | <b>(171,051)</b> | <b>(257,067)</b>  | <b>(267,264)</b>  | <b>(273,480)</b>  | <b>(286,436)</b>  | <b>(292,297)</b>  | <b>(298,372)</b>  |
| <b>Non-Operating Income and Expenses</b>                             |                  |             |                   |              |                   |             |                   |             |                  |                   |                   |                   |                   |                   |                   |
| Interest on Investments  | 139,643          | 61%         | 224,897           | 62%          | 363,253           | -33%        | 244,049           | -59%        | 99,629           | 94,648            | 93,701            | 92,764            | 91,836            | 90,918            | 90,009            |
| Restricted Assets Used for the Early Repayment of High Interest Debt | (54,405)         | -93%        | (4,072)           | 334%         | (17,667)          | -8%         | (16,244)          | -306%       | 33,402           | 33,402            | 33,402            | 33,402            | 33,402            | 33,402            | 33,402            |
| Other Expense  | 85,238           | 159%        | 220,825           | 56%          | 345,586           | -34%        | 227,805           | 1056%       | 2,633,031        | 128,050           | 127,103           | 126,166           | 125,238           | 124,320           | 123,411           |
| <b>Total Non-Operating Income &amp; Expenses</b>                     | <b>1,712,949</b> | <b>5%</b>   | <b>1,791,487</b>  | <b>20%</b>   | <b>2,143,320</b>  | <b>1%</b>   | <b>2,175,461</b>  | <b>2%</b>   | <b>2,210,833</b> | <b>2,255,050</b>  | <b>2,300,151</b>  | <b>2,346,154</b>  | <b>2,393,077</b>  | <b>2,440,938</b>  | <b>2,489,757</b>  |
| <b>Add Non-Cash Expenses</b>   |                  |             |                   |              |                   |             |                   |             |                  |                   |                   |                   |                   |                   |                   |
| Depreciation   | 1,712,949        | 5%          | 1,791,487         | 20%          | 2,143,320         | 1%          | 2,175,461         | 2%          | 2,210,833        | 2,255,050         | 2,300,151         | 2,346,154         | 2,393,077         | 2,440,938         | 2,489,757         |
| <b>Cash Available for Debt Service</b>                               | <b>2,160,290</b> | <b>41%</b>  | <b>3,043,428</b>  | <b>-47%</b>  | <b>1,612,451</b>  | <b>38%</b>  | <b>2,228,104</b>  | <b>110%</b> | <b>4,672,813</b> | <b>2,126,033</b>  | <b>2,159,990</b>  | <b>2,198,839</b>  | <b>2,231,879</b>  | <b>2,272,962</b>  | <b>2,314,796</b>  |
| <b>Debt Service</b>  |                  |             |                   |              |                   |             |                   |             |                  |                   |                   |                   |                   |                   |                   |
| Existing Interest  | 535,271          |             | 588,825           |              | 668,973           |             | 641,426           |             | 550,203          | 490,013           | 468,279           | 446,257           | 423,368           | 400,187           | 329,947           |
| Existing Principal   | 855,736          |             | 889,685           |              | 1,265,243         |             | 1,186,277         |             | 3,842,247        | 1,081,325         | 1,083,462         | 1,105,398         | 1,116,824         | 1,126,637         | 1,045,797         |
| KIA Loan A2 09-36  |                  |             |                   |              |                   |             |                   |             |                  | 21,987            | 21,987            | 21,987            | 21,987            | 21,987            | 21,987            |
| KIA Loan A2 09-37  |                  |             |                   |              |                   |             |                   |             |                  | 35,483            | 35,483            | 35,483            | 35,483            | 35,483            | 35,483            |
| New KIA Loan A10-16 - Emergency Project                              |                  |             |                   |              |                   |             |                   |             |                  | 60,156            | 60,156            | 120,311           | 120,311           | 120,311           | 120,311           |
| <b>Total Debt Service</b>  | <b>1,391,007</b> |             | <b>1,478,510</b>  |              | <b>1,934,216</b>  |             | <b>1,827,703</b>  |             | <b>4,392,450</b> | <b>1,571,338</b>  | <b>1,609,211</b>  | <b>1,669,281</b>  | <b>1,717,773</b>  | <b>1,704,605</b>  | <b>1,553,525</b>  |
| <b>Income After Debt Service</b>                                     | <b>769,283</b>   |             | <b>1,564,918</b>  |              | <b>(321,765)</b>  |             | <b>400,401</b>    |             | <b>280,363</b>   | <b>554,695</b>    | <b>550,779</b>    | <b>529,559</b>    | <b>514,106</b>    | <b>568,357</b>    | <b>761,271</b>    |
| <b>Debt Coverage Ratio</b>   | <b>1.55</b>      |             | <b>2.06</b>       |              | <b>0.83</b>       |             | <b>1.22</b>       |             | <b>1.06</b>      | <b>1.35</b>       | <b>1.34</b>       | <b>1.32</b>       | <b>1.30</b>       | <b>1.33</b>       | <b>1.49</b>       |

**The City of Morehead f/b/o Morehead Utility Plant Board  
BALANCE SHEETS**

| <b>ASSETS</b>                                  | <b>2006</b>         | <b>2007</b>         | <b>2008</b>         | <b>2009</b>         | <b>Upon Project<br/>Completion</b> |
|--|---------------------|---------------------|---------------------|---------------------|------------------------------------|
| <b>Current Assets</b>                          |                     |                     |                     |                     |                                    |
| Cash   | 908,149             | 186,749             | 357,288             | 40,320              | 41,126                             |
| Accounts Receivable                            | 918,861             | 1,011,923           | 1,192,641           | 868,193             | 884,868                            |
| Inventory                                      | 353,121             | 417,015             | 353,692             | 329,479             | 336,069                            |
| Prepaid Insurance                              | 170,800             | 149,508             | 0                   | 112,686             | 112,686                            |
| Other  | 124,823             | 167,698             | 26,854              | 37,160              | 37,160                             |
| <b>Total Current Assets</b>                    | <b>2,475,754</b>    | <b>1,932,893</b>    | <b>1,930,475</b>    | <b>1,387,838</b>    | <b>1,411,909</b>                   |
| <b>Restricted Assets</b>                       |                     |                     |                     |                     |                                    |
| Investments                                    | 7,982,904           | 6,919,161           | 7,343,323           | 4,883,717           | 4,883,717                          |
| <b>Total Restricted Assets</b>                 | <b>7,982,904</b>    | <b>6,919,161</b>    | <b>7,343,323</b>    | <b>4,883,717</b>    | <b>4,883,717</b>                   |
| <b>Utility Plant</b>                           |                     |                     |                     |                     |                                    |
| Land, System, Building and Equipment (Net)     | 73,582,095          | 75,664,167          | 76,404,598          | 77,697,312          | 84,498,515                         |
| Bond Issuance Costs                            | 158,789             | 147,236             | 134,868             | 122,500             | 110,132                            |
| <b>Total</b>                                   | <b>73,740,884</b>   | <b>75,811,403</b>   | <b>76,539,466</b>   | <b>77,819,812</b>   | <b>84,608,647</b>                  |
| <b>Less Accumulated Depreciation ( )</b>       | <b>(25,600,900)</b> | <b>(27,744,220)</b> | <b>(29,919,681)</b> | <b>(32,110,129)</b> | <b>(32,205,159)</b>                |
| <b>Net Fixed Assets</b>                        | <b>48,139,984</b>   | <b>48,067,183</b>   | <b>46,619,785</b>   | <b>45,709,683</b>   | <b>52,403,488</b>                  |
| <b>Total Assets</b>                            | <b>58,598,642</b>   | <b>56,919,237</b>   | <b>55,893,583</b>   | <b>51,981,238</b>   | <b>58,699,114</b>                  |
| <b>LIABILITIES</b>                             |                     |                     |                     |                     |                                    |
| <b>Current Liabilities</b>                     |                     |                     |                     |                     |                                    |
| Accounts Payable                               | 329,914             | 349,862             | 474,212             | 328,862             | 345,305                            |
| Customer Deposits                              | 232,313             | 248,991             | 254,980             | 254,680             | 254,680                            |
| Current Portion Long Term Debt                 | 957,818             | 1,016,121           | 1,222,201           | 1,081,325           | 1,211,973                          |
| Other  | 180,710             | 181,487             | 167,289             | 173,741             | 173,741                            |
| <b>Total Current Liabilities</b>               | <b>1,700,755</b>    | <b>1,796,461</b>    | <b>2,118,682</b>    | <b>1,838,608</b>    | <b>1,985,699</b>                   |
| <b>Long Term Liabilities</b>                   |                     |                     |                     |                     |                                    |
| Notes Payable                                  | 25,341,802          | 24,226,654          | 22,834,297          | 19,132,926          | 23,309,380                         |
| <b>Total Long Term Liabilities</b>             | <b>25,341,802</b>   | <b>24,226,654</b>   | <b>22,834,297</b>   | <b>19,132,926</b>   | <b>23,309,380</b>                  |
| <b>Total Liabilities</b>                       | <b>27,042,557</b>   | <b>26,023,115</b>   | <b>24,952,979</b>   | <b>20,971,534</b>   | <b>25,295,079</b>                  |
| <b>Retained Earnings:</b>                      |                     |                     |                     |                     |                                    |
| Invested in Capital Assets Net of Related Debt | 21,681,575          | 22,677,172          | 22,428,419          | 25,372,932          | 26,698,950                         |
| Restricted                                     | 8,107,727           | 7,086,859           | 7,370,177           | 4,920,877           | 4,883,717                          |
| Unrestricted                                   | 1,766,783           | 1,132,091           | 1,142,008           | 715,895             | 1,821,368                          |
| <b>Total Retained Earnings</b>                 | <b>31,556,085</b>   | <b>30,896,122</b>   | <b>30,940,604</b>   | <b>31,009,704</b>   | <b>33,404,035</b>                  |
| <b>Total Liabilities and Equities</b>          | <b>58,598,642</b>   | <b>56,919,237</b>   | <b>55,893,583</b>   | <b>51,981,238</b>   | <b>58,699,114</b>                  |
| <b>Balance Sheet Analysis</b>                  |                     |                     |                     |                     |                                    |
| Current Ratio                                  | 1.46                | 1.08                | 0.91                | 0.75                | 0.71                               |
| Debt to Equity                                 | 0.86                | 0.84                | 0.81                | 0.68                | 0.76                               |
| Working Capital                                | 774,999             | 136,432             | (188,207)           | (450,770)           | (573,790)                          |
| Percent of Total Assets in Working Capital     | 1.32%               | 0.24%               | -0.34%              | -0.87%              | -0.98%                             |
| Percent of Operating Revenue in Receivables    | 3.59%               | 3.61%               | 3.61%               | 3.30%               | 3.43%                              |



**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.7.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B10-08) OF \$110,000 TO THE CITY OF CANEYVILLE, GRAYSON COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Infrastructure Revolving Loan Program with the City of Caneyville, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority intends to utilize money in the Infrastructure Revolving Fund to make the loan to the governmental agency for the aforementioned purposes; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Infrastructure Revolving Fund loans.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Infrastructure Revolving Fund loan commitment for \$110,000 of project expense, to the City of Caneyville for the WWTP Improvements project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable in 20 years at an annual interest rate of 1.0% subject to determination of the tax status of the project. In addition to debt service, a 0.2% annual administration fee on the unpaid, principal balance will be charged. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

|   |   |                           |   |
|---|---|---------------------------|---|
| <b>EXECUTIVE SUMMARY</b>                          |   | Reviewer:                 | Kasi White  |
| <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>          |   | Date:                     | December 9, 2010                                    |
| <b>FUND B, INFRASTRUCTURE</b>                     |   | KIA Loan Number:          | <b>B10-08</b>                                       |
| <b>REVOLVING LOAN FUND</b>                        |   | WRIS Number               | <b>SX21085001</b>                                   |
| <b>BORROWER:</b>                                  | <b>CITY OF CANEYVILLE</b>   |                           |   |
|   | <b>GRAYSON COUNTY</b>   |                           |   |
| <b>BRIEF DESCRIPTION:</b>                         | The City of Caneyville is requesting a Fund B loan in the amount of \$110,000 for upgrades to the existing wastewater treatment plant. The upgrades will include new influent bar screens and grit separator, Return Activated Sludge (RAS)/Waste Activated Sludge (WAS) pump assembly, replacement and upgrade of oxidation mechanics, oxidation coatings, and additional catwalks with safety railings. |                           |   |
| <b>PROJECT FINANCING:</b>                         |   | <b>PROJECT BUDGET</b>     |   |
| Fund B Loan                                       | \$ 110,000  | Administrative Expenses   | \$ 25,000   |
| HB380 (CPBOC 4/17/07;<br>\$114,500 of \$550,000)  | 114,500   | Engineering Fees          | 75,500  |
| CDBG (pending)                                    | 220,500   | Construction              | 315,000   |
|   |   | Contingency               | 29,500  |
| <b>TOTAL</b>                                      | <b>\$ 445,000</b>   | <b>TOTAL</b>              | <b>\$ 445,000</b>                                   |
| <b>REPAYMENT</b>                                  |   | Est. Annual               |   |
|   | Rate  | 1.00%                     | Payment   |
|   | Term  | 20 years                  | 1st Payment   |
|   |   |                           | \$ 6,302  |
|   |   |                           | 6 Mo. after first draw                              |
| <b>PROFESSIONAL SERVICES</b>                      | Engineer  | Kenvirons, Inc.           |   |
|   | Bond Counsel  | Peck, Shaffer, & Williams |   |
| <b>PROJECT SCHEDULE</b>                           |   |                           |   |
|   | Bid Opening:  | March, 2011               |   |
|   | Construction Start:   | April, 2011               |   |
|   | Construction Stop:  | October, 2011             |   |
| <b>DEBT PER CUSTOMER</b>                          | Existing:   | \$ 2,314                  |   |
|   | Proposed:   | \$ 2,454                  |   |
| <b>OTHER DEBT</b>                                 | See Attached  |                           |   |
| <b>OTHER STATE-FUNDED PROJECTS<br/>LAST 5 YRS</b> | See Attached  |                           |   |
| <b>RESIDENTIAL RATES</b>                          |   | <u>Users</u>              | <u>Avg. Bill</u>                                    |
|   | Current   | 263                       | \$ 16.08 (for 4,000 gallons)                        |
|   | Additional  | 0                         | \$ 19.87 (for 4,000 gallons)                        |
| <b>REGIONAL COORDINATION</b>                      | This project is consistent with regional planning recommendations.  |                           |   |
| <b>CASHFLOW</b>                                   |   |                           |   |
|   | <b>Cash Available<br/>for Debt Service</b>  | <b>Debt Service</b>       | <b>Income after Debt<br/>Service Coverage Ratio</b> |
| Audited_2006                                      | 71,111  | 61,464                    | 9,647 1.16  |
| Audited_2007                                      | 65,046  | 61,171                    | 3,875 1.06  |
| Audited_2008                                      | 108,351   | 52,486                    | 55,865 2.06   |
| Audited_2009                                      | 92,931  | 52,409                    | 40,522 1.77   |
| Audited_2010                                      | 63,560  | 51,795                    | 11,765 1.23   |
| Projected_2011                                    | 52,000  | 53,783                    | (1,783) 0.97  |
| Projected_2012                                    | 70,177  | 56,209                    | 13,968 1.25   |
| Projected_2013                                    | 68,234  | 59,562                    | 8,672 1.15  |
| Projected_2014                                    | 64,454  | 58,215                    | 6,239 1.11  |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")  
 CITY OF CANEYVILLE, GRAYSON COUNTY  
 PROJECT REVIEW**

**I. PROJECT DESCRIPTION**

The City of Caneyville is requesting a Fund B loan in the amount of \$110,000 for upgrades to the existing wastewater treatment plant. The upgrades will include new influent bar screens and grit separator, Return Activated Sludge (RAS)/Waste Activated Sludge (WAS) pump assembly, replacement and upgrade of oxidation mechanics, oxidation coatings, and additional catwalks with safety railings.

**II. PROJECT BUDGET**

|                         | <u>Total</u>      |
|-------------------------|-------------------|
| Administrative Expenses | \$ 25,000         |
| Engineering Fees        | 75,500            |
| Construction            | 315,000           |
| Contingency             | 29,500            |
| <b>Total</b>            | <b>\$ 445,000</b> |

**III. PROJECT FUNDING**

|              | <u>Amount</u>     | <u>%</u>    |
|--------------|-------------------|-------------|
| Fund B Loan  | \$ 110,000        | 25%         |
| HB380 Grant  | 114,500           | 26%         |
| CDBG         | 220,500           | 49%         |
| <b>Total</b> | <b>\$ 445,000</b> | <b>100%</b> |

**IV. KIA DEBT SERVICE**

|  |           |              |
|--|-----------|--------------|
| Construction Loan                          | \$        | 110,000      |
| Interest Rate                              |           | 1.00%        |
| Loan Term (Years)                          |           | 20           |
| Estimated Annual Debt Service              | \$        | 6,082        |
| Administrative Fee (0.20%)                 | \$        | 220          |
| <b>Total Estimated Annual Debt Service</b> | <b>\$</b> | <b>6,302</b> |

**V. PROJECT SCHEDULE**

Bid Opening: March, 2011  
 Construction Start: April, 2011  
 Construction Stop: October, 2011

**VI. RATE STRUCTURE**

| <u>Customers</u> | <u>Current</u> |
|------------------|----------------|
| Residential      | 194            |
| Commercial       | 69             |
| Industrial       | 0              |
|                  | <u>263</u>     |

\*No customers will be added to the customer base as a result of this project.

|                                       | <u>Water</u>   | <u>Sewer</u>   |                   |
|---------------------------------------|----------------|----------------|-------------------|
| Date of Last Rate Increase            | 9/1/2007       | 9/1/2007       |                   |
| First 1,500 gallons (minimum)         | \$12.94        | \$6.68         | Base Residential  |
| Next 3,000 gallons                    | 5.68           | 2.35           | Per 1,000 gallons |
| Next 5,000 gallons                    | 4.58           |                |                   |
| All Over 9,500 gallons per month      | 3.46           |                |                   |
| <b>Cost for 4,000 gallons</b>         | <b>\$27.14</b> | <b>\$16.08</b> |                   |
| <b>Affordability Index (Rate/MHI)</b> | <b>1.9%</b>    | <b>1.1%</b>    |                   |

**VII. DEMOGRAPHICS**

In 2000, the City's population was 627 with a Median Household Income (MHI) of \$17,273. The median household income for the Commonwealth is \$33,672. The project will qualify for an interest rate of 1.0% because the MHI is below 80% of the Commonwealth's MHI.

**VIII. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for City is from audited financial statements for the years ended December 31, 2006 through 2009 and a draft audit for 2010. The information presented reflects combined water and wastewater operations activity.

## HISTORICAL

Over the past 5 years, Caneyville's water and sewer revenues have remained relatively flat except for 2008 when the last rate adjustment was implemented. Expenses (including depreciation) have increased marginally averaging 5% from 2006 to 2010 and have outpaced revenues. When depreciation is added back into the system, the city has achieved positive cash flow in all years reviewed and have met debt service requirements to date.

The balance sheet shows assets increasing from just under \$3 million in 2006 to just nearly \$3.4 million in 2010 primarily due to increases in reserve requirements and cash on hand. The city maintains a strong current ratio averaging 3:1 over the five years reviewed. In addition, a debt to equity ratio of just under 0.3 was maintained.

## PROJECTED

Projections are based on the following assumptions.

- \* No growth is anticipated; however, revenues from the rate increases required by the approval are reflected for 2011, 2012, 2013 and 2014.
- \* Expenses increase by 5%.
- \* A replacement reserve of \$300 will be funded annually.
- \* The new debt service is estimated at \$6,302.

Debt service coverage is 1.25 in 2012 when principal and interest repayments begin. Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund B loan.

## REPLACEMENT RESERVE

The annual replacement cost is \$300. This amount should be added to the replacement account each December 1 until the balance reaches \$3,000 and maintained for the life of the loan.

## IX. DEBT OBLIGATIONS

|                                      | <u>Outstanding</u> | <u>Maturity</u> |
|--------------------------------------|--------------------|-----------------|
| Water and Sewer Revenue Bonds - 1982 | \$126,000          | 2025            |
| Water and Sewer Revenue Bonds - 1985 | 251,000            | 2034            |
| Water and Sewer Revenue Bonds - 1995 | 208,500            | 2034            |
| <b>Total</b>                         | <b>\$585,500</b>   |                 |

## X. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u>                | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|-------------------------------------|-----------------------|---------------|-------------|
|                                     | Community             |               |             |
| Sewer Improvements Phase I          | Economic Growth       | \$100,000     | Grant       |
| Sewer Improvements Phase I          | HB267                 | \$225,000     | Grant       |
| Sewer Improvements Phase II and III | HB380                 | \$550,000     | Grant       |

**XI. CONTACTS**

**Applicant**

Name City of Caneyville  
Address P.O. Box 69  
Caneyville, KY 42721  
County Grayson  
Contact Brenda Brown  
Phone (270) 879-9701

**Applicant Contact**

Name Lincoln Trail Area Development District  
Address P.O. Box 604  
Elizabethtown, KY 42702-0604  
Contact Ashley Willoughby  
Phone (270) 769-2393  
Email [awilloughby@ltadd.org](mailto:awilloughby@ltadd.org)

**XII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions and the following special conditions:

1. The City must pass an ordinance no later than February 1, 2011 increasing **sewer rates** per the following schedule:

|                        |      |
|------------------------|------|
| Effective July 1, 2011 | 20 % |
| Effective July 1, 2012 | 7 %  |
| Effective July 1, 2013 | 5 %  |

2. The City must pass an ordinance no later than February 1, 2011 increase **water rates** per the following schedule:

|                         |     |
|-------------------------|-----|
| Effective March 1, 2011 | 5 % |
| Effective July 1, 2011  | 5 % |
| Effective July 1, 2012  | 3 % |
| Effective July 1, 2013  | 3 % |

3. The City must obtain a commitment from the Community Development Block Grant program or other funding source in the amount of \$220,500 and provide such commitment to KIA.

**EXHIBIT 1  
CITY OF CANEYVILLE  
CASH FLOW ANALYSIS  
FISCAL YEAR ENDED JUNE 30**

|   | Audited<br>2006 | %<br>Change | Audited<br>2007 | %<br>Change | Audited<br>2008 | %<br>Change | Audited<br>2009 | %<br>Change | Draft Audit<br>2010 | Budgeted<br>2011 | Projected<br>2012 | Projected<br>2013 | Projected<br>2014 |
|---|-----------------|-------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|---------------------|------------------|-------------------|-------------------|-------------------|
| <b>Operating Revenues</b>                                 |                 |             |                 |             |                 |             |                 |             |                     |                  |                   |                   |                   |
| Water   | 263,348         | 1%          | 265,373         | 17%         | 309,194         | 0%          | 310,237         | -1%         | 307,480             | 310,000          | 322,400           | 338,520           | 348,676           |
| Additional Water Revenues Needed *                        |                 |             |                 |             |                 |             |                 |             |                     |                  |                   |                   |                   |
| Sewer   | 55,423          | -2%         | 54,286          | 18%         | 63,859          | 1%          | 64,679          | -4%         | 62,243              | 64,000           | 16,120            | 76,800            | 82,176            |
| Additional Sewer Revenues Needed **                       |                 |             |                 |             |                 |             |                 |             |                     |                  |                   |                   |                   |
| <b>Total Revenues</b>                                     | <b>318,771</b>  | <b>0%</b>   | <b>319,659</b>  | <b>17%</b>  | <b>373,053</b>  | <b>0%</b>   | <b>374,916</b>  | <b>-1%</b>  | <b>369,723</b>      | <b>380,200</b>   | <b>415,320</b>    | <b>430,852</b>    | <b>445,421</b>    |
| <b>Operating Expenses</b>                                 |                 |             |                 |             |                 |             |                 |             |                     |                  |                   |                   |                   |
| Water   | 217,573         | -2%         | 214,025         | 9%          | 232,993         | 5%          | 245,393         | 11%         | 271,912             | 274,706          | 288,441           | 302,863           | 318,006           |
| Wastewater  | 34,908          | 23%         | 43,042          | -17%        | 35,550          | 16%         | 41,096          | -4%         | 39,371              | 58,154           | 61,062            | 64,115            | 67,321            |
| Depreciation  | 111,251         | 11%         | 123,213         | 2%          | 125,099         | 1%          | 126,320         | -2%         | 123,879             | 125,118          | 136,243           | 137,605           | 138,981           |
| Replacement Reserve                                       |                 |             |                 |             |                 |             |                 |             |                     |                  | 300               | 300               | 300               |
| <b>Total Expenses</b>                                     | <b>363,732</b>  | <b>5%</b>   | <b>380,280</b>  | <b>4%</b>   | <b>393,642</b>  | <b>5%</b>   | <b>412,809</b>  | <b>5%</b>   | <b>435,162</b>      | <b>457,978</b>   | <b>486,046</b>    | <b>504,883</b>    | <b>524,608</b>    |
| <b>Net Operating Income</b>                               | <b>(44,961)</b> | <b>35%</b>  | <b>(60,621)</b> | <b>-66%</b> | <b>(20,589)</b> | <b>84%</b>  | <b>(37,893)</b> | <b>73%</b>  | <b>(65,439)</b>     | <b>(77,778)</b>  | <b>(70,726)</b>   | <b>(74,032)</b>   | <b>(79,188)</b>   |
| <b>Non-Operating Income and Expenses</b>                  |                 |             |                 |             |                 |             |                 |             |                     |                  |                   |                   |                   |
| Interest on Investments                                   | 284             | 553%        | 1,854           | -11%        | 1,650           | -23%        | 1,275           | -83%        | 214                 | 161              | 161               | 161               | 161               |
| Other Income  | 4,537           |             | 600             |             | 2,191           |             | 3,229           |             | 4,906               | 4,500            | 4,500             | 4,500             | 4,500             |
| <b>Total Non-Operating Income &amp; Expenses</b>          | <b>4,821</b>    | <b>-49%</b> | <b>2,454</b>    | <b>57%</b>  | <b>3,841</b>    | <b>17%</b>  | <b>4,504</b>    | <b>14%</b>  | <b>5,120</b>        | <b>4,661</b>     | <b>4,661</b>      | <b>4,661</b>      | <b>4,661</b>      |
| <b>Add Non-Cash Expenses</b>                              |                 |             |                 |             |                 |             |                 |             |                     |                  |                   |                   |                   |
| Depreciation  | 111,251         | 11%         | 123,213         | 2%          | 125,099         | 1%          | 126,320         | -2%         | 123,879             | 125,118          | 136,243           | 137,605           | 138,981           |
| <b>Cash Available for Debt Service</b>                    | <b>71,111</b>   | <b>-9%</b>  | <b>65,046</b>   | <b>67%</b>  | <b>108,351</b>  | <b>-14%</b> | <b>92,931</b>   | <b>-32%</b> | <b>63,560</b>       | <b>52,000</b>    | <b>70,177</b>     | <b>68,234</b>     | <b>64,454</b>     |
| <b>Debt Service</b> <small>(enter as positive #s)</small> |                 |             |                 |             |                 |             |                 |             |                     |                  |                   |                   |                   |
| Existing Principal  | 28,000          |             | 29,000          |             | 21,500          |             | 22,500          |             | 23,000              | 25,000           | 25,500            | 27,500            | 27,500            |
| Existing Interest   | 33,464          |             | 32,171          |             | 30,986          |             | 29,909          |             | 28,795              | 28,233           | 27,008            | 25,760            | 24,413            |
| Proposed KIA Loan   |                 |             |                 |             |                 |             | 550             |             |                     |                  | 3,701             | 6,302             | 6,302             |
| <b>Total Debt Service</b>                                 | <b>61,464</b>   |             | <b>61,171</b>   |             | <b>52,486</b>   |             | <b>52,409</b>   |             | <b>51,795</b>       | <b>53,783</b>    | <b>56,209</b>     | <b>59,562</b>     | <b>58,215</b>     |
| <b>Income After Debt Service</b>                          | <b>9,647</b>    |             | <b>3,875</b>    |             | <b>55,865</b>   |             | <b>40,522</b>   |             | <b>11,765</b>       | <b>(1,783)</b>   | <b>13,968</b>     | <b>8,672</b>      | <b>6,239</b>      |
| <b>Debt Coverage Ratio</b>                                | 1.16            |             | 1.06            |             | 2.06            |             | 1.77            |             | 1.23                | 0.97             | 1.25              | 1.15              | 1.11              |
| <b>*Water Increase Needed</b>                             |                 |             |                 |             |                 |             |                 |             |                     | <b>5%</b>        | <b>5%</b>         | <b>3%</b>         | <b>3%</b>         |
| <b>**Sewer Increase Needed</b>                            |                 |             |                 |             |                 |             |                 |             |                     |                  | <b>20%</b>        | <b>7%</b>         | <b>5%</b>         |

**CITY OF CANEYVILLE  
BALANCE SHEETS**

| ASSETS  | June 30          |                  |                  |                  |                  | Upon               |
|---|------------------|------------------|------------------|------------------|------------------|--------------------|
|   | 2006             | 2007             | 2008             | 2009             | 2010             | Completion<br>2012 |
| <b>Current Assets</b>                                     |                  |                  |                  |                  |                  |                    |
| Cash  | 12,787           | 8,261            | 43,088           | 72,546           | 78,359           | 13,968             |
| Accounts Receivable                                       | 30,156           | 30,276           | 33,993           | 31,711           | 31,103           | 31,448             |
| Due from Other Funds                                      | 1,353            | 1,353            | 1,353            | 1,353            | 1,353            | 1,353              |
| Inventory   | 14,168           | 14,168           | 10,138           | 9,050            | 10,285           | 11,562             |
| <b>Total Current Assets</b>                               | <b>58,464</b>    | <b>54,058</b>    | <b>88,572</b>    | <b>114,660</b>   | <b>121,100</b>   | <b>58,331</b>      |
| <b>Restricted Assets</b>                                  |                  |                  |                  |                  |                  |                    |
| Cash and Investments                                      | 75,290           | 83,567           | 95,226           | 93,306           | 104,715          | 116,124            |
| <b>Total Restricted Assets</b>                            | <b>75,290</b>    | <b>83,567</b>    | <b>95,226</b>    | <b>93,306</b>    | <b>104,715</b>   | <b>116,124</b>     |
| <b>Utility Plant</b>                                      |                  |                  |                  |                  |                  |                    |
| Land, System, Building and Equipment                      | 4,815,891        | 5,176,544        | 5,249,924        | 5,321,557        | 5,634,704        | 6,079,704          |
| Less Accumulated Depreciation ( )                         | (1,984,454)      | (2,107,667)      | (2,232,766)      | (2,350,266)      | (2,474,145)      | (2,485,270)        |
| <b>Net Fixed Assets</b>                                   | <b>2,831,437</b> | <b>3,068,877</b> | <b>3,017,158</b> | <b>2,971,291</b> | <b>3,160,559</b> | <b>3,594,434</b>   |
| <b>Total Assets</b>                                       | <b>2,965,191</b> | <b>3,206,502</b> | <b>3,200,956</b> | <b>3,179,257</b> | <b>3,386,374</b> | <b>3,768,889</b>   |
| <b>LIABILITIES</b>  |                  |                  |                  |                  |                  |                    |
| <b>Current Liabilities</b>                                |                  |                  |                  |                  |                  |                    |
| Accounts Payable  | 10,683           | 10,162           | 10,177           | 4,262            | 10,554           | 9,168              |
| Due to Other Funds  | 19,554           | 19,554           | 19,554           | 19,554           | 19,554           | 19,554             |
| Other   | 806              | 881              | 1,017            | 1,129            | 1,121            | 991                |
| <b>Total Current Liabilities</b>                          | <b>31,043</b>    | <b>30,597</b>    | <b>30,748</b>    | <b>24,945</b>    | <b>31,229</b>    | <b>29,712</b>      |
| <b>Current Liabilities payable from Restricted Assets</b> |                  |                  |                  |                  |                  |                    |
| Accrued Interest  | 16,415           | 15,756           | 15,230           | 14,679           | 14,116           | 13,553             |
| Customer Deposits   | 21,060           | 22,160           | 24,560           | 28,060           | 30,840           | 25,336             |
| Current Portion - Long Term Debt                          | 29,000           | 21,500           | 22,500           | 23,000           | 25,000           | 25,500             |
| <b>Total Restricted Assets</b>                            | <b>66,475</b>    | <b>59,416</b>    | <b>62,290</b>    | <b>65,739</b>    | <b>69,956</b>    | <b>64,389</b>      |
| <b>Long Term Liabilities</b>                              |                  |                  |                  |                  |                  |                    |
| Long Term Debt  | 652,500          | 631,000          | 608,500          | 585,500          | 560,500          | 620,000            |
| <b>Total Long Term Liabilities</b>                        | <b>652,500</b>   | <b>631,000</b>   | <b>608,500</b>   | <b>585,500</b>   | <b>560,500</b>   | <b>620,000</b>     |
| <b>Total Liabilities</b>                                  | <b>750,018</b>   | <b>721,013</b>   | <b>701,538</b>   | <b>676,184</b>   | <b>661,685</b>   | <b>714,101</b>     |
| <b>Retained Earnings:</b>                                 |                  |                  |                  |                  |                  |                    |
| Invested in Capital Assets Net of Related Debt            | 2,149,937        | 2,416,377        | 2,386,158        | 2,362,791        | 2,575,059        | 2,895,532          |
| Restricted  | 0                | 0                | 0                | 93,306           | 104,715          | 116,124            |
| Unrestricted  | 65,236           | 69,112           | 113,260          | 46,976           | 44,915           | 43,132             |
| <b>Total Retained Earnings</b>                            | <b>2,215,173</b> | <b>2,485,489</b> | <b>2,499,418</b> | <b>2,503,073</b> | <b>2,724,689</b> | <b>3,054,788</b>   |
| <b>Total Liabilities and Equities</b>                     | <b>2,965,191</b> | <b>3,206,502</b> | <b>3,200,956</b> | <b>3,179,257</b> | <b>3,386,374</b> | <b>3,768,889</b>   |
| <b>Balance Sheet Analysis</b>                             |                  |                  |                  |                  |                  |                    |
| Current Ratio   | 1.88             | 1.77             | 2.88             | 4.60             | 3.88             | 1.96               |
| Debt to Equity  | 0.34             | 0.29             | 0.28             | 0.27             | 0.24             | 0.23               |
| Working Capital   | 27,421           | 23,461           | 57,824           | 89,715           | 89,871           | 28,619             |



**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.8.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B10-09) OF \$810,000 TO THE CITY OF CRAB ORCHARD, LINCOLN COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Infrastructure Revolving Loan Program with the City of Crab Orchard, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority intends to utilize money in the Infrastructure Revolving Fund to make the loan to the governmental agency for the aforementioned purposes; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Infrastructure Revolving Fund loans.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Infrastructure Revolving Fund loan commitment for \$810,000 of project expense, to the City of Crab Orchard for the Lancaster to Crab Orchard Transmission Replacement project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. Principal forgiveness of the lesser of 80% or \$400,000 will be deducted from the approved loan amount. The estimated unforgiven principal balance of \$410,000 shall be repaid.

Section 4. The unforgiven principal shall be repayable in 20 years at an annual interest rate of 1.0% subject to determination of the tax status of the project. In addition to debt service, a 0.2% annual administration fee on the unpaid, unforgiven principal balance will be charged. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 5. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

**EXECUTIVE SUMMARY  
KENTUCKY INFRASTRUCTURE AUTHORITY  
FUND B, INFRASTRUCTURE  
REVOLVING LOAN FUND**

Reviewer: Kasi White  
Date: December 9, 2010  
KIA Loan Number: B10-09  
WRIS Number: WX21137015

**BORROWER:** CITY OF CRAB ORCHARD  
LINCOLN COUNTY

**BRIEF DESCRIPTION:**  
The City of Crab Orchard is requesting a Fund B loan in the amount of \$810,000 to be used for the replacement of the Lancaster-to-Crab Orchard Transmission Main. This project involves the replacement of approximately 53,000 linear feet of forty year old six inch water transmission lines due to its lack of adequate conveyance capacity and spiraling breaks and leaks. These breaks and leaks have resulted in a 40% loss rate of water purchased from Lancaster since January 1, 2007. The city was invited to apply for Fund B monies due to ranking 3rd on the Bluegrass Area Development District Area Water Management Council list completed in the fall of 2009. The loan will be offered with principal forgiveness at the lower of (1) \$400,000 or (2) 80% of the total disbursed under the loan.

| PROJECT FINANCING:             |                     | PROJECT BUDGET          |                     |
|--------------------------------|---------------------|-------------------------|---------------------|
| Fund B Partial Forgivable Loan | \$ 810,000          | Administrative Expenses | \$ 49,400           |
| ARC Grant                      | 300,000             | Legal Expenses          | 10,000              |
| CDBG Grant                     | 550,000             | Land, Easements         | 11,600              |
|                                |                     | Engineering Fees        | 201,000             |
| <b>TOTAL</b>                   | <b>\$ 1,660,000</b> | Construction            | 1,263,000           |
|                                |                     | Contingency             | 125,000             |
|                                |                     | <b>TOTAL</b>            | <b>\$ 1,660,000</b> |

| REPAYMENT |          | Est. Annual |                        |
|-----------|----------|-------------|------------------------|
| Rate      | 1.00%    | Payment     | \$ 23,489              |
| Term      | 20 years | 1st Payment | 6 Mo. after first draw |

| PROFESSIONAL SERVICES |                           |
|-----------------------|---------------------------|
| Engineer              | HMB Engineers             |
| Bond Counsel          | Peck, Shaffer, & Williams |

| PROJECT SCHEDULE    |                 |
|---------------------|-----------------|
| Bid Opening:        | June, 2011      |
| Construction Start: | October, 2011   |
| Construction Stop:  | September, 2012 |

| DEBT PER CUSTOMER |        |
|-------------------|--------|
| Existing:         | \$ 217 |
| Proposed:         | \$ 866 |

**OTHER DEBT** See Attached

**OTHER STATE-FUNDED PROJECTS LAST 5 YRS** See Attached

| RESIDENTIAL RATES |  | Users | Avg. Bill                   |
|-------------------|--|-------|-----------------------------|
| Current           |  | 617   | \$24.61 (for 4,000 gallons) |
| Additional        |  | 0     | \$28.44 (for 4,000 gallons) |

**REGIONAL COORDINATION** This project is consistent with regional planning recommendations.

| CASHFLOW       | Cash Available for |              | Income after Debt |                |
|----------------|--------------------|--------------|-------------------|----------------|
|                | Debt Service       | Debt Service | Service           | Coverage Ratio |
| Audited 2005   | 21,871             | 24,675       | (2,804)           | 0.89           |
| Audited 2006   | 22,942             | 25,084       | (2,142)           | 0.91           |
| Compiled 2007  | 8,745              | 30,120       | (21,376)          | 0.29           |
| Compiled 2008  | 29,883             | 32,537       | (2,654)           | 0.92           |
| Compiled 2009  | 3,844              | 60,508       | (56,664)          | 0.06           |
| Compiled 2010  | (657)              | 14,695       | (15,352)          | (0.04)         |
| Projected 2011 | 3,750              | 10,033       | (6,283)           | 0.37           |
| Projected 2012 | 15,260             | 14,186       | 1,074             | 1.08           |
| Projected 2013 | 44,607             | 33,628       | 10,979            | 1.33           |
| Projected 2014 | 40,370             | 33,681       | 6,688             | 1.20           |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")  
 CITY OF CRAB ORCHARD, LINCOLN COUNTY  
 PROJECT REVIEW  
 WX21137015**

**I. PROJECT DESCRIPTION**

The City of Crab Orchard is requesting a Fund B loan in the amount of \$810,000 to be used for the replacement of the Lancaster-to-Crab Orchard Transmission Main project. This project involves replacement of approximately 53,000 linear feet of forty year old six inch water transmission lines due to its lack of adequate conveyance capacity and spiraling breaks and leaks. These breaks and leaks have resulted in a 40% loss rate of water purchased from Lancaster since January 1, 2007. The city noted that in calendar year 2009, out of every 20 gallons of water purchased only 11 gallons (or 55%) was billed to Crab Orchards customers.

The City was invited to apply for Fund B monies due to ranking 3<sup>rd</sup> on the Bluegrass Area Development District Area Water Management Council rankings completed in the fall of 2009. The loan will be offered with principal forgiveness at the lower of (1) \$400,000 or (2) 80% of total disbursed under the loan.

**II. PROJECT BUDGET**

|                         | <u>Total</u>        |
|-------------------------|---------------------|
| Administrative Expenses | \$ 49,400           |
| Legal Expenses          | 10,000              |
| Land, Easements         | 11,600              |
| Engineering Fees        | 201,000             |
| Construction            | 1,263,000           |
| Contingency             | 125,000             |
| <b>Total</b>            | <b>\$ 1,660,000</b> |

**III. PROJECT FUNDING**

|                            | <u>Amount</u>       | <u>%</u>    |
|----------------------------|---------------------|-------------|
| Fund B Loan                | \$ 810,000          | 49%         |
| ARC (application pending)  | 300,000             | 18%         |
| CDBG (application pending) | 550,000             | 33%         |
| <b>Total</b>               | <b>\$ 1,660,000</b> | <b>100%</b> |

**IV. KIA DEBT SERVICE**

*The below numbers are approximate based on the estimated cost of the project. The final principal forgiveness amount will be based on 80% (not to exceed \$400,000) of the final amount disbursed for the project.*

|  |                  |
|--|------------------|
| Construction Loan  | \$ 810,000       |
| Less: Principal Forgiveness - lesser of 80% or \$400,000 | 400,000          |
| Amortized Loan Amount                                    | \$ 410,000       |
| Interest Rate  | 1.00%            |
| Loan Term (Years)  | 20               |
| Estimated Annual Debt Service                            | \$ 22,669        |
| Administrative Fee (0.20%)                               | 820              |
| <b>Total Estimated Annual Debt Service</b>               | <b>\$ 23,489</b> |

**V. CUSTOMER BREAKDOWN AND RATE STRUCTURE**

The City serves approximately 617 customers with 94% of those customers representing residential customers. There are no industrial customers in the customer base. No additional customers are anticipated as a result of the project.

**WATER PURCHASE CONTRACT**

The City purchases all water from the City of Lancaster under a Water Purchase Contract which provides 6,000,000 gallons per month to Crab Orchard. As of July 1, 2010 the city is charged \$1.90 plus a Kentucky River Fee of .088 per 1,000 gallons or water purchased.

**RATES**

Date of Last Rate Increase

March, 2010

|                                       | City           | Outside City   |                       |
|---------------------------------------|----------------|----------------|-----------------------|
| Minimum (2,000 gallons)               | \$13.83        | \$15.63        |                       |
| Next 3,000 gallons                    | \$5.39         | \$6.01         | (Rate per 1,000 gal.) |
| Next 5,000 gallons                    | \$4.88         | \$5.44         |                       |
| Next 15,000 gallons                   | \$4.36         | \$4.83         |                       |
| Next 25,000 gallons                   | \$4.11         | \$4.52         |                       |
| Next 50,000 gallons                   | \$3.34         | \$3.64         |                       |
| <b>Cost for 4,000 gallons</b>         | <b>\$24.61</b> | <b>\$27.65</b> |                       |
| <b>Affordability Index (Rate/MHI)</b> | <b>1.4%</b>    | <b>1.6%</b>    |                       |

## **VI. DEMOGRAPHICS**

In 2000, the City's population was 842 with a Median Household Income (MHI) of \$21,184. The median household income for the Commonwealth is \$33,672. The project will qualify for an interest rate of 1.0% because the MHI is below 80% of the state MHI.

## **VII. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for City is from audited financial statements for the years ending June 30, 2006 and 2005. Unaudited income statements and balance sheets were provided for the fiscal years 2007 through 2010 and a budget was provided for 2011. It appears that most non cash balance sheet accounts have not been adjusted from the 2006 audit balances. Crab Orchard is classified as a sixth class city and is only required to have an audit performed every two years. The last audit was completed in 2006. The financials reviewed reflect only the water activity of the Proprietary Fund.

### **HISTORICAL**

The city's water revenues remained relatively flat from 2005 – 2010 increasing in 2008 but decreasing in 2007 and 2010. Expenses have increased an average of 4% a year with a significant jump in 2009 related to water purchases. As noted above, the city is only billing for approximately 55% of the water purchased as a result of the condition of the existing lines. They have had positive cash flow available before debt service in all years but 2010; however, the amount has been insufficient to cover the debt on the water system to date as reflecting by the debt coverage ratios of less than 1 for all years.

The balance sheet information provided does not include any adjustments but shows little change in the composition of assets and liabilities. However, it does appear the city has maintained a relatively high Current Ratio of over 2.3 and has maintained the required bond related debt service and depreciation accounts as reflected in the Restricted Assets. No new debt was added to the system in several years which has allowed the city to meet the current debt service requirements of the outstanding bonds.

### **PROJECTED**

Projections are based on the following assumptions.

- \* Revenue reflects no volume growth. Revenues from the required rate increase are reflected in 2012, 2013 and 2014.
- \* Revenues for 2012 and 2015 take into account a cumulative 15% adjustment in revenues which should be realized once the main replacement is complete and some of the 40% water loss the city is currently experiencing is recouped in the billings.
- \* Operating expenses increase by 4% annually. Water Purchase expenses are decreased slightly in 2013 due to less water loss by Crab Orchard.
- \* A replacement reserve of \$2,000 will be funded annually.
- \* The new debt service is estimated at approximately \$23,500 per year.

The Debt Coverage Ratio in 2013 when full repayment of the loan begins is 1.33. Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund B loan.

**REPLACEMENT RESERVE**

The annual replacement cost is \$2,000. This amount should be added to the replacement account each December 1 until the balance reaches \$20,000 and maintained for the life of the loan.

**VIII. DEBT OBLIGATIONS**

|                               | <u>Outstanding</u> | <u>Maturity</u> |
|-------------------------------|--------------------|-----------------|
| Rural Development Series 1994 | \$100,700          | 2034            |
| Rural Development Series 2005 | 44,300             | 2045            |
| <b>Total</b>                  | <b>\$145,000</b>   |                 |

**IX. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS**

| <u>Project Title</u>                         | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|--|-----------------------|---------------|-------------|
| Water System Extension / Improvements        | HB380                 | \$500,000     | Grant       |
| Water Line Upgrades – Stingy Creek/Fall Lick | HB608                 | \$158,400     | Grant       |

**X. CONTACTS**

|  |  |
|--|--|
| <p><b>Applicant</b><br/>           Name City of Crab Orchard<br/>           Address P.O. Box 87, 224 Main St.<br/>           Crab Orchard, KY 40419<br/>           County Lincoln<br/>           Contact Billy Shelton (Mayor-Elect)<br/>           Phone (606) 355-2319</p> | <p><b>Applicant Contact</b><br/>           Name Bluegrass Area Development<br/>           Address 699 Perimeter Drive<br/>           Lexington, KY 40517<br/>           Contact Don R. Hassall<br/>           Phone (859) 269-8021<br/>           Email dhassall@bgadd.org</p> |
| <p><b>Engineer</b><br/>           Name Bob Blankenship<br/>           Firm HMB Engineers<br/>           Address 3 HMB Circle<br/>           Frankfort, KY 40601<br/>           Phone (502) 695-9800<br/>           Email rblankenship@hmbpe.com</p>                          |  |

**XI. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions and the following special conditions.

1. The City must pass an ordinance prior to advertising for bids on the project to increase **water rates** per the following schedule:

|                        |      |
|------------------------|------|
| Effective July 1, 2011 | 10 % |
| Effective July 1, 2012 | 3 %  |
| Effective July 1, 2013 | 2 %  |

2. The City shall convert to **annual** audited financial beginning with the fiscal year ended June 30, 2010 and will continue to obtain annual audited financial statements and submit the same to the Kentucky Infrastructure Authority for the life of the loan.
3. The City must obtain a commitment from the Community Development Block Grant program in the amount of \$550,000 and the Appalachian Regional Commission in the amount of \$300,000 or other funding sources and provide verification of such commitments to KIA.

**EXHIBIT 1**  
**CITY OF CRAB ORCHARD**  
**CASH FLOW ANALYSIS**

|  | Audited 2005 | % Change | Audited 2006 | % Change | Compiled 2007 | % Change | Compiled 2008 | % Change | Compiled 2009 | % Change | Compiled 2010 | % Change | Projected 2011 | Projected 2012 | Projected 2013 | Projected 2014 |
|--|--------------|----------|--------------|----------|---------------|----------|---------------|----------|---------------|----------|---------------|----------|----------------|----------------|----------------|----------------|
| <b>Operating Revenues</b>                        |              |          |              |          |               |          |               |          |               |          |               |          |                |                |                |                |
| Water Revenues                                   | 170,163      | 0%       | 169,417      | -6%      | 158,770       | 12%      | 177,952       | 12%      | 181,782       | 2%       | 171,856       | -5%      | 188,000        | 197,400        | 238,854        | 246,020        |
| Other  | 4,180        | 13%      | 4,734        | -4%      | 4,531         | 15%      | 5,226         | 9%       | 5,700         | 29%      | 7,335         | 4,756    | 15,500         | 5,284          | 4,756          | 4,756          |
| Rate Increase *                                  |              |          |              |          |               |          |               |          |               |          |               |          | 0              | 19,740         | 7,166          | 4,920          |
| <b>Total Revenues</b>                            | 174,343      | 0%       | 174,151      | -6%      | 163,301       | 12%      | 183,178       | 12%      | 187,482       | 2%       | 179,191       | -4%      | 203,500        | 222,424        | 250,775        | 255,696        |
| <b>Operating Expenses</b>                        |              |          |              |          |               |          |               |          |               |          |               |          |                |                |                |                |
| Operating Expenses                               | 84,753       | -3%      | 82,119       | 5%       | 86,052        | 3%       | 88,727        | -2%      | 86,567        | 0%       | 86,510        | 0%       | 126,000        | 131,040        | 136,282        | 141,733        |
| Purchased Water **                               | 68,803       | 2%       | 70,339       | 5%       | 74,174        | 2%       | 75,947        | 37%      | 104,312       | -3%      | 100,669       | -3%      | 80,000         | 82,374         | 74,137         | 77,843         |
| Depreciation                                     | 23,477       | 10%      | 25,883       | 2%       | 26,401        | 2%       | 26,929        | 2%       | 27,467        | 2%       | 28,017        | 2%       | 28,577         | 29,148         | 70,648         | 73,400         |
| Replacement Reserve                              |              |          |              |          |               |          |               |          |               |          |               |          |                |                | 2,000          | 2,000          |
| <b>Total Expenses</b>                            | 177,033      | 1%       | 178,341      | 5%       | 186,627       | 3%       | 191,603       | 14%      | 218,347       | 14%      | 215,196       | -1%      | 234,577        | 242,562        | 283,067        | 294,976        |
| <b>Net Operating Income</b>                      | (2,690)      | 56%      | (4,190)      | 457%     | (23,326)      | -64%     | (8,425)       | 266%     | (30,865)      | 17%      | (36,005)      | 17%      | (31,077)       | (20,138)       | (32,291)       | (39,280)       |
| <b>Non-Operating Income and Expenses</b>         |              |          |              |          |               |          |               |          |               |          |               |          |                |                |                |                |
| Interest on Investments                          | 1,084        | 15%      | 1,249        | 193%     | 3,665         | 11%      | 4,082         | -2%      | 3,995         | -15%     | 3,394         | -15%     | 3,500          | 3,500          | 3,500          | 3,500          |
| Other Income                                     | 0            |          | 0            |          | 2,005         |          | 7,297         |          | 3,247         |          | 3,937         |          | 2,750          | 2,750          | 2,750          | 2,750          |
| <b>Total Non-Operating Income &amp; Expenses</b> | 1,084        | 15%      | 1,249        | 354%     | 5,670         | 101%     | 11,379        | -36%     | 7,242         | 1%       | 7,331         | 1%       | 6,250          | 6,250          | 6,250          | 6,250          |
| <b>Add Non-Cash Expenses</b>                     |              |          |              |          |               |          |               |          |               |          |               |          |                |                |                |                |
| Depreciation                                     | 23,477       | 10%      | 25,883       | 2%       | 26,401        | 2%       | 26,929        | 2%       | 27,467        | 2%       | 28,017        | 2%       | 28,577         | 29,148         | 70,648         | 73,400         |
| <b>Cash Available for Debt Service</b>           | 21,871       | 5%       | 22,942       | -62%     | 8,745         | 242%     | 29,883        | -87%     | 3,844         | -117%    | (657)         |          | 3,750          | 15,260         | 44,607         | 40,370         |
| <b>Debt Service</b> (enter as positive #s)       |              |          |              |          |               |          |               |          |               |          |               |          |                |                |                |                |
| Existing Principal                               | 15,800       |          | 16,000       |          | 20,866        |          | 24,120        |          | 52,935        |          | 7,615         |          | 3,100          | 3,300          | 3,500          | 3,700          |
| Existing Interest                                | 8,875        |          | 9,084        |          | 9,254         |          | 8,417         |          | 7,573         |          | 7,080         |          | 6,933          | 6,786          | 6,639          | 6,492          |
| Proposed KIA Loan / Interest                     |              |          |              |          |               |          |               |          |               |          |               |          |                | 4,100          | 23,489         | 23,489         |
| <b>Total Debt Service</b>                        | 24,675       |          | 25,084       |          | 30,120        |          | 32,537        |          | 60,508        |          | 14,695        |          | 10,033         | 14,186         | 33,628         | 33,681         |
| <b>Income After Debt Service</b>                 | (2,804)      |          | (2,142)      |          | (21,376)      |          | (2,654)       |          | (56,664)      |          | (15,352)      |          | (6,283)        | 1,074          | 10,979         | 6,688          |
| <b>Debt Coverage Ratio</b>                       | 0.89         |          | 0.91         |          | 0.29          |          | 0.92          |          | 0.06          |          | (0.04)        |          | 0.37           | 1.08           | 1.33           | 1.20           |
| * Required Water Rate Increases                  |              |          |              |          |               |          |               |          |               |          |               |          |                | 10%            | 3%             | 2%             |
| **Water Purchases as a % of Revenues             | 40%          |          | 42%          |          | 47%           |          | 43%           |          | 57%           |          | 59%           |          | 43%            | 42%            | 31%            | 32%            |

**CITY OF CRAB ORCHARD  
BALANCE SHEETS**

| ASSETS   | Audited<br>2005 | Audited<br>2006 | Compiled<br>2007 | Compiled<br>2008 | Compiled<br>2009 | Compiled<br>2010 | Upon<br>Completion |
|--|-----------------|-----------------|------------------|------------------|------------------|------------------|--------------------|
| <b>Current Assets</b>                                |                 |                 |                  |                  |                  |                  |                    |
| Cash   | 33,040          | 13,587          | 7,165            | 6,691            | 179              | 6,022            | 10,979             |
| Investments  | 21,566          | 22,027          | 22,027           | 22,027           | 22,027           | 22,027           | 22,027             |
| Accounts Receivable                                  | 25,620          | 22,990          | 22,990           | 22,990           | 22,990           | 22,990           | 24,140             |
| Other Current Assets (Due from)                      | 1,912           | 1,912           | 1,912            | 1,912            | 1,912            | 1,912            | 0                  |
| <b>Total Current Assets</b>                          | <b>82,138</b>   | <b>60,516</b>   | <b>54,094</b>    | <b>53,620</b>    | <b>47,108</b>    | <b>52,951</b>    | <b>57,145</b>      |
| <b>Restricted Assets</b>                             |                 |                 |                  |                  |                  |                  |                    |
| Customer Deposits                                    | 14,807          | 21,233          | 26,408           | 31,340           | 34,635           | 37,541           | 39,418             |
| Revenue Bond Covenant Accounts                       | 77,181          | 75,194          | 86,454           | 94,406           | 100,316          | 126,938          | 134,438            |
| <b>Total Restricted Assets</b>                       | <b>91,988</b>   | <b>96,427</b>   | <b>112,862</b>   | <b>125,746</b>   | <b>134,951</b>   | <b>164,479</b>   | <b>173,856</b>     |
| <b>Utility Plant</b>                                 |                 |                 |                  |                  |                  |                  |                    |
| Land, System, Building and Equipment                 | 911,043         | 1,224,505       | 1,224,505        | 1,224,505        | 1,224,505        | 1,224,505        | 2,884,505          |
| Less Accumulated Depreciation ( )                    | (444,977)       | (470,860)       | (470,860)        | (470,860)        | (470,860)        | (470,860)        | (512,360)          |
| <b>Net Fixed Assets</b>                              | <b>466,066</b>  | <b>753,645</b>  | <b>753,645</b>   | <b>753,645</b>   | <b>753,645</b>   | <b>753,645</b>   | <b>2,372,145</b>   |
| <b>Total Assets</b>                                  | <b>640,192</b>  | <b>910,588</b>  | <b>920,601</b>   | <b>933,011</b>   | <b>935,704</b>   | <b>971,075</b>   | <b>2,603,146</b>   |
| <b>LIABILITIES</b>                                   |                 |                 |                  |                  |                  |                  |                    |
| <b>Current Liabilities</b>                           |                 |                 |                  |                  |                  |                  |                    |
| Accounts Payable                                     | 11,593          | 13,166          | 13,166           | 13,166           | 13,166           | 13,166           | 13,824             |
| Current Portion Long Term Debt - KIA Loan            | 0               | 0               | 0                | 0                | 0                | 0                | 9,285              |
| Other  | 4,506           | 6,764           | 6,764            | 6,764            | 6,764            | 6,764            | 6,764              |
| <b>Total Current Liabilities</b>                     | <b>16,099</b>   | <b>19,930</b>   | <b>19,930</b>    | <b>19,930</b>    | <b>19,930</b>    | <b>19,930</b>    | <b>29,873</b>      |
| <b>Liabilities Payable - Restricted Assets</b>       |                 |                 |                  |                  |                  |                  |                    |
| Customer Deposits                                    | 36,990          | 42,435          | 42,435           | 42,435           | 42,435           | 42,435           | 42,435             |
| Revenue Bonds Payable                                | 16,000          | 17,500          | 17,500           | 17,500           | 17,500           | 3,000            | 3,500              |
| <b>Total Liabilities Payable - Restricted Assets</b> | <b>52,990</b>   | <b>59,935</b>   | <b>59,935</b>    | <b>59,935</b>    | <b>59,935</b>    | <b>45,435</b>    | <b>45,935</b>      |
| <b>Long Term Liabilities</b>                         |                 |                 |                  |                  |                  |                  |                    |
| Revenue Bonds Payable                                | 156,900         | 186,400         | 168,900          | 151,400          | 133,900          | 130,900          | 121,000            |
| Notes Payable - KIA                                  | 0               | 0               | 0                | 0                | 0                | 0                | 400,715            |
| <b>Total Long Term Liabilities</b>                   | <b>156,900</b>  | <b>186,400</b>  | <b>168,900</b>   | <b>151,400</b>   | <b>133,900</b>   | <b>130,900</b>   | <b>521,715</b>     |
| <b>Total Liabilities</b>                             | <b>225,989</b>  | <b>266,265</b>  | <b>248,765</b>   | <b>231,265</b>   | <b>213,765</b>   | <b>196,265</b>   | <b>597,523</b>     |
| <b>Retained Earnings:</b>                            |                 |                 |                  |                  |                  |                  |                    |
| Invested in Capital Assets Net of Related Debt       | 293,166         | 549,745         | 457,271          | 457,271          | 457,271          | 457,271          | 1,683,915          |
| Restricted   | 0               | 0               | 112,862          | 125,746          | 134,951          | 164,479          | 173,856            |
| Unrestricted   | 121,037         | 94,578          | 101,704          | 118,729          | 129,717          | 153,061          | 147,852            |
| <b>Total Retained Earnings</b>                       | <b>414,203</b>  | <b>644,323</b>  | <b>671,837</b>   | <b>701,746</b>   | <b>721,939</b>   | <b>774,811</b>   | <b>2,005,623</b>   |
| <b>Total Liabilities and Equities</b>                | <b>640,192</b>  | <b>910,588</b>  | <b>920,602</b>   | <b>933,011</b>   | <b>935,704</b>   | <b>971,076</b>   | <b>2,603,147</b>   |
| <b>Balance Sheet Analysis</b>                        |                 |                 |                  |                  |                  |                  |                    |
| Current Ratio  | 5.10            | 3.04            | 2.71             | 2.69             | 2.36             | 2.66             | 1.91               |
| Debt to Equity                                       | 0.55            | 0.41            | 0.37             | 0.33             | 0.30             | 0.25             | 0.30               |
| Working Capital                                      | 66,039          | 40,586          | 34,164           | 33,690           | 27,178           | 33,021           | 27,272             |
| Percent of Total Assets in Working Capital           | 10.32%          | 4.46%           | 3.71%            | 3.61%            | 2.90%            | 3.40%            | 1.05%              |
| Days Sales   | 53.6            | 48.2            |                  |                  |                  | 46.8             | 43.3               |

**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.9.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B10-10) OF \$475,000 TO THE BRACKEN COUNTY WATER DISTRICT, BRACKEN COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Infrastructure Revolving Loan Program with the Bracken County Water District, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority intends to utilize money in the Infrastructure Revolving Fund to make the loan to the governmental agency for the aforementioned purposes; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Infrastructure Revolving Fund loans.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Infrastructure Revolving Fund loan commitment for \$475,000 of project expense, to the Bracken County Water District for the Short Roads Improvements and Upgrades project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of

all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable in 20 years at an annual interest rate of 3.0% subject to determination of the tax status of the project. In addition to debt service, a 0.2% annual administration fee on the unpaid, principal balance will be charged. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

|   |  |                           |                          |                                    |
|---|--|---------------------------|--------------------------|------------------------------------|
| <b>EXECUTIVE SUMMARY</b>                      |  | Reviewer:                 | Kasi White               |                                    |
| <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>      |  | Date:                     | December 9, 2010         |                                    |
| <b>FUND B, INFRASTRUCTURE</b>                 |  | KIA Loan Number:          | <b>B10-10</b>            |                                    |
| <b>REVOLVING LOAN FUND</b>                    |  | WRIS Number               | <b>WX21023030</b>        |                                    |
| <b>BORROWER:</b>                              | <b>BRACKEN COUNTY WATER DISTRICT</b>   |                           |                          |                                    |
|   | <b>BRACKEN COUNTY</b>  |                           |                          |                                    |
| <b>BRIEF DESCRIPTION:</b>                     | <p>The Bracken County Water District (BCWD) is requesting a Fund B loan in the amount of \$475,000 for the Short Roads Improvement and Upgrades project. This project will replace a 2,400 feet of two inch line on Badger Road with a four inch line, extend a line on Case Ridge by 3,200 feet, upgrade Augusta Berlin Road from Bladeston and extend to Ruf Road, upgrade waterline on 1011 at Bladeston (1,000 feet DI and 2,200 feet PVC) , upgrade two inch line on Mini Farms Subdivision to six inch for 6,000 feet, install 2.1 miles of four inch line on Old Pea Ridge and place valves at side road intersections in Mini Farms. The financing will be offered as 80% principal forgiveness and 20% loan. This project ranked 3rd on the Buffalo Trace Area Development District Water Management Council ranking completed in the fall of 2009.</p> |                           |                          |                                    |
| <b>PROJECT FINANCING:</b>                     |  | <b>PROJECT BUDGET</b>     |                          |                                    |
| Fund B Loan                                   | \$ 475,000   | Administrative Expenses   | \$                       | 4,750                              |
|   |  | Legal Expenses            |                          | 5,000                              |
| TOTAL   | \$ 475,000   | Engineering Fees          |                          | 74,500                             |
|   |  | Construction              |                          | 350,000                            |
|   |  | Contingency               |                          | 35,750                             |
|   |  | Other                     |                          | 5,000                              |
|   |  | TOTAL                     | \$                       | 475,000                            |
| <b>REPAYMENT</b>                              |  | Rate                      | 3.00%                    | Est. Annual Payment                |
|   |  | Term                      | 20 years                 | \$ 6,541                           |
|   |  |                           |                          | 1st Payment 6 Mo. after first draw |
| <b>PROFESSIONAL SERVICES</b>                  | Engineer   | HMB Engineers             |                          |                                    |
|   | Bond Counsel   | Peck, Shaffer, & Williams |                          |                                    |
| <b>PROJECT SCHEDULE</b>                       |  | Bid Opening:              | March, 2011              |                                    |
|   |  | Construction Start:       | June, 2011               |                                    |
|   |  | Construction Stop:        | October, 2011            |                                    |
| <b>DEBT PER CUSTOMER</b>                      | Existing:  | \$                        | 2,592                    |                                    |
|   | Proposed:  | \$                        | 1,959                    |                                    |
| <b>OTHER DEBT</b>                             | See Attached   |                           |                          |                                    |
| <b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b> | See Attached   |                           |                          |                                    |
| <b>RESIDENTIAL RATES</b>                      |  | <u>Users</u>              | <u>Avg. Bill</u>         |                                    |
|   | Current  | 2,393                     | \$ 44.27                 | (for 4,000 gallons)                |
|   | Additional   | 10                        | \$ 44.27                 | (for 4,000 gallons)                |
| <b>REGIONAL COORDINATION</b>                  | This project is consistent with regional planning recommendations.   |                           |                          |                                    |
| <b>CASHFLOW</b>                               | <b>Cash Available for</b>  | <b>Debt Service</b>       | <b>Income after Debt</b> | <b>Coverage Ratio</b>              |
|   | <b>Debt Service</b>  | <b>Debt Service</b>       | <b>Service</b>           |                                    |
| Audited 2007                                  | 607,271  | 311,254                   | 296,017                  | 1.95                               |
| Audited 2008                                  | 451,912  | 420,747                   | 31,165                   | 1.07                               |
| Audited 2009                                  | 421,065  | 418,582                   | 2,483                    | 1.01                               |
| Projected 2010                                | 508,379  | 386,102                   | 122,278                  | 1.32                               |
| Projected 2011                                | 664,430  | 463,307                   | 201,123                  | 1.43                               |
| Projected 2012                                | 621,588  | 458,754                   | 162,834                  | 1.35                               |
| Projected 2013                                | 576,604  | 379,992                   | 196,612                  | 1.52                               |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")  
 BRACKEN COUNTY WATER DISTRICT, BRACKEN COUNTY  
 PROJECT REVIEW  
 WX21023030**

**I. PROJECT DESCRIPTION**

The Bracken County Water District (BCWD) is requesting a Fund B loan in the amount of \$475,000 for the Short Roads Improvement and Upgrades project. This project will replace a 2,400 feet of two inch line on Badger Road with a four inch line, extend a line on Case Ridge by 3,200 feet, upgrade Augusta Berlin Road from Bladeston and extend to Ruf Road, upgrade waterline on 1011 at Bladeston (1,000 feet DI and 2,200 feet PVC) , upgrade two inch line on Mini Farms Subdivision to six inch for 6,000 feet, install 2.1 miles of four inch line on Old Pea Ridge and place valves at side road intersections in Mini Farms. The financing will be offered as 80% principal forgiveness and 20% loan. This project ranked 3rd on the Buffalo Trace Area Development District Water Management Council ranking completed in the fall of 2009.

**II. PROJECT BUDGET**

|                         | <u>Total</u>      |
|-------------------------|-------------------|
| Administrative Expenses | \$ 4,750          |
| Legal Expenses          | 5,000             |
| Engineering Fees        | 74,500            |
| Construction            | 350,000           |
| Contingency             | 35,750            |
| Other                   | 5,000             |
| <b>Total</b>            | <b>\$ 475,000</b> |

**III. PROJECT FUNDING**

|              | <u>Amount</u>     | <u>%</u>    |
|--------------|-------------------|-------------|
| Fund B Loan  | \$ 475,000        | 100%        |
| <b>Total</b> | <b>\$ 475,000</b> | <b>100%</b> |

#### IV. KIA DEBT SERVICE

*The below numbers are approximate based on the estimated cost of the project. The final principal forgiveness amount will be based on 80% of the final amount disbursed for the project.*

|  |                 |
|--|-----------------|
| Construction Loan                          | \$ 475,000      |
| Less: Principal Forgiveness (80%)          | \$ 380,000      |
| Amortized Loan Amount                      | \$ 95,000       |
| Interest Rate                              | 3.00%           |
| Loan Term (Years)                          | 20              |
| Estimated Annual Debt Service              | \$ 6,351        |
| Administrative Fee (0.20%)                 | 190             |
| <b>Total Estimated Annual Debt Service</b> | <b>\$ 6,541</b> |

#### V. PROJECT SCHEDULE

|                     |               |
|---------------------|---------------|
| Bid Opening:        | March, 2011   |
| Construction Start: | June, 2011    |
| Construction Stop:  | October, 2011 |

#### VI. CUSTOMER BREAKDOWN AND RATE STRUCTURE

| Customers   | Current | Proposed | Total |
|-------------|---------|----------|-------|
| Residential | 2,370   | 10       | 2,380 |
| Commercial  | 23      | 0        | 23    |
| Industrial  | 0       | 0        | 0     |
| Total       | 2,393   | 10       | 2,403 |

The city purchases their water from the City of August and provides service to approximately 357 customers in Brooksville and 30 customers of the East Pendleton Water District.

Rates were last increased in September, 2010 approximately 28% based on a rate study completed in 2009.

|                               | Rate            |                        |
|-------------------------------|-----------------|------------------------|
| Minimum (2,000 gallons)       | \$ 25.19        |                        |
| Next 38,000 gallons           | \$ 9.54         | (Rates per 1,000 gal.) |
| Over 40,000 gallons           | \$ 7.51         |                        |
| <b>Cost for 4,000 gallons</b> | <b>\$ 44.27</b> |                        |

Affordability Index (Rate/MHI) 1.5%

## **VII. DEMOGRAPHICS**

In 2000, the County's population was 8,279 with a Median Household Income (MHI) of \$24,823. The median household income for the Commonwealth is \$33,672. The project will qualify for an interest rate of 3.0% because the County MHI is above the state MHI.

## **VIII. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for city is from audited financial statements for the years ended June 30, 2007 – 2009. Budgeted information from the district was provided for 2010.

### **HISTORICAL**

Since 2007, Bracken County Water District has seen a moderate decline in their revenues falling from \$1.27 million to \$1.16 million. During the same period expenses have increased from \$1.05 million to \$1.17 million. Since the system purchases all the water for distribution to their residential, commercial and wholesale customers, they are directly impacted by the pass through rates of the City of Augusta (the water supplier). As such, they identified the need to perform a rate study in 2009 to make sure their rates were on target to cover existing O&M and financial needs as well as their anticipated needs in the future. Through a combination of grant and bond financing they have been able to complete a significant amount of waterline extension projects which has allowed them to expand their customer base. Their debt coverage ratio declined drastically between 2007 and 2008 due to a \$3.25 million bond issue for capital projects. However, upon receipt of results of the rate study conducted, the district has passed an approximate 28% rate increase which will support operations and provide debt capacity for projects that the districts plans to construct over the next three to five years.

In reviewing the balance sheet, assets have increased from just over \$11 million in 2007 to over \$13 million in 2009 due primarily to grants received (restricted assets) and expansion of the distribution system as reflected in the Fixed Assets. Liabilities increased as well with addition of over \$5 million in new bonding from 2007 to 2009 which was used to finance capital projects.

### **PROJECTED**

Projections are based on the following assumptions.

- \* Revenues are anticipated to increase in 2010 and 2011 due to the rate increase implemented in September, 2010. For 2012 and 2013, no increase in revenues is anticipated.
- \* Expenses will increase 5% annually.

- \* The Kentucky Rural Water note in the amount of \$1,250,000 whose proceeds were used to fund the Delisle project matured February 2010 and was paid off with line item grant dollars.
- \* A replacement reserve of \$1,200 will be funded annually.
- \* The new annual debt service as a result of the KIA loan is estimated at \$6,541.

In 2012, which represents the first full year of principal and interest payments, the debt service ratio is anticipated to be 1.35. Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund B loan.

#### REPLACEMENT RESERVE

The annual replacement cost is \$1,200. This amount should be added to the replacement account each December 1 until the balance reaches \$12,000 and maintained for the life of the loan.

#### IX. DEBT OBLIGATIONS

| Description                              | Outstanding        | Maturity        |
|--|--------------------|-----------------|
| Kentucky Rural Water Finance Corporation | \$1,250,000        | short term note |
| KIA Loan (F02-10)                        | 725,134            | 2024            |
| Buffalo Trace Area Development District  | 5,983              | 2010            |
| KIA Loan (C89-18)                        | 150,000            | 2012            |
| Rural Development                        | 926,000            | 2044            |
| Kentucky Rural Water Finance Corporation | 3,125,000          | 2028            |
| <b>Total</b>                             | <b>\$6,201,962</b> |                 |

#### X. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS

| Project Title                             | Funding Source | Amount      | Type  |
|---|----------------|-------------|-------|
| Delisle Curve                             | KRWFC          | \$3,350,000 | Loan  |
| Rural Route 8 Waterline Extension         | HB380          | \$100,000   | Grant |
| Highway 435 Waterline Extension           | HB380          | \$1,000,000 | Grant |
| Tucker's Trailer Park Waterline Extension | HB380          | \$108,000   | Grant |
| Route 8 Waterline Extension               | HB380          | \$120,000   | Grant |
| Phase I County Cleanup (Delisle)          | HB608          | \$1,000,000 | Grant |
| Phase II County Cleanup (Delisle)         | HB608          | \$250,000   | Grant |

## **XI. CONTACTS**

| <b>Applicant</b> |  | <b>Applicant Contact</b> |   |
|------------------|--|--------------------------|---|
| Name             | Bracken County Water District<br>1324 Brooksville-Germantown | Name                     | Buffalo Trace Area<br>Development District                |
| Address          | Road, P.O. Box 201<br>Brooksville, KY 41004                  | Address                  | 201 Government St,<br>P.O. Box 460<br>Maysville, KY 41056 |
| County           | Bracken  | Contact                  | Laura Jefferson   |
| Contact          | Eddie Chinn  | Phone                    | (606) 564-6894  |
| Phone            | (606) 735-3513   | Email                    | ljefferson@btadd.com                                      |
| Email            | echinn109@windstream.net                                     |                          |   |

| <b>Engineer</b> |                                     |
|-----------------|-------------------------------------|
| Name            | Jeff Reynolds                       |
| Firm            | HMB Engineers                       |
| Address         | 3 HMB Circle<br>Frankfort, KY 40601 |
| Phone           | (502) 695-9800                      |
| Email           | jdreynolds@hmbpe.com                |

## **XII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions.

| EXHIBIT 1<br>BRACKEN COUNTY WATER DISTRICT<br>CASH FLOW ANALYSIS |                  |             |                  |              |                  |                   |                   |                   |                   |                                       |                  |
|--|------------------|-------------|------------------|--------------|------------------|-------------------|-------------------|-------------------|-------------------|---------------------------------------|------------------|
| gray shaded items are linked to revenue bridge                   |                  |             |                  |              |                  |                   |                   |                   |                   |                                       |                  |
|  | Audited<br>2007  | %<br>Change | Audited<br>2008  | %<br>Change  | Audited<br>2009  | Projected<br>2010 | Projected<br>2011 | Projected<br>2012 | Projected<br>2013 | 4 / 12ths of 28.8% 8 / 12ths of 28.8% |                  |
| <b>Operating Revenues</b>  |                  |             |                  |              |                  |                   |                   |                   |                   |                                       |                  |
| Water Sales  | 1,193,908        | -5%         | 1,137,517        | -2%          | 1,117,790        | 1,271,146         | 1,469,200         | 1,469,200         | 1,469,200         | 1,469,200                             | 1,469,200        |
| Bulk Water Sales   | 4,747            | -60%        | 1,900            | 57%          | 2,974            | 3,000             | 3,000             | 3,000             | 3,000             | 3,000                                 | 3,000            |
| Surcharge  | 38,592           | 1%          | 39,123           | -92%         | 3,306            | 3,000             | 3,000             | 3,000             | 3,000             | 3,000                                 | 3,000            |
| Other  | 33,572           | 2%          | 34,334           | 14%          | 39,141           | 35,682            | 35,682            | 35,682            | 35,682            | 35,682                                | 35,682           |
| <b>Total Revenues</b>  | <b>1,270,819</b> | <b>-5%</b>  | <b>1,212,874</b> | <b>-4%</b>   | <b>1,163,211</b> | <b>1,312,828</b>  | <b>1,510,882</b>  | <b>1,510,882</b>  | <b>1,510,882</b>  | <b>1,510,882</b>                      | <b>1,510,882</b> |
| <b>Operating Expenses</b>  |                  |             |                  |              |                  |                   |                   |                   |                   |                                       |                  |
| Operating Expenses   | 399,819          | 8%          | 430,074          | -8%          | 397,596          | 417,476           | 438,350           | 460,267           | 483,280           | 483,280                               | 483,280          |
| Purchased Water  | 331,682          | 14%         | 377,329          | 1%           | 379,595          | 398,575           | 418,503           | 439,429           | 461,400           | 461,400                               | 461,400          |
| Depreciation   | 324,021          | 17%         | 379,114          | 6%           | 401,004          | 409,024           | 417,205           | 425,549           | 434,060           | 434,060                               | 434,060          |
| Replacement Reserve  |                  |             |                  |              |                  | 0                 | 1,200             | 1,200             | 1,200             | 1,200                                 | 1,200            |
| <b>Total Expenses</b>  | <b>1,055,522</b> | <b>12%</b>  | <b>1,186,517</b> | <b>-1%</b>   | <b>1,178,195</b> | <b>1,225,075</b>  | <b>1,275,258</b>  | <b>1,326,445</b>  | <b>1,379,940</b>  | <b>1,379,940</b>                      | <b>1,379,940</b> |
| <b>Net Operating Income</b>                                      | <b>215,297</b>   | <b>-88%</b> | <b>26,357</b>    | <b>-157%</b> | <b>(14,984)</b>  | <b>87,754</b>     | <b>235,624</b>    | <b>184,438</b>    | <b>130,943</b>    | <b>130,943</b>                        | <b>130,943</b>   |
| <b>Non-Operating Income and Expenses</b>                         |                  |             |                  |              |                  |                   |                   |                   |                   |                                       |                  |
| Interest on Investments  | 1,322            | 523%        | 8,237            | -83%         | 1,361            | 1,500             | 1,500             | 1,500             | 1,500             | 1,500                                 | 1,500            |
| Other - Taps & Gains(Loss) on Sales                              | 66,631           |             | 38,204           |              | 33,684           | 10,102            | 10,102            | 10,102            | 10,102            | 10,102                                | 10,102           |
| <b>Total Non-Operating Income &amp; Expenses</b>                 | <b>67,953</b>    | <b>-32%</b> | <b>46,441</b>    | <b>-25%</b>  | <b>35,045</b>    | <b>11,602</b>     | <b>11,602</b>     | <b>11,602</b>     | <b>11,602</b>     | <b>11,602</b>                         | <b>11,602</b>    |
| <b>Add Non-Cash Expenses</b>                                     |                  |             |                  |              |                  |                   |                   |                   |                   |                                       |                  |
| Depreciation   | 324,021          | 17%         | 379,114          | 6%           | 401,004          | 409,024           | 417,205           | 425,549           | 434,060           | 434,060                               | 434,060          |
| <b>Cash Available for Debt Service</b>                           | <b>607,271</b>   | <b>-26%</b> | <b>451,912</b>   | <b>-7%</b>   | <b>421,065</b>   | <b>508,379</b>    | <b>664,430</b>    | <b>621,588</b>    | <b>576,604</b>    | <b>576,604</b>                        | <b>576,604</b>   |
| <b>Debt Service</b> <small>(enter as positive #s)</small>        |                  |             |                  |              |                  |                   |                   |                   |                   |                                       |                  |
| Existing Principal   | 72,116           |             | 195,685          |              | 199,499          | 171,989           | 254,197           | 260,442           | 192,726           | 192,726                               | 192,726          |
| Existing Interest  | 239,138          |             | 225,062          |              | 219,083          | 209,417           | 202,569           | 191,771           | 180,725           | 180,725                               | 180,725          |
| Proposed KIA Loan  |                  |             |                  |              |                  | 4,696             | 6,541             | 6,541             | 6,541             | 6,541                                 | 6,541            |
| <b>Total Debt Service</b>  | <b>311,254</b>   |             | <b>420,747</b>   |              | <b>418,582</b>   | <b>386,102</b>    | <b>463,307</b>    | <b>458,754</b>    | <b>379,992</b>    | <b>379,992</b>                        | <b>379,992</b>   |
| <b>Income After Debt Service</b>                                 | <b>296,017</b>   |             | <b>31,165</b>    |              | <b>2,483</b>     | <b>122,278</b>    | <b>201,123</b>    | <b>162,834</b>    | <b>196,612</b>    | <b>196,612</b>                        | <b>196,612</b>   |
| <b>Debt Coverage Ratio</b>                                       | 1.95             |             | 1.07             |              | 1.01             | 1.32              | 1.43              | 1.35              | 1.52              | 1.52                                  | 1.52             |
|  |                  |             |                  |              |                  | Revenue %         | 101%              | 101%              | 100%              | 100%                                  | 100%             |
|  |                  |             |                  |              |                  | Expense %         | 105%              | 105%              | 105%              | 105%                                  | 105%             |

**BRACKEN COUNTY WATER DISTRICT  
BALANCE SHEETS**

**2012**

| <b>ASSETS</b>  | <b><u>2007</u></b> | <b><u>2008</u></b> | <b><u>2009</u></b> | <b><u>Upon<br/>Completion</u></b> |
|--|--------------------|--------------------|--------------------|-----------------------------------|
| <b>Current Assets</b>                                |                    |                    |                    |                                   |
| Cash and Cash Equivalents                            | 317,911            | 123,233            | 125,018            | 162,834                           |
| Accounts Receivable                                  | 106,851            | 136,829            | 132,984            | 129,139                           |
| Inventory  | 33,055             | 27,931             | 40,434             | 33,807                            |
| Prepaid  | 14,987             | 10,723             | 10,739             | 10,750                            |
| <b>Total Current Assets</b>                          | <b>472,804</b>     | <b>298,716</b>     | <b>309,175</b>     | <b>336,529</b>                    |
| <b>Restricted Assets</b>                             |                    |                    |                    |                                   |
| Cash and Cash Equivalents                            | 417,610            | 279,317            | 1,480,317          | 259,597                           |
| Sinking Funds  | 202,186            | 233,139            | 248,977            | 264,815                           |
| <b>Total Restricted Assets</b>                       | <b>619,796</b>     | <b>512,456</b>     | <b>1,729,294</b>   | <b>524,412</b>                    |
| <b>Utility Plant</b>                                 |                    |                    |                    |                                   |
| Land, System, Building and Equipment                 | 12,816,287         | 13,263,727         | 14,508,433         | 14,983,433                        |
| <b>Less Accumulated Depreciation ( )</b>             | <b>(2,877,826)</b> | <b>(3,234,940)</b> | <b>(3,635,944)</b> | <b>(3,659,694)</b>                |
| <b>Net Fixed Assets</b>                              | <b>9,938,461</b>   | <b>10,028,787</b>  | <b>10,872,489</b>  | <b>11,323,739</b>                 |
| <b>Other Assets</b>                                  |                    |                    |                    |                                   |
| Unamortized Bond Costs and Discount, Net             | 117,208            | 114,111            | 111,013            | 107,915                           |
| <b>Total Other Assets</b>                            | <b>117,208</b>     | <b>114,111</b>     | <b>111,013</b>     | <b>107,915</b>                    |
| <b>Total Assets</b>                                  | <b>11,148,269</b>  | <b>10,954,070</b>  | <b>13,021,971</b>  | <b>12,292,595</b>                 |
| <b>LIABILITIES</b>                                   |                    |                    |                    |                                   |
| <b>Current Liabilities</b>                           |                    |                    |                    |                                   |
| Accounts Payable                                     | 167,934            | 53,754             | 43,011             | 43,011                            |
| Customer Deposits                                    | 62,778             | 57,250             | 56,850             | 58,959                            |
| Current Portion Long Term Debt                       | 194,684            | 199,500            | 177,971            | 264,022                           |
| Short Term Note                                      | 0                  | 0                  | 1,250,000          | 0                                 |
| Accrued Payroll Costs                                | 15,540             | 17,117             | 16,309             | 16,322                            |
| Taxes Payable  | 5,426              | 3,907              | 6,674              | 5,336                             |
| Accrued Interest                                     | 74,160             | 71,454             | 80,772             | 75,462                            |
| <b>Total Current Liabilities</b>                     | <b>520,522</b>     | <b>402,982</b>     | <b>1,631,587</b>   | <b>463,112</b>                    |
| <b>Liabilities Payable - Restricted Assets</b>       |                    |                    |                    |                                   |
| Notes and Bonds Payable                              | 5,152,462          | 4,951,961          | 4,773,991          | 4,442,805                         |
| Construction Funds Available                         | (53,031)           | 0                  | 0                  | 0                                 |
| City of Augusta Undercharge Payable                  | 0                  | 65,917             | 37,666             | 0                                 |
| <b>Total Liabilities Payable - Restricted Assets</b> | <b>5,099,431</b>   | <b>5,017,878</b>   | <b>4,811,657</b>   | <b>4,442,805</b>                  |
| <b>Total Liabilities</b>                             | <b>5,619,953</b>   | <b>5,420,860</b>   | <b>6,443,244</b>   | <b>4,905,917</b>                  |
| <b>Retained Earnings:</b>                            |                    |                    |                    |                                   |
| Invested in Capital Assets Net of Related Debt       | 4,644,346          | 4,877,326          | 4,670,527          | 6,375,798                         |
| Restricted   | 417,610            | 279,317            | 1,480,317          | 259,597                           |
| Unrestricted   | 466,360            | 376,567            | 427,883            | 751,284                           |
| <b>Total Retained Earnings</b>                       | <b>5,528,316</b>   | <b>5,533,210</b>   | <b>6,578,727</b>   | <b>7,386,678</b>                  |
| <b>Total Liabilities and Equities</b>                | <b>11,148,269</b>  | <b>10,954,070</b>  | <b>13,021,971</b>  | <b>12,292,596</b>                 |
| <b>Balance Sheet Analysis</b>                        |                    |                    |                    |                                   |
| Current Ratio  | 0.91               | 0.74               | 0.19               | 0.73                              |
| Debt to Equity                                       | 1.02               | 0.98               | 0.98               | 0.66                              |
| Working Capital                                      | (47,718)           | (104,266)          | (1,322,412)        | (126,583)                         |
| Percent of Total Assets in Working Capital           | -0.43%             | -0.95%             | -10.16%            | -1.03%                            |
| DSO  | 36.9               | 47.3               | 46.0               | 44.7                              |

**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.10.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AMENDMENT OF THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F09-02) INCREASING THE AMOUNT TO \$16,000,000 TO THE NORTHERN KENTUCKY WATER DISTRICT, KENTON COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority previously approved a Federally Assisted Drinking Water Revolving Fund Loan (F09-02) to the Northern Kentucky Water District on December 3, 2009 in the amount of \$8,000,000 and the Northern Kentucky Water District has requested to increase loan F09-02 by \$8,000,000; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Drinking Water Revolving Loan Program (Fund F) with the Northern Kentucky Water District, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund F loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such

statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the Amendment of a conditional Federally Assisted Drinking Water Revolving Fund loan increasing the amount to \$16,000,000 of project expense including capitalized interest for the construction period, to the Northern Kentucky Water District for the Advanced Treatment project. Such amounts are subject to adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable over 20 years at an interest rate of 2.0%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
200 FAIR OAKS LANE, 4TH FLOOR  
FRANKFORT, KENTUCKY 40601  
[www.kentucky.gov](http://www.kentucky.gov)

November 24, 2010

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: DWL1014 F09-02 (Increase)  
Northern KY Water Service--2485  
Activity ID: FGL20100003  
Assistance Agreement  
Watershed: Banklick Creek  
HUC11#05100101290  
DWSRF Taylor Mill

Dear Mr. Covington:

The Division of Water hereby certifies that the referenced project is entitled to an Assistance Agreement from the Drinking Water State Revolving Fund, and that the project is in compliance with federal and state requirements. The project is eligible to receive an increase of \$8,000,000 to a previously approved \$8,000,000 DWSRF loan for an Advanced Treatment Project.

If you should have any questions or require additional information, please contact Cathy Arnett, Project Administrator, at (502) 564-8158, extension 4594.

Sincerely,

Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG:CA

C: Peck, Shaffer & Williams  
Jason Abbott, PE, Malcom Pirnie

|  |   |                           |                          |                           |
|--|---|---------------------------|--------------------------|---------------------------|
| <b>EXECUTIVE SUMMARY</b>                         |   | Reviewer:                 | Kasi White               |                           |
| <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>         |   | Date:                     | December 9, 2010         |                           |
| <b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b> |   | KIA Loan Number:          | <b>F09-02 (increase)</b> |                           |
| <b>REVOLVING LOAN FUND</b>                       |   | WRIS Number               | <b>WX21117208</b>        |                           |
| <b>BORROWER:</b>                                 | <b>NORTHERN KENTUCKY WATER DISTRICT</b>   |                           |                          |                           |
|  | <b>KENTON COUNTY</b>  |                           |                          |                           |
| <b>BRIEF DESCRIPTION:</b>                        | The Northern Kentucky Water District is requesting an \$8,000,000 increase to its previously approved \$8,000,000 DWSRF loan for an Advanced Treatment project. Phases III (Ft. Thomas WTP) and IV (Memorial Parkway WTP) involve the installation of granular activated carbon (GAC) post-filter contactors, ultraviolet disinfection and replacement of undersized emergency power generators. Phase V (Taylor Mill WTP) involves the installation of GAC pressure vessels, the replacement/rehab of existing sedimentation basins and installation of an emergency power generator. The addition of GAC is necessary for NKWD to comply with Stage 2 of the Disinfection By-Product Rule by 2012. NKWD originally requested KIA funds for the entire project; however, due to the funding cap they received \$8,000,000 from the 2010 funding cycle. The project ranked 1st on the 2011 DWSRF Priority list and are requesting additional funding for the project. The project also meets the criteria to qualify \$8,000,000 in green project reserve (GPR) funding which will allow Kentucky to exceed the minimum required for GPR in 2011. |                           |                          |                           |
| <b>PROJECT FINANCING:</b>                        |   |                           | <b>PROJECT BUDGET</b>    |                           |
| Fund F Loan                                      | \$  | 16,000,000                | Administrative Expenses  | \$ 26,500                 |
| NKWD   |   | 64,300,000                | Legal Expenses           | 2,500                     |
|  |   |                           | Land, Easements          | 285,500                   |
| <b>TOTAL</b>                                     | <b>\$</b>   | <b>80,300,000</b>         | Engineering Fees         | 8,814,000                 |
|  |   |                           | Construction             | 64,050,000                |
|  |   |                           | Contingency              | 7,121,500                 |
|  |   |                           | <b>TOTAL</b>             | <b>\$ 80,300,000</b>      |
| <b>REPAYMENT</b>                                 |   |                           | Est. Annual              |                           |
|  | Rate  | 2.00%                     | Payment                  | \$1,014,579               |
|  | Term  | 20 years                  | 1st Payment              | 6 Mo. after first draw    |
| <b>PROFESSIONAL SERVICES</b>                     | Engineer  | n/a                       |                          |                           |
|  | Bond Counsel  | Peck, Shaffer, & Williams |                          |                           |
| <b>PROJECT SCHEDULE</b>                          |   | Phase III<br>(FTTP GAC)   | Phase IV<br>(MPTP GAC)   | Phase V<br>(Taylor Mill)  |
|  | Bid Opening:  | 01/21/10                  | 12/16/09                 | 02/01/11                  |
|  | Construction Start:   | 05/24/10                  | 05/11/10                 | 06/01/11                  |
|  | Construction Stop:  | 07/22/12                  | 07/09/12                 | 12/01/13                  |
| <b>DEBT PER CUSTOMER</b>                         | Existing:   | \$ 2,857                  |                          |                           |
|  | Proposed:   | \$ 3,539                  |                          |                           |
| <b>OTHER DEBT</b>                                | See Attached  |                           |                          |                           |
| <b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>    | See Attached  |                           |                          |                           |
| <b>RESIDENTIAL RATES</b>                         |   |                           | <u>Users</u>             | <u>Avg. Bill</u>          |
|  | Current   | 79,980                    | \$                       | 24.02 (for 4,000 gallons) |
|  | Additional  | 0                         | \$                       | 30.22 (for 4,000 gallons) |
| <b>REGIONAL COORDINATION</b>                     | This project is consistent with regional planning recommendations.  |                           |                          |                           |
| <b>CASHFLOW</b>                                  | <b>Cash Available for</b>   |                           | <b>Income after Debt</b> |                           |
|  | <b>Debt Service</b>   | <b>Debt Service</b>       | <b>Service</b>           | <b>Coverage Ratio</b>     |
| Audited 2006                                     | 19,020,640  | 11,210,374                | 7,810,266                | 1.70                      |
| Audited 2007                                     | 22,885,106  | 11,917,712                | 10,967,394               | 1.92                      |
| Audited 2008                                     | 24,986,558  | 12,871,327                | 12,115,231               | 1.94                      |
| Audited 2009                                     | 21,998,609  | 13,921,518                | 8,077,091                | 1.58                      |
| Projected 2010                                   | 22,504,569  | 16,248,842                | 6,255,727                | 1.38                      |
| Projected 2011                                   | 30,724,553  | 17,037,929                | 13,686,624               | 1.80                      |
| Projected 2012                                   | 30,520,193  | 20,726,595                | 9,793,598                | 1.47                      |
| Projected 2013                                   | 30,141,753  | 20,731,162                | 9,410,591                | 1.45                      |
| Projected 2014                                   | 26,293,813  | 21,418,831                | 4,874,981                | 1.23                      |
| Projected 2015                                   | 22,439,361  | 21,766,711                | 672,650                  | 1.03                      |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
DRINKING WATER REVOLVING LOAN FUND (FUND "F")  
NORTHERN KENTUCKY WATER DISTRICT, KENTON COUNTY  
PROJECT REVIEW  
WX21117208**

**I. PROJECT DESCRIPTION**

The Northern Kentucky Water District (NKWD) is requesting an \$8,000,000 increase to its previously approved \$8,000,000 Drinking Water SRF loan for an Advanced Treatment Project. The project will promote public health and help maintain compliance with the Safe Drinking Water Act in a number of ways. SRF Funding will be used for Phases 3, 4 and 5 of the Advance Treatment project. Phases III (Fort Thomas WTP) and IV (Memorial Parkway WTP) involve the installation of granular activated carbon (GAC) post-filter contactors, ultraviolet disinfection and replacement of undersized emergency power generators. Phase V (Taylor Mill WTP) involves the installation of GAC pressure vessels, the replacement / rehabilitation of the existing sedimentation basins and the installation of an emergency power generator.

The addition of GAC is necessary for the district to comply with Stage 2 of the Disinfection By-Product Rule by 2012. NKWD will not be able to comply with this new regulation with the existing treatment processes at the treatment plants. NKWD originally requested KIA funds for the entire project; however, due to the funding cap they only received \$8,000,000 from the 2010 funding cycle. The project is ranked 1st on the 2011 DWSRF Priority list and the district is requesting additional funding for the project. This project also meets the criteria to qualify \$8,000,000 in green project reserve (GPR) funding which will allow Kentucky to exceed the minimum required for GPR in the 2011 funding cycle.

**II. PROJECT BUDGET**

|                         |           |                   |
|-------------------------|-----------|-------------------|
| Administrative Expenses | \$        | 26,500            |
| Legal Expenses          |           | 2,500             |
| Land, Easements         |           | 285,500           |
| Engineering Fees        |           | 8,814,000         |
| Construction            |           | 64,050,000        |
| Contingency             |           | 7,121,500         |
| <b>TOTAL</b>            | <b>\$</b> | <b>80,300,000</b> |

**III. PROJECT FUNDING**

|              | <u>Amounts</u>       | <u>%</u>    |
|--------------|----------------------|-------------|
| Fund F Loan  | \$ 16,000,000        | 20%         |
| NKWD         | 64,300,000           | 80%         |
| <b>Total</b> | <b>\$ 80,300,000</b> | <b>100%</b> |

**IV. KIA DEBT SERVICE**

|  |                     |
|--|---------------------|
| Construction Loan                          | \$ 16,000,000       |
| Interest Rate                              | 2.00%               |
| Loan Term (Years)                          | 20                  |
| Estimated Annual Debt Service              | \$ 974,579          |
| Administrative Fee (0.25%)                 | 40,000              |
| <b>Total Estimated Annual Debt Service</b> | <b>\$ 1,014,579</b> |

**V. PROJECT SCHEDULE**

|                     | Phase III<br>(FTTP GAC) | Phase IV<br>(MPTP GAC) | Phase V<br>(Taylor Mill) |
|---------------------|-------------------------|------------------------|--------------------------|
| Bid Opening:        | 1/21/10                 | 12/16/09               | 2/1/11                   |
| Construction Start: | 5/24/10                 | 5/11/10                | 6/1/11                   |
| Construction Stop:  | 7/22/12                 | 7/09/12                | 12/1/13                  |

**VI. RATE STRUCTURE**

| <u>Customers</u> | <u>Current</u> | <u>Proposed</u> | <u>Total</u>  |
|------------------|----------------|-----------------|---------------|
| Residential      | 75,491         | 0               | 75,491        |
| Commercial       | 4,376          | 0               | 4,376         |
| Industrial       | 113            | 0               | 113           |
|                  | <u>79,980</u>  | <u>0</u>        | <u>79,980</u> |

## Rates

As of March, 2008, the charges for water utility service are as follows:

### Service Charges:

| <u>Meter Size</u> | <u>Monthly</u> | <u>Quarterly</u> |
|-------------------|----------------|------------------|
| 5/8"              | \$12.54        | \$18.97          |
| 3/4"              | \$12.96        | \$19.99          |
| 1"                | \$14.15        | \$22.98          |
| 1 1/2"            | \$15.93        | \$27.08          |
| 2"                | \$20.13        | \$38.07          |
| 3"                | \$48.61        | \$118.45         |
| 4"                | \$60.89        | \$148.45         |
| 6"                | \$90.16        | \$219.44         |
| 8"                | \$121.75       | \$299.79         |
| 10" and larger    | \$161.91       | \$391.47         |

### Commodity Charges:

|       | <u>Monthly Block</u> | <u>Quarterly Block</u> | <u>Rate</u>      |
|-------|----------------------|------------------------|------------------|
| First | 1,500 cu ft          | 4,500 cu ft            | \$3.31/100 cu ft |
| Next  | 163,500 cu ft        | 490,500 cu ft          | \$2.88/100 cu ft |
| Over  | 165,000 cu ft        | 495,000 cu ft          | \$2.55/100 cu ft |

|  |                |
|--|----------------|
| <b>Monthly Residential Bill for 4,000 gallons<br/>(based on 1/3 of quarterly bill)</b> | <b>\$24.02</b> |
| <b>Affordability Index</b>   | <b>0.67%</b>   |

### Subdistrict Monthly Surcharges:

|                |          |
|----------------|----------|
| Subdistrict A  | \$ 8.76  |
| Subdistrict B  | \$ 18.05 |
| Subdistrict C  | \$ 18.90 |
| Subdistrict D  | \$ 30.00 |
| Subdistrict E  | \$ 30.00 |
| Subdistrict F  | \$ 30.00 |
| Subdistrict G  | \$ 30.00 |
| Subdistrict K  | \$ 12.89 |
| Subdistrict R  | \$ 18.27 |
| Subdistrict RF | \$ 21.61 |
| Subdistrict RL | \$ 36.22 |

The district has a pending application with PSC which would increase rates by approximately 25%.

## VII. DEMOGRAPHICS

The district is located in Kenton County, in the northern part of the state and provides service to Campbell and Kenton counties and portions of Boone, Grant and Pendleton counties. The following census information is from the 2000 census.

|           | Borrower<br>Population | Borrower<br>MHI |
|-----------|------------------------|-----------------|
| Campbell  | 88,616                 | 41,903          |
| Kenton    | 151,464                | 43,906          |
| Boone     | 85,991                 | 53,593          |
| Grant     | 22,384                 | 38,438          |
| Pendleton | 14,390                 | 38,125          |

The MHI for the Commonwealth is \$33,672.

The Northern Kentucky Water District, by providing water service to multiple cities, counties and water districts, is multi-jurisdictional. The water district is considered regional and the project will qualify for the 2% interest rate.

## VIII. 2010 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for \$8,000,000. The breakdown of the GPR to the respective "green" categories is listed below:
  - a. Green Infrastructure - \$2,171,000
  - b. Water Efficiency - \$1,087,300
  - c. Energy Efficiency - \$583,000
  - d. Environmentally Innovative - \$6,420,700 (only \$4,158,700 will be applied)
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

## IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the utility was obtained from the audited financial statements of the Northern Kentucky Water District for the years ended December 31, 2005 - 2009.

### HISTORICAL

Revenues have increased a net of 18% over the past five years with declines occurring during 2006 when revenues dropped 2% and in 2009 when revenues dropped 3% due to weather conditions that provided for milder and wetter summers. Water rates were increased approximately 15% in March, 2008 contributing to the 8% increase in

revenues. Increases in operating expenses averaged almost 5% between 2005 and 2009 taking into account 2006 when expenses remained flat. Non-operating income, comprised primarily of investment income and capital contributions, made up approximately one-fourth of the cash available for debt service. Capital contributions represent assessments and reimbursements to recover the costs of new services and extensions of the distribution system. The district does not include the amount of costs incurred and contributed by outside contractors for installation of distribution systems for which the costs are absorbed and provides for their operations and maintenance. The district has maintained a strong debt coverage ratio which averaged 1.77 for the period reviewed.

The current ratio for 2005 through 2007 shows the district had current assets of more than one and a half times the amount necessary to cover current liabilities. In 2008, this amount drops because of an approximate \$28 million dollar bond anticipation note that was due. The utility however issued bonds in early 2009 to cover the short fall so that there would be no significant impact on the district. Utility plant assets represent over 75% of the total assets for the district while long term liabilities represent approximately 50% of the total liabilities and equities.

## PROFORMA

The proforma is based on the following assumptions:

- Revenues are projected to increase 2% each year except for 2011 when projected revenues from the proposed rate increase are included.
- O & M expenses are projected to increase 5% per year except in 2014 and 2015 when an additional \$10 million for increased costs in electricity, chemical and fuels are estimated as a result of the project.
- Due to the Improvement, Repair and Replacement Account self funded by the district, an additional annual replacement reserve amount will not be required.
- Debt service of over \$4 million dollars annually is included from an estimated \$70 million in additional bonding anticipated over the next five years.
- KIA Fund F principal, interest and administrative fees totaling \$1,014,579 annually beginning in FY 2014.

Based on these assumptions, the utility shows adequate cashflow to repay the KIA Fund F loan. Based on these assumptions the NKWD is projected to have a 1.23 coverage ratio in 2014 when principal and interest payments begin.

## REPLACEMENT RESERVE

The Northern Kentucky Water District self funds an "Improvement, Repair and Replacement Account" which is available to make major repairs and replacements and to pay the cost of construction of additions, extensions and improvements to the water system. The account assets as of December 31, 2009 are \$11,310,713. Based on the account in place, no additional replacement reserve will be required for this loan.

**X. DEBT OBLIGATIONS**

|                                | <u>Outstanding</u> | <u>Maturity</u> |
|--------------------------------|--------------------|-----------------|
| Series 1997 Revenue Bonds      | 2,830,000          | 2023            |
| Series 1998 Revenue Bonds      | 8,725,000          | 2029            |
| Series 2001 Revenue Bonds      | 14,595,000         | 2027            |
| 2000 Rural Development Loan    | 2,085,000          | 2039            |
| Series 2002A Revenue Bonds     | 42,905,000         | 2028            |
| Series 2002B Revenue Bonds     | 6,615,000          | 2017            |
| Series 2003A Revenue Bonds     | 1,400,000          | 2032            |
| Series 2003B Revenue Bonds     | 25,050,000         | 2028            |
| Series 2003C Revenue Bonds     | 16,300,000         | 2020            |
| Series 2004 Revenue Bonds      | 9,040,000          | 2029            |
| Taylor Mill Purchase Financing | 1,450,000          | 2018            |
| Series 2006 Revenue Bonds      | 27,230,000         | 2031            |
| Series 2009 Bond Anticipation  | 29,160,000         | 2011            |
| Series 2009 Revenue Bonds      | 28,290,000         | 2033            |
| KIA Fund F Loan (F06-03)       | 3,785,980          | 2028            |
| KIA Fund F Loan (F08-07)       | 3,067,771          | TBD             |
| KIA Fund C Loan (C08-01)       | 6,000,000          | 2020            |
| Total                          | <u>228,528,751</u> |                 |

**XI. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS**

| <u>Project Title</u>                             | <u>Funding Source</u> | <u>Amount</u> |
|--|-----------------------|---------------|
| Unserved and Underserved Projects                | HB 608                | \$ 500,000    |
| Pike Street – Bromley                            | HB 608                | 300,000       |
| Robbins Street Water Project                     | HB 608                | 300,000       |
| Campbell Co. Unserved/Underserved Improvements   | HB 608                | 1,000,000     |
| Campbell Co. System Improvements                 | HB 608                | 1,200,000     |
| Campbell Co. Unserved/Underserved Improvements   | HB 608                | 750,000       |
| 3 Mile Rd/Gibson Lane from I-275 to Licking Pike | HB 380                | 200,000       |
| Various Water Projects                           | HB 267                | 1,000,000     |
| Main Replacement in City of Covington            | HB 380                | 1,000,000     |
| Subdistrict I Water System Improvements          | HB 380                | 2,000,000     |
| Covington Water System Improvements              | HB 380                | 2,500,000     |
| Various Water and Sewer Projects                 | HB 267                | 600,000       |
| Water Line Extension                             | HB 267                | 688,000       |

## **XII. CONTACTS**

### **Applicant Contact**

Name Northern Kentucky Water District  
Address 2835 Crescent Springs Road  
Erlanger, KY 41018  
County Kenton  
Contact Richard Harrison, P.E.  
Phone (859) 578-5458  
Email [rharr@nkwater.org](mailto:rharr@nkwater.org)

## **XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions and the following special condition:

1. The District, upon approval from the Public Service Commission (PSC), is required to implement a rate increase of at least 25% no later than July 1, 2011.
2. The KIA Executive Director has the ability to modify the rate increase requirement upon receipt of PSC's review of the rate increase.

**EXHIBIT 1  
NORTHERN KENTUCKY WATER DISTRICT  
CASH FLOW ANALYSIS**

|  | Audited<br>2005   | %<br>Change | Audited<br>2006   | %<br>Change | Audited<br>2007   | %<br>Change | Audited<br>2008   | %<br>Change | Audited<br>2009   | Projected<br>2010 | Projected<br>2011 | Projected<br>2012 | Projected<br>2013 | Projected<br>2014 | Projected<br>2015 |
|--|-------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Operating Revenues</b>                        |                   |             |                   |             |                   |             |                   |             |                   |                   |                   |                   |                   |                   |                   |
| Water Sales                                      | 33,229,278        | -2%         | 32,499,994        | 15%         | 37,410,245        | 8%          | 40,409,737        | -2%         | 39,420,673        | 40,997,500        | 50,426,925        | 51,435,463        | 52,464,173        | 53,513,456        | 54,583,725        |
| Forfeited Discounts                              | 752,736           | -5%         | 713,273           | 10%         | 784,386           | 16%         | 906,636           | -16%        | 765,149           | 780,452           | 796,061           | 811,982           | 828,222           | 844,786           | 861,682           |
| Rents From Property                              | 506,326           | -2%         | 493,795           | 7%          | 527,552           | -6%         | 493,590           | 10%         | 540,702           | 551,516           | 562,546           | 573,797           | 585,273           | 596,979           | 608,918           |
| Other Water Revenue                              | 358,282           | 15%         | 413,202           | -11%        | 366,560           | 4%          | 380,160           | -16%        | 320,190           | 355,637           | 351,996           | 342,607           | 350,080           | 348,228           | 346,972           |
| <b>Total Revenues</b>                            | <b>34,846,622</b> | <b>-2%</b>  | <b>34,120,264</b> | <b>15%</b>  | <b>39,088,743</b> | <b>8%</b>   | <b>42,190,123</b> | <b>-3%</b>  | <b>41,046,714</b> | <b>42,685,105</b> | <b>52,137,528</b> | <b>53,163,850</b> | <b>54,227,748</b> | <b>55,303,449</b> | <b>56,401,297</b> |
| <b>Operating Expenses</b>                        |                   |             |                   |             |                   |             |                   |             |                   |                   |                   |                   |                   |                   |                   |
| Operating Expenses                               | 21,023,284        | -1%         | 20,831,914        | 14%         | 23,782,968        | 1%          | 24,033,139        | 1%          | 24,163,695        | 25,371,880        | 26,640,474        | 27,972,497        | 29,371,122        | 34,371,122        | 39,371,122        |
| Depreciation                                     | 5,562,139         | 5%          | 5,814,572         | 2%          | 5,916,329         | 28%         | 7,563,621         | 9%          | 8,224,563         | 8,635,791         | 9,067,581         | 11,075,081        | 11,628,835        | 12,210,276        | 12,820,790        |
| <b>Total Expenses</b>                            | <b>26,585,423</b> | <b>0%</b>   | <b>26,646,486</b> | <b>11%</b>  | <b>29,699,297</b> | <b>6%</b>   | <b>31,596,760</b> | <b>3%</b>   | <b>32,388,258</b> | <b>34,007,671</b> | <b>35,708,054</b> | <b>39,047,578</b> | <b>40,999,957</b> | <b>46,581,399</b> | <b>52,191,913</b> |
| <b>Net Operating Income</b>                      | <b>8,261,199</b>  | <b>-10%</b> | <b>7,473,778</b>  | <b>26%</b>  | <b>9,389,446</b>  | <b>13%</b>  | <b>10,593,363</b> | <b>-18%</b> | <b>8,658,456</b>  | <b>8,677,434</b>  | <b>16,429,473</b> | <b>14,116,272</b> | <b>13,227,791</b> | <b>8,722,050</b>  | <b>4,209,385</b>  |
| <b>Non-Operating Income and Expenses</b>         |                   |             |                   |             |                   |             |                   |             |                   |                   |                   |                   |                   |                   |                   |
| Investment Income                                | 1,862,615         | 20%         | 2,227,971         | 12%         | 2,506,262         | -16%        | 2,112,845         | -70%        | 638,601           | 748,568           | 785,996           | 825,296           | 866,561           | 909,889           | 955,383           |
| Miscellaneous Non-Operating Income               | 5,432             | -6890%      | (368,821)         | 18%         | 152,913           | 18%         | 181,116           | -221%       | (220,043)         | (63,709)          | (64,983)          | (2,941)           | (87,919)          | (54,888)          | (52,683)          |
| Capital Contributions                            | 2,900,277         | 34%         | 3,873,140         | 27%         | 4,920,156         | -8%         | 4,535,613         | 4%          | 4,697,032         | 4,506,485         | 4,506,485         | 4,506,485         | 4,506,485         | 4,506,485         | 4,506,485         |
| Amort of Debt Discount and (Expense)             | (576,617)         | 2%          | (585,345)         | -2%         | (575,605)         | -1%         | (567,231)         | 1%          | (575,332)         | (583,433)         | (591,534)         | (599,635)         | (607,736)         | (615,837)         | (623,938)         |
| <b>Total Non-Operating Income &amp; Expenses</b> | <b>4,191,707</b>  | <b>23%</b>  | <b>5,146,945</b>  | <b>36%</b>  | <b>7,003,726</b>  | <b>-11%</b> | <b>6,262,343</b>  | <b>-27%</b> | <b>4,540,258</b>  | <b>4,607,911</b>  | <b>4,635,965</b>  | <b>4,729,205</b>  | <b>4,677,391</b>  | <b>4,745,649</b>  | <b>4,785,248</b>  |
| <b>Add Non-Cash Expenses</b>                     |                   |             |                   |             |                   |             |                   |             |                   |                   |                   |                   |                   |                   |                   |
| Depreciation                                     | 5,562,139         | 5%          | 5,814,572         | 2%          | 5,916,329         | 28%         | 7,563,621         | 9%          | 8,224,563         | 8,635,791         | 9,067,581         | 11,075,081        | 11,628,835        | 12,210,276        | 12,820,790        |
| Amortization                                     | 576,617           | 2%          | 585,345           | -2%         | 575,605           | -1%         | 567,231           | 1%          | 575,332           | 583,433           | 591,534           | 599,635           | 607,736           | 615,837           | 623,938           |
| <b>Cash Available for Debt Service</b>           | <b>18,591,662</b> | <b>2%</b>   | <b>19,020,640</b> | <b>20%</b>  | <b>22,885,106</b> | <b>9%</b>   | <b>24,986,558</b> | <b>-12%</b> | <b>21,998,609</b> | <b>22,504,569</b> | <b>30,724,553</b> | <b>30,520,193</b> | <b>30,141,753</b> | <b>26,293,813</b> | <b>22,439,361</b> |
| <b>Debt Service</b>                              |                   |             |                   |             |                   |             |                   |             |                   |                   |                   |                   |                   |                   |                   |
| Existing Principal                               | 4,674,000         |             | 4,806,000         |             | 5,267,000         |             | 5,890,853         |             | 7,101,166         | 6,933,433         | 7,807,400         | 8,185,355         | 8,494,805         | 8,809,900         | 10,215,859        |
| Existing Interest                                | 6,126,890         |             | 6,404,374         |             | 6,650,712         |             | 6,980,474         |             | 6,820,352         | 9,315,409         | 9,070,529         | 8,049,363         | 7,744,479         | 7,422,475         | 6,364,395         |
| Anticipated Bond Issues (\$70 MM)                |                   |             |                   |             |                   |             |                   |             |                   |                   | 160,000           | 320,000           | 320,000           | 1,014,579         | 1,014,579         |
| Proposed KIA Loan                                |                   |             |                   |             |                   |             |                   |             |                   |                   |                   |                   |                   |                   |                   |
| <b>Total Debt Service</b>                        | <b>10,800,890</b> |             | <b>11,210,374</b> |             | <b>11,917,712</b> |             | <b>12,871,327</b> |             | <b>13,921,518</b> | <b>16,248,842</b> | <b>17,037,929</b> | <b>20,726,595</b> | <b>20,731,162</b> | <b>21,418,831</b> | <b>21,766,711</b> |
| <b>Income After Debt Service</b>                 | <b>7,790,772</b>  |             | <b>7,810,266</b>  |             | <b>10,967,394</b> |             | <b>12,115,231</b> |             | <b>8,077,091</b>  | <b>6,255,727</b>  | <b>13,686,624</b> | <b>9,793,598</b>  | <b>9,410,591</b>  | <b>4,874,981</b>  | <b>672,650</b>    |
| <b>Debt Coverage Ratio</b>                       | 1.72              |             | 1.70              |             | 1.92              |             | 1.94              |             | 1.58              | 1.38              | 1.80              | 1.47              | 1.45              | 1.23              | 1.03              |

**NORTHERN KENTUCKY WATER DISTRICT  
BALANCE SHEETS**

| <b>ASSETS</b>  | <b>2005</b>        | <b>2006</b>        | <b>2007</b>        | <b>2008</b>        | <b>2009</b>        | <b>Upon Project<br/>Completion</b> |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|------------------------------------|
| <b>Current Assets</b>                                |                    |                    |                    |                    |                    |                                    |
| Cash and Cash Equivalents                            | 6,478,053          | 5,326,214          | 10,205,218         | 11,509,211         | 12,973,478         | 4,874,981                          |
| Accounts Receivable                                  | 8,840,182          | 8,436,177          | 9,732,583          | 10,156,102         | 9,366,219          | 8,576,336                          |
| Assessments Receivable                               | 37,767             | 73,008             | 77,906             | 82,711             | 87,322             | 91,933                             |
| Inventory  | 1,150,975          | 1,245,380          | 1,289,824          | 1,268,952          | 1,251,889          | 1,241,404                          |
| Prepaid Items  | 842,700            | 464,883            | 246,623            | 898,284            | 152,269            | 520,952                            |
| <b>Total Current Assets</b>                          | <b>17,349,677</b>  | <b>15,545,662</b>  | <b>21,552,154</b>  | <b>23,915,260</b>  | <b>23,831,177</b>  | <b>15,305,606</b>                  |
| <b>Restricted Assets</b>                             |                    |                    |                    |                    |                    |                                    |
| Boone Florence Settlement                            | 3,344,622          | 3,023,965          | 2,771,076          | 2,426,639          | 1,997,887          | 1,569,135                          |
| Bond Proceeds Fund                                   | 17,242,047         | 13,149,342         | 19,167,438         | 15,081,881         | 27,917,545         | 13,958,773                         |
| Debt Service Reserve Account                         | 12,472,874         | 13,157,181         | 14,173,637         | 13,359,108         | 15,589,606         | 19,185,104                         |
| Debt Service Account                                 | 6,547,631          | 7,713,194          | 8,549,511          | 9,885,153          | 10,062,330         | 11,263,458                         |
| Improvement, Repair & Replacement                    | 3,074,102          | 1,932,787          | 3,331,799          | 2,612,396          | 11,310,713         | 11,310,713                         |
| <b>Total Restricted Assets</b>                       | <b>42,681,276</b>  | <b>38,976,469</b>  | <b>47,993,461</b>  | <b>43,365,177</b>  | <b>66,878,081</b>  | <b>57,287,182</b>                  |
| <b>Utility Plant</b>                                 |                    |                    |                    |                    |                    |                                    |
| Property, Plant and Equipment                        | 253,634,326        | 277,798,907        | 283,057,774        | 289,419,623        | 314,639,550        | 394,939,550                        |
| Unclassified Plant - Construction in Progress        | 19,738,958         | 11,907,816         | 30,336,979         | 39,560,254         | 38,379,774         | 38,379,774                         |
| Less Accumulated Depreciation                        | (54,448,687)       | (58,245,471)       | (63,047,992)       | (69,391,199)       | (76,721,537)       | (79,398,204)                       |
| <b>Net Fixed Assets</b>                              | <b>218,924,597</b> | <b>231,461,252</b> | <b>250,346,761</b> | <b>259,588,678</b> | <b>276,297,787</b> | <b>353,921,120</b>                 |
| <b>Other Assets</b>                                  |                    |                    |                    |                    |                    |                                    |
| Deferred Charges                                     | 9,821,617          | 10,339,671         | 9,355,708          | 9,026,934          | 8,488,999          | 7,951,064                          |
| <b>Total Other Assets</b>                            | <b>9,821,617</b>   | <b>10,339,671</b>  | <b>9,355,708</b>   | <b>9,026,934</b>   | <b>8,488,999</b>   | <b>7,951,064</b>                   |
| <b>Total Assets</b>                                  | <b>288,777,167</b> | <b>296,323,054</b> | <b>329,248,084</b> | <b>335,896,049</b> | <b>375,496,044</b> | <b>434,464,973</b>                 |
| <b>LIABILITIES</b>                                   |                    |                    |                    |                    |                    |                                    |
| <b>Current Liabilities</b>                           |                    |                    |                    |                    |                    |                                    |
| Bonded Indebtedness                                  | 4,556,000          | 5,017,000          | 5,578,000          | 5,775,000          | 6,626,000          | 6,495,000                          |
| Accounts and Notes Payable                           | 5,882,832          | 2,785,094          | 2,071,042          | 29,570,206         | 2,209,757          | 2,314,900                          |
| Accrued Payroll and Taxes                            | 273,867            | 339,778            | 364,749            | 148,361            | 278,179            | 280,987                            |
| Other Accrued Liabilities                            | 161,958            | 187,673            | 206,004            | 213,586            | 199,379            | 193,720                            |
| <b>Total Current Liabilities</b>                     | <b>10,874,657</b>  | <b>8,329,545</b>   | <b>8,219,795</b>   | <b>35,707,153</b>  | <b>9,313,315</b>   | <b>9,284,607</b>                   |
| <b>Liabilities Payable - Restricted Assets</b>       |                    |                    |                    |                    |                    |                                    |
| Accounts Payable                                     | 2,848,054          | 762,498            | 2,717,818          | 1,898,706          | 3,401,332          | 4,903,958                          |
| Accrued Interest Payable                             | 2,737,097          | 2,944,301          | 3,251,309          | 3,181,843          | 3,579,653          | 3,977,463                          |
| <b>Total Liabilities Payable - Restricted Assets</b> | <b>5,585,151</b>   | <b>3,706,799</b>   | <b>5,969,127</b>   | <b>5,080,549</b>   | <b>6,980,985</b>   | <b>8,881,421</b>                   |
| <b>Long Term Liabilities</b>                         |                    |                    |                    |                    |                    |                                    |
| Bonded Indebtedness                                  | 144,145,000        | 168,128,000        | 162,550,000        | 156,775,000        | 178,439,000        | 253,999,000                        |
| Note Payables  | 20,205,000         | 1,975,000          | 28,890,000         | 4,769,487          | 41,218,332         | 20,237,338                         |
| <b>Total Long Term Liabilities</b>                   | <b>164,350,000</b> | <b>170,103,000</b> | <b>191,440,000</b> | <b>161,544,487</b> | <b>219,657,332</b> | <b>274,236,338</b>                 |
| <b>Total Liabilities</b>                             | <b>180,809,808</b> | <b>182,139,344</b> | <b>205,628,922</b> | <b>202,332,189</b> | <b>235,951,632</b> | <b>292,402,367</b>                 |
| <b>Retained Earnings:</b>                            |                    |                    |                    |                    |                    |                                    |
| Invested in Capital                                  | 46,163,597         | 56,091,252         | 53,078,761         | 64,800,643         | 49,683,719         | 54,127,756                         |
| Restricted   | 37,096,125         | 35,269,670         | 42,024,334         | 38,284,628         | 59,897,096         | 55,718,047                         |
| Unrestricted   | 24,707,637         | 22,822,788         | 28,516,067         | 30,478,589         | 29,963,597         | 32,216,803                         |
| <b>Total Retained Earnings</b>                       | <b>107,967,359</b> | <b>114,183,710</b> | <b>123,619,162</b> | <b>133,563,860</b> | <b>139,544,412</b> | <b>142,062,606</b>                 |
| <b>Total Liabilities and Equities</b>                | <b>288,777,167</b> | <b>296,323,054</b> | <b>329,248,084</b> | <b>335,896,049</b> | <b>375,496,044</b> | <b>434,464,973</b>                 |
| <b>Balance Sheet Analysis</b>                        |                    |                    |                    |                    |                    |                                    |
| Current Ratio  | 1.60               | 1.87               | 2.62               | 0.67               | 2.56               | 1.65                               |
| Debt to Equity                                       | 1.67               | 1.60               | 1.66               | 1.51               | 1.69               | 2.06                               |
| Working Capital                                      | 6,475,020          | 7,216,117          | 13,332,359         | (11,791,893)       | 14,517,862         | 6,020,999                          |
| Percent of Total Assets in Working Capital           | 2.24%              | 2.44%              | 4.05%              | -3.51%             | 3.87%              | 1.39%                              |



**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.11.**



**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F10-04) OF \$940,225 TO THE MADISON COUNTY UTILITIES DISTRICT, MADISON COUNTY, KENTUCKY**

**WHEREAS**, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

**WHEREAS**, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

**WHEREAS**, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Drinking Water Revolving Loan Program (Fund F) with the Madison County Utilities District, subject to final determination of amount when the factors involving such financing have been determined; and

**WHEREAS**, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

**WHEREAS**, the Authority wishes to establish terms and conditions on said Fund F loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

**NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:**

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Drinking Water Revolving Fund loan for \$940,225 of project expense including capitalized interest for the construction period, to the Madison County Utilities District for the Madison County Improvements – Phase III project. Such amounts are subject to

adjustment by further action of the Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable over 20 years at an interest rate of 2.0%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$2,351 must be set aside in a borrower held replacement reserve. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY



STEVEN L. BESHEAR  
GOVERNOR

LEONARD K. PETERS  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
200 FAIR OAKS LANE, 4TH FLOOR  
FRANKFORT, KENTUCKY 40601  
[www.kentucky.gov](http://www.kentucky.gov)

November 23, 2010

Mr. John Covington  
Executive Director  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

Re: DWL1158 Fund F  
Madison County Utility District--34008  
Activity ID: FGL20110004  
Watershed Name: Muddy Creek  
Watershed Code (HUC11): 05100205020

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Madison County Utilities District is entitled to receive priority for funding for the Madison County Improvements-Phase III and is eligible to receive \$940225 from the Drinking Water State Revolving Fund. The following requirements have been addressed as follows:

1. Plans and specifications are expected to be submitted to DOW on 12/1/10.
2. Construction bids are expected to be opened on 1/26/11.
3. Project specific environmental information is expected to be submitted to DOW on 12/1/10.

The binding commitment letter should include the following general conditions to satisfy federal requirements:

1. The Authority to Award (bid) package must be submitted to DOW for approval within 14 days of bid opening. DOW must perform the DBE reviews, conduct a pre-construction and project management conference and approve executed contract documents.
2. Loan Agreement must be executed within six (6) months from bid opening.
3. The city must agree to expend all loan funds within six months of the date of initiation of operation.
4. Documentation of final funding commitments from all parties other than the Kentucky Infrastructure Authority (KIA) as reflected in the credit analysis shall be provided to KIA prior to their loan closing and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported to KIA and may cause this loan to be subject to further consideration.

5. The borrower must receive DOW approval of the Plans and Specifications before bidding the project.
6. The borrower must receive DOW approval of the Environmental Assessment before bidding the project.

Upon compliance with the general and special conditions, the DOW will issue its final project certification prior to finalizing the loan agreement.

Please forward the draft binding commitment letter to this office for review when completed. Should you have any questions concerning this letter, do not hesitate to contact Buddy Griffin, Project Administrator, at (502) 564-8158, extension 4971.

Sincerely,



Buddy Griffin, Supervisor  
SRF & SPAP Section  
Water Infrastructure Branch

BG:bg

Enclosures

C: John Clark, Manager Madison County Utilities District  
Kerry Odle, P.E., CMW, Inc.

|  |  |                           |                          |                                    |
|--|--|---------------------------|--------------------------|------------------------------------|
| <b>EXECUTIVE SUMMARY</b>                         |  | Reviewer:                 | Sandy Williams           |                                    |
| <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>         |  | Date:                     | December 9, 2010         |                                    |
| <b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b> |  | KIA Loan Number:          | F10-04                   |                                    |
| <b>REVOLVING LOAN FUND</b>                       |  | WRIS Number               | WX21151033               |                                    |
| <b>BORROWER:</b>                                 | <b>MADISON COUNTY UTILITIES DISTRICT</b>   |                           |                          |                                    |
|  | <b>MADISON COUNTY</b>  |                           |                          |                                    |
| <b>BRIEF DESCRIPTION:</b>                        | <p>This project is for various waterline improvements throughout the Madison County Utilities District (MCUD). Multiple creek crossing replacements will preserve the streambed integrity and prevent the current cycle of construction to fix frequent leaks. Obstructions in the creek beds will be eliminated when existing ductile iron (DI) water lines are relocated further below the creek channel and the stream bed is restored. Due to the conditions of the existing DI pipe, replacement will eliminate leaks and repairs to these water lines. The projects that make up this request are 1) Railroad Bore at Red House, 2) Red House Creek Crossing, 3) Waco/College Hill Water Line Replacement, 4) Concord Road Creek Crossing, 5) KY 52/Waco Loop Water Line Replacement, 6) Fike Road Water Line Replacement, and 7) Waco Loop to Drowning Creek.</p> |                           |                          |                                    |
| <b>PROJECT FINANCING:</b>                        |  | <b>PROJECT BUDGET</b>     |                          |                                    |
| Fund F Loan                                      | \$ 940,225   | Legal Expenses            | 5,000                    |                                    |
|  |  | Engineering Fees          | 150,338                  |                                    |
|  |  | Construction              | 720,975                  |                                    |
|  |  | Contingency               | 41,912                   |                                    |
|  |  | Other                     | 22,000                   |                                    |
| <b>TOTAL</b>                                     | <b>\$ 940,225</b>  | <b>TOTAL</b>              | <b>\$ 940,225</b>        |                                    |
| <b>REPAYMENT</b>                                 |  | Rate                      | 2.00%                    | Est. Annual Payment \$ 59,621      |
|  |  | Term                      | 20 years                 | 1st Payment 6 Mo. after first draw |
| <b>PROFESSIONAL SERVICES</b>                     | Engineer   | CMW, Inc.                 |                          |                                    |
|  | Bond Counsel   | Peck, Shaffer, & Williams |                          |                                    |
| <b>PROJECT SCHEDULE</b>                          |  | Bid Opening:              | January 26, 2011         |                                    |
|  |  | Construction Start:       | May 9, 2011              |                                    |
|  |  | Construction Stop:        | December 9, 2011         |                                    |
| <b>DEBT PER CUSTOMER</b>                         | Existing:  | \$ 705                    |                          |                                    |
|  | Proposed:  | \$ 717                    |                          |                                    |
| <b>OTHER DEBT</b>                                | See Attached   |                           |                          |                                    |
| <b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>    | See Attached   |                           |                          |                                    |
| <b>RESIDENTIAL RATES</b>                         |  | <u>Users</u>              | <u>Avg. Bill</u>         |                                    |
|  | Current  | 10,052                    | \$ 27.27                 | (for 4,000 gallons)                |
|  | Additional   | 0                         | \$ 27.27                 | (for 4,000 gallons)                |
| <b>REGIONAL COORDINATION</b>                     | This project is consistent with regional planning recommendations.   |                           |                          |                                    |
| <b>CASHFLOW</b>                                  | <b>Cash Available for</b>  | <b>Debt Service</b>       | <b>Income after Debt</b> | <b>Coverage Ratio</b>              |
|  | <b>Debt Service</b>  | <b>Debt Service</b>       | <b>Service</b>           |                                    |
| Audited 2002                                     | 460,496  | 274,147                   | 186,349                  | 1.68                               |
| Audited 2003                                     | 607,121  | 277,439                   | 329,682                  | 2.19                               |
| Audited 2004                                     | 550,077  | 310,026                   | 240,051                  | 1.77                               |
| Audited 2005                                     | 581,351  | 415,072                   | 166,279                  | 1.40                               |
| Audited 2006                                     | 690,457  | 485,677                   | 204,780                  | 1.42                               |
| Audited 2007                                     | 781,542  | 518,583                   | 262,959                  | 1.51                               |
| Audited 2008                                     | 877,034  | 226,430                   | 650,604                  | 3.87                               |
| Audited 2009                                     | 822,100  | 522,383                   | 299,717                  | 1.57                               |
| Prelim 2010                                      | 815,017  | 578,714                   | 236,303                  | 1.41                               |
| Projected 2011                                   | 839,392  | 591,445                   | 247,947                  | 1.42                               |
| Projected 2012                                   | 862,148  | 614,882                   | 247,266                  | 1.40                               |
| Projected 2013                                   | 888,009  | 641,926                   | 246,083                  | 1.38                               |
| Projected 2014                                   | 914,644  | 642,753                   | 271,891                  | 1.42                               |
| Projected 2015                                   | 942,079  | 642,069                   | 300,010                  | 1.47                               |
| Projected 2016                                   | 970,336  | 641,519                   | 328,817                  | 1.51                               |

**KENTUCKY INFRASTRUCTURE AUTHORITY  
DRINKING WATER REVOLVING LOAN FUND (FUND "F")  
MADISON COUNTY UTILITIES DISTRICT, MADISON COUNTY  
PROJECT REVIEW  
WX21151033**

**I. PROJECT DESCRIPTION**

The Madison County Utilities District is requesting \$940,225 for various waterline improvements throughout the Madison County Utilities District (MCUD). Multiple creek crossing replacements will preserve the streambed integrity and permit the current cycle of construction to fix frequent leaks. Obstructions in the creek beds will be eliminated when existing ductile iron (DI) water lines are relocated further below the creek channel and the stream bed is restored. Due to the conditions of the existing DI pipe, replacement will eliminate leaks and repairs to these water lines. The projects that make up this request are as follows

- 1) Railroad Bore at Red House – construct new railroad bore with 12" water line to replace existing 4" water line under railroad to serve Union City Road.
- 2) Red House Creek Crossing – construct creek crossing for 8" water line to replace an existing water line which is exposed at bottom of creek
- 3) Waco/College Hill Water Line Replacement – replace 400 linear feet of 6" DI with PVC pipe due to frequent leaks and location of water line next to building.
- 4) Concord Road Creek Crossing – construct 6" water line crossing to replace an existing water line which is exposed at bottom of creek.
- 5) KY 52/Waco Loop Water Line Replacement – replace 11,800 linear feet of 4" cast iron (CI) pipe with 8" PVC due to leaks and the condition of the CI pipes due to acidic soil. The larger pipe size will also increase flow and pressure in Waco areas especially during peak usage.
- 6) Fike Road Water Line Replacement – replace 8,200 linear feet of 4" DI pipe with 6" PVC due to leaks, condition of pipe because of acidic soil and location of water line under pavement due to road widening. The larger pipe size will also increase flow and pressure in Waco areas especially during peak usage.
- 7) Waco Loop to Drowning Creek – replace 3,800 linear feet of DI pipe with 6" PVC due to leaks, condition of pipe because of acidic soil and location of water line under pavement due to road widening. The larger pipe size will also improve flows in the Bybee area.

**II. PROJECT BUDGET**

|                  | <u>Total</u>      |
|------------------|-------------------|
| Legal Expenses   | 5,000             |
| Engineering Fees | 150,338           |
| Construction     | 720,975           |
| Contingency      | 41,912            |
| Other            | 22,000            |
| <b>Total</b>     | <b>\$ 940,225</b> |

**III. PROJECT FUNDING**

|              | <u>Amount</u>     | <u>%</u>    |
|--------------|-------------------|-------------|
| Fund F Loan  | \$ 940,225        | 100%        |
| <b>Total</b> | <b>\$ 940,225</b> | <b>100%</b> |

**IV. KIA DEBT SERVICE**

|   |                  |
|---|------------------|
| Construction Loan                           | \$ 940,225       |
| Interest Rate                               | 2.00%            |
| Loan Term (Years)                           | 20               |
| Estimated Annual Debt Service               | \$ 57,270        |
| Administrative Fee (0.25%)                  | 2,351            |
| <b>Total Estimated Monthly Debt Service</b> | <b>\$ 59,621</b> |

**V. PROJECT SCHEDULE**

|                     |                  |
|---------------------|------------------|
| Bid Opening:        | January 26, 2011 |
| Construction Start: | May 9, 2011      |
| Construction Stop:  | December 9, 2011 |

**VI. CUSTOMER BREAKDOWN AND RATE STRUCTURE**

| <u>Customers</u> | <u>Total</u>  |
|------------------|---------------|
| Residential      | 9,394         |
| Commercial       | 653           |
| Industrial       | 5             |
| <b>Totals</b>    | <b>10,052</b> |

The monthly charge for water utility service is:

| <u>Date of Last Rate Increase</u>  | <u>7/1/2009</u> | <u>7/1/2007</u> |
|------------------------------------|-----------------|-----------------|
| First 280 cu. ft. (min. bill)      | \$15.17         | \$13.05         |
| Next 720 cu. ft.                   | 4.75            | 4.07            |
| Next 3,000 cu. ft.                 | 4.53            | 3.87            |
| Next 8,000 cu. ft.                 | 4.34            | 3.70            |
| Next 88,000 cu. ft.                | 4.15            | 3.53            |
| Over 100,000 cu. ft.               | 3.84            | 3.26            |
| Residential Bill for 4,000 gallons | \$27.27         | \$23.42         |
| Affordability (as a % of MHI)      | 1.00%           | 0.86%           |

## **VII. DEMOGRAPHICS**

The Madison County Utility District serves the north, northeast, east, and southeast areas of Madison County and purchases wholesale water from the City of Richmond at a rate of \$2.14 per 100 cubic feet. The District's service area covers approximately 35,098 of Madison County's population of 70,872. In 2000, the County's Median Household Income (MHI) was \$32,861. The MHI for the Commonwealth is \$33,672. Based on MHI, the project will qualify for the 2% interest rate.

## **VIII. 2010 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project qualifies for Green Project Reserve (GPR) funding for \$940,225. The breakdown of the GPR to the respective "green" categories is listed below:
  - a. Green Infrastructure - \$0
  - b. Water Efficiency - \$940,225
  - c. Energy Efficiency - \$0
  - d. Environmentally Innovative - \$0
  
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

## **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information for the utility was obtained from audited financial statements for the years ended December 31, 2002 through 2009. Amounts for 2010 and thereafter are estimated.

### **HISTORICAL**

Madison County Utility District (MCUD) is located in an area of the state that has experienced considerable growth over the last 10 years with population growth from 2000 to 2009 estimated at 17.5% (US Census). Revenues for the system increased an average of 6.5% from 2002 to 2009 from \$2,679,790 to \$3,895,665, respectively. This is primarily due to an average increase in customers per year of approximately 300 or 4%. While operating expense increases averaged 4.6% during the same period, MCUD maintained a debt coverage ratio in the range of 3.9 and 1.40. During the past three years the ratio has been in the 1.4 range with the exception of 2008 when it was 3.87. This spike was the result of a debt refinancing that reduced debt service for that year by approximately half. The balance sheet reflects adequate liquidity to support additional growth. Restricted accounts are maintained for operations and maintenance expenses, depreciation and bond sinking fund. The current ratio exceeds 1.0 and the number of days sales in receivables generally remains in the low 30 range.

### **PROJECTED**

Projections are based on the following assumptions:

- Charges for services in 2010 through 2016 will increase by 3% each year
- Purchased water and operating expenses will increase by 3% each year
- The replacement reserve is \$2,351 annually for this project.
- Annual debt service on the new KIA loan will be \$59,621 beginning in December 2012.

Based on the above assumptions, the Madison County Utility District will meet the required cashflow through the projected years with a debt coverage ratio in the range of 1.38 to 1.51 for each year through 2016.

#### REPLACEMENT RESERVE

Based on the information provided in the application the annual replacement cost is \$2,350. A proportionate amount should be added to the replacement account each month until the balance reaches \$23,500 and maintained for the life of the loan.

#### X. DEBT OBLIGATIONS

|                                   | Outstanding        | Maturity |
|-----------------------------------|--------------------|----------|
| KIA (F02-07)                      | \$2,613,817        | Jun-25   |
| KIA (F07-06)                      | 1,105,016          | Dec-29   |
| Series 2008 Utility Revenue Bonds | 3,370,000          | 2022     |
| <b>Total</b>                      | <b>\$7,088,833</b> |          |

#### XI. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u>          | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|-------------------------------|-----------------------|---------------|-------------|
| MCUD Improvements - Phase III | HB608                 | \$250,000     | Grant       |
| MCUD Improvements - Phase II  | KIA (F07-06)          | \$1,004,560   | Loan        |
| MCUD Improvements - Phase II  | HB380                 | \$500,000     | Grant       |

#### XII. CONTACTS

##### **Applicant**

Name Madison County Utilities District  
 Address P.O. Box 670  
 Richmond, KY 40475  
 County Madison  
 Contact John Clark  
 Phone (859) 624-1735  
 Email madisoncountyuti@bellsouth.net

**Applicant Contact**

Name CMW, Inc.  
Address 400 East Vine St., Suite 400  
Lexington, KY 40507  
Contact Kerry Odle  
Phone (859) 254-6623  
Email kodle@cmwaec.com

**Engineer**

Name Kerry Odle  
Firm CMW, Inc.  
Address 400 East Vine St., Suite 400  
Lexington, KY 40507  
Phone (859) 254-6623  
Email kodle@cmwaec.com

**XIII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard terms and conditions.

**EXHIBIT 1  
MADISON COUNTY UTILITIES DISTRICT  
CASH FLOW ANALYSIS (Dec 31)**

|   | Audited<br>2002  | %<br>Change | Audited<br>2003  | %<br>Change | Audited<br>2004  | %<br>Change | Audited<br>2005  | %<br>Change | Audited<br>2006  | %<br>Change | Audited<br>2007  | %<br>Change |
|---|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|
| <b>Operating Revenues</b>                                 |                  |             |                  |             |                  |             |                  |             |                  |             |                  |             |
| Charges for Services                                      | 2,532,358        | 11%         | 2,818,089        | 3%          | 2,911,478        | 7%          | 3,103,660        | 2%          | 3,155,975        | 8%          | 3,414,939        | 6%          |
| Miscellaneous   | 147,432          | -11%        | 131,150          | 4%          | 135,982          | 25%         | 169,697          | -15%        | 144,398          | 9%          | 156,673          | 17%         |
| <b>Total Revenues</b>                                     | <b>2,679,790</b> | <b>10%</b>  | <b>2,949,239</b> | <b>3%</b>   | <b>3,047,460</b> | <b>7%</b>   | <b>3,273,357</b> | <b>1%</b>   | <b>3,300,373</b> | <b>8%</b>   | <b>3,571,612</b> | <b>6%</b>   |
| <b>Operating Expenses</b>                                 |                  |             |                  |             |                  |             |                  |             |                  |             |                  |             |
| Purchased Water   | 1,408,905        | 6%          | 1,492,900        | 1%          | 1,510,328        | 8%          | 1,633,152        | -1%         | 1,614,878        | 13%         | 1,819,567        | 7%          |
| Operating Expenses  | 838,993          | 2%          | 856,501          | 17%         | 1,003,234        | 8%          | 1,083,931        | 3%          | 1,119,729        | 9%          | 1,216,968        | -9%         |
| Depreciation  | 269,090          | 7%          | 287,986          | 9%          | 314,650          | 11%         | 348,659          | 9%          | 380,551          | 9%          | 415,549          | 10%         |
| Replacement Reserve                                       |                  |             |                  |             |                  |             |                  |             |                  |             |                  |             |
| <b>Total Expenses</b>                                     | <b>2,516,988</b> | <b>5%</b>   | <b>2,637,387</b> | <b>7%</b>   | <b>2,828,212</b> | <b>8%</b>   | <b>3,065,742</b> | <b>2%</b>   | <b>3,115,158</b> | <b>11%</b>  | <b>3,452,084</b> | <b>2%</b>   |
| <b>Net Operating Income</b>                               | <b>162,802</b>   | <b>92%</b>  | <b>311,852</b>   | <b>-30%</b> | <b>219,248</b>   | <b>-5%</b>  | <b>207,615</b>   | <b>-11%</b> | <b>185,215</b>   | <b>-35%</b> | <b>119,528</b>   | <b>133%</b> |
| <b>Non-Operating Income and Expenses</b>                  |                  |             |                  |             |                  |             |                  |             |                  |             |                  |             |
| Interest on Investments                                   | 28,604           | -75%        | 7,283            | 63%         | 11,885           | 84%         | 21,915           | 28%         | 28,079           | 32%         | 36,983           | 20%         |
| Other   | 0                | #DIV/0!     | 0                | #DIV/0!     | 4,294            | -26%        | 3,162            | 2955%       | 96,612           | 117%        | 209,482          | -54%        |
| <b>Total Non-Operating Income &amp; Expenses</b>          | <b>28,604</b>    | <b>-75%</b> | <b>7,283</b>     | <b>122%</b> | <b>16,179</b>    | <b>55%</b>  | <b>25,077</b>    | <b>397%</b> | <b>124,691</b>   | <b>98%</b>  | <b>246,465</b>   | <b>-43%</b> |
| <b>Add Non-Cash Expenses</b>                              |                  |             |                  |             |                  |             |                  |             |                  |             |                  |             |
| Depreciation  | 269,090          | 7%          | 287,986          | 9%          | 314,650          | 11%         | 348,659          | 9%          | 380,551          | 9%          | 415,549          | 10%         |
| <b>Cash Available for Debt Service</b>                    | <b>460,496</b>   | <b>32%</b>  | <b>607,121</b>   | <b>-9%</b>  | <b>550,077</b>   | <b>6%</b>   | <b>581,351</b>   | <b>19%</b>  | <b>690,457</b>   | <b>13%</b>  | <b>781,542</b>   | <b>12%</b>  |
| <b>Debt Service</b> <small>(enter as positive #s)</small> |                  |             |                  |             |                  |             |                  |             |                  |             |                  |             |
| Existing Debt   | 274,147          |             | 277,439          |             | 310,026          |             | 415,072          |             | 485,677          |             | 518,583          |             |
| Proposed KIA Loan   |                  |             |                  |             |                  |             |                  |             |                  |             |                  |             |
| <b>Total Debt Service</b>                                 | <b>274,147</b>   |             | <b>277,439</b>   |             | <b>310,026</b>   |             | <b>415,072</b>   |             | <b>485,677</b>   |             | <b>518,583</b>   |             |
| <b>Income After Debt Service</b>                          | <b>186,349</b>   |             | <b>329,682</b>   |             | <b>240,051</b>   |             | <b>166,279</b>   |             | <b>204,780</b>   |             | <b>262,959</b>   |             |
| <b>Debt Coverage Ratio</b>                                | <b>1.68</b>      |             | <b>2.19</b>      |             | <b>1.77</b>      |             | <b>1.40</b>      |             | <b>1.42</b>      |             | <b>1.51</b>      |             |

**EXHIBIT 1  
MADISON COUNTY UTILITIES DISTRICT  
CASH FLOW ANALYSIS (Dec 31)**

|   | Audited<br>2008  | %<br>Change | Audited<br>2009  | %<br>Change | Prelim<br>2010   | Projected<br>2011 | Projected<br>2012 | Projected<br>2013 | Projected<br>2014 | Projected<br>2015 | Projected<br>2016 |
|---|------------------|-------------|------------------|-------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Operating Revenues</b>                                 |                  |             |                  |             |                  |                   |                   |                   |                   |                   |                   |
| Charges for Services                                      | 3,606,367        | 2%          | 3,691,765        | 3%          | 3,802,518        | 3,916,593         | 4,034,091         | 4,155,114         | 4,279,767         | 4,408,160         | 4,540,405         |
| Miscellaneous   | 183,193          | 11%         | 203,900          | 0%          | 203,900          | 210,017           | 216,318           | 222,808           | 229,492           | 236,377           | 243,468           |
| <b>Total Revenues</b>                                     | <b>3,789,560</b> | <b>3%</b>   | <b>3,895,665</b> | <b>3%</b>   | <b>4,006,418</b> | <b>4,126,610</b>  | <b>4,250,409</b>  | <b>4,377,922</b>  | <b>4,509,259</b>  | <b>4,644,537</b>  | <b>4,783,873</b>  |
| <b>Operating Expenses</b>                                 |                  |             |                  |             |                  |                   |                   |                   |                   |                   |                   |
| Purchased Water   | 1,939,955        | 1%          | 1,958,644        | 3%          | 2,017,403        | 2,077,925         | 2,140,263         | 2,204,471         | 2,270,605         | 2,338,723         | 2,408,885         |
| Operating Expenses  | 1,113,470        | 3%          | 1,142,231        | 3%          | 1,176,498        | 1,211,793         | 1,248,147         | 1,285,591         | 1,324,159         | 1,363,884         | 1,404,801         |
| Depreciation  | 457,552          | 5%          | 478,233          | 0%          | 480,000          | 480,000           | 498,800           | 498,800           | 498,800           | 498,800           | 498,800           |
| Replacement Reserve                                       |                  |             |                  |             | 25,000           | 25,000            | 27,351            | 27,351            | 27,351            | 27,351            | 27,351            |
| <b>Total Expenses</b>                                     | <b>3,510,977</b> | <b>2%</b>   | <b>3,579,108</b> | <b>3%</b>   | <b>3,698,901</b> | <b>3,794,718</b>  | <b>3,914,561</b>  | <b>4,016,213</b>  | <b>4,120,915</b>  | <b>4,228,758</b>  | <b>4,339,837</b>  |
| <b>Net Operating Income</b>                               | <b>278,583</b>   | <b>14%</b>  | <b>316,557</b>   | <b>-3%</b>  | <b>307,517</b>   | <b>331,892</b>    | <b>335,848</b>    | <b>361,709</b>    | <b>388,344</b>    | <b>415,779</b>    | <b>444,036</b>    |
| <b>Non-Operating Income and Expenses</b>                  |                  |             |                  |             |                  |                   |                   |                   |                   |                   |                   |
| Interest on Investments                                   | 44,305           | -56%        | 19,393           | 3%          | 20,000           | 20,000            | 20,000            | 20,000            | 20,000            | 20,000            | 20,000            |
| Other   | 96,594           |             | 7,917            |             | 7,500            | 7,500             | 7,500             | 7,500             | 7,500             | 7,500             | 7,500             |
| <b>Total Non-Operating Income &amp; Expenses</b>          | <b>140,899</b>   | <b>-81%</b> | <b>27,310</b>    | <b>1%</b>   | <b>27,500</b>    | <b>27,500</b>     | <b>27,500</b>     | <b>27,500</b>     | <b>27,500</b>     | <b>27,500</b>     | <b>27,500</b>     |
| <b>Add Non-Cash Expenses</b>                              |                  |             |                  |             |                  |                   |                   |                   |                   |                   |                   |
| Depreciation  | 457,552          | 5%          | 478,233          | 0%          | 480,000          | 480,000           | 498,800           | 498,800           | 498,800           | 498,800           | 498,800           |
| <b>Cash Available for Debt Service</b>                    | <b>877,034</b>   | <b>-6%</b>  | <b>822,100</b>   | <b>-1%</b>  | <b>815,017</b>   | <b>839,392</b>    | <b>862,148</b>    | <b>888,009</b>    | <b>914,644</b>    | <b>942,079</b>    | <b>970,336</b>    |
| <b>Debt Service</b> <small>(enter as positive #s)</small> |                  |             |                  |             |                  |                   |                   |                   |                   |                   |                   |
| Existing Debt   | 226,430          |             | 522,383          |             | 578,714          | 582,045           | 585,072           | 582,305           | 583,132           | 582,448           | 581,898           |
| Proposed KIA Loan   | 226,430          |             | 522,383          |             | 578,714          | 9,400             | 29,810            | 59,621            | 59,621            | 59,621            | 59,621            |
| <b>Total Debt Service</b>                                 | <b>650,604</b>   |             | <b>299,717</b>   |             | <b>236,303</b>   | <b>247,947</b>    | <b>247,266</b>    | <b>246,083</b>    | <b>271,891</b>    | <b>300,010</b>    | <b>328,817</b>    |
| <b>Income After Debt Service</b>                          |                  |             |                  |             |                  |                   |                   |                   |                   |                   |                   |
| <b>Debt Coverage Ratio</b>                                | <b>3.87</b>      |             | <b>1.57</b>      |             | <b>1.41</b>      | <b>1.42</b>       | <b>1.40</b>       | <b>1.38</b>       | <b>1.42</b>       | <b>1.47</b>       | <b>1.51</b>       |

**MADISON COUNTY UTILITIES DISTRICT  
BALANCE SHEETS (DEC 31)**

| <b>ASSETS</b>                                  | <b>2002</b>        | <b>2003</b>        | <b>2004</b>        | <b>2005</b>        | <b>2006</b>        | <b>2007</b>        | <b>2008</b>        |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Current Assets</b>                          |                    |                    |                    |                    |                    |                    |                    |
| Cash   | 302,684            | 318,461            | 730,612            | 462,120            | 470,947            | 615,838            | 673,728            |
| Investments                                    | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Accounts Receivable                            | 213,850            | 262,196            | 266,381            | 270,376            | 262,542            | 363,082            | 338,072            |
| Inventories                                    | 44,335             | 75,354             | 81,854             | 75,742             | 101,764            | 103,001            | 116,692            |
| Other  | 19,205             | 22,263             | 11,114             | 11,269             | 97,199             | 7,113              | 21,741             |
| <b>Total Current Assets</b>                    | <b>580,074</b>     | <b>678,274</b>     | <b>1,089,961</b>   | <b>819,507</b>     | <b>932,452</b>     | <b>1,089,034</b>   | <b>1,150,233</b>   |
| <b>Restricted Assets</b>                       |                    |                    |                    |                    |                    |                    |                    |
| Restricted Cash & Investments                  | 974,377            | 1,121,247          | 902,953            | 877,731            | 808,174            | 726,542            | 827,859            |
| <b>Total Restricted Assets</b>                 | <b>974,377</b>     | <b>1,121,247</b>   | <b>902,953</b>     | <b>877,731</b>     | <b>808,174</b>     | <b>726,542</b>     | <b>827,859</b>     |
| <b>Utility Plant</b>                           |                    |                    |                    |                    |                    |                    |                    |
| Land, System, Building and Equipment           | 13,195,055         | 14,965,824         | 16,313,263         | 17,355,178         | 17,850,446         | 19,247,277         | 20,081,323         |
| <b>Less Accumulated Depreciation ( )</b>       | <b>(3,670,745)</b> | <b>(3,940,890)</b> | <b>(4,246,379)</b> | <b>(4,584,337)</b> | <b>(4,896,548)</b> | <b>(5,302,157)</b> | <b>(5,747,494)</b> |
| <b>Net Fixed Assets</b>                        | <b>9,524,310</b>   | <b>11,024,934</b>  | <b>12,066,884</b>  | <b>12,770,841</b>  | <b>12,953,898</b>  | <b>13,945,120</b>  | <b>14,333,829</b>  |
| <b>Other Assets</b>                            |                    |                    |                    |                    |                    |                    |                    |
| Other  | 167,282            | 156,582            | 147,421            | 136,720            | 126,018            | 116,803            | 139,318            |
| <b>Total Other Assets</b>                      | <b>167,282</b>     | <b>156,582</b>     | <b>147,421</b>     | <b>136,720</b>     | <b>126,018</b>     | <b>116,803</b>     | <b>139,318</b>     |
| <b>Total Assets</b>                            | <b>11,246,043</b>  | <b>12,981,037</b>  | <b>14,207,219</b>  | <b>14,604,799</b>  | <b>14,820,542</b>  | <b>15,877,499</b>  | <b>16,451,239</b>  |
| <b>LIABILITIES</b>                             |                    |                    |                    |                    |                    |                    |                    |
| <b>Current Liabilities</b>                     |                    |                    |                    |                    |                    |                    |                    |
| Accounts Payable                               | 187,691            | 227,823            | 518,654            | 200,529            | 251,478            | 499,278            | 571,643            |
| Bonds and Notes Payable                        | 147,336            | 141,206            | 148,838            | 295,589            | 361,425            | 283,618            | 350,158            |
| Current Portion - Proposed KIA Loan            |                    |                    |                    |                    |                    |                    |                    |
| Other  | 14,064             | 30,481             | 0                  | 0                  | 0                  | 0                  | 0                  |
| Customer Meter Deposits                        | 90,350             | 94,343             | 101,533            | 100,750            | 98,255             | 98,665             | 95,830             |
| Interest                                       | 74,893             | 72,013             | 69,908             | 70,999             | 68,313             | 66,249             | 66,147             |
| <b>Total Current Liabilities</b>               | <b>514,334</b>     | <b>565,866</b>     | <b>838,933</b>     | <b>667,867</b>     | <b>779,471</b>     | <b>947,810</b>     | <b>1,083,778</b>   |
| <b>Long Term Liabilities</b>                   |                    |                    |                    |                    |                    |                    |                    |
| Notes Payable                                  | 0                  | 29,404             | 11,362             | 0                  | 0                  | 546,000            | 0                  |
| Bonds Payable                                  | 3,340,000          | 3,235,000          | 3,120,000          | 3,000,000          | 2,875,000          | 2,745,000          | 3,370,000          |
| KIA Fund Loan (F02-07, F07-06)                 | 937,111            | 2,301,938          | 3,000,000          | 3,074,685          | 2,884,633          | 2,768,975          | 2,613,817          |
| Proposed KIA Loan                              |                    |                    |                    |                    |                    |                    |                    |
| Premium on Bonds Payable                       |                    |                    |                    |                    |                    |                    | 69,028             |
| <b>Total Long Term Liabilities</b>             | <b>4,277,111</b>   | <b>5,566,342</b>   | <b>6,131,362</b>   | <b>6,074,685</b>   | <b>5,759,633</b>   | <b>6,059,975</b>   | <b>6,052,845</b>   |
| <b>Total Liabilities</b>                       | <b>4,791,445</b>   | <b>6,132,208</b>   | <b>6,970,295</b>   | <b>6,742,552</b>   | <b>6,539,104</b>   | <b>7,007,785</b>   | <b>7,136,623</b>   |
| <b>Retained Earnings:</b>                      |                    |                    |                    |                    |                    |                    |                    |
| Invested in Capital Assets Net of Related Debt | 5,199,380          | 5,451,915          | 5,831,884          | 6,425,573          | 6,832,840          | 7,509,469          | 7,678,621          |
| Restricted                                     | 974,377            | 1,121,247          | 902,953            | 877,731            | 808,174            | 726,542            | 813,915            |
| Unrestricted                                   | 280,841            | 275,667            | 502,087            | 558,943            | 640,424            | 633,703            | 822,080            |
| <b>Total Retained Earnings</b>                 | <b>6,454,598</b>   | <b>6,848,829</b>   | <b>7,236,924</b>   | <b>7,862,247</b>   | <b>8,281,438</b>   | <b>8,869,714</b>   | <b>9,314,616</b>   |
| <b>Total Liabilities and Equities</b>          | <b>11,246,043</b>  | <b>12,981,037</b>  | <b>14,207,219</b>  | <b>14,604,799</b>  | <b>14,820,542</b>  | <b>15,877,499</b>  | <b>16,451,239</b>  |
| <b>Balance Sheet Analysis</b>                  |                    |                    |                    |                    |                    |                    |                    |
| Current Ratio                                  | 1.13               | 1.20               | 1.30               | 1.23               | 1.20               | 1.15               | 1.06               |
| Debt to Equity                                 | 0.74               | 0.90               | 0.96               | 0.86               | 0.79               | 0.79               | 0.77               |
| Working Capital                                | 65,740             | 112,408            | 251,028            | 151,640            | 152,981            | 141,224            | 66,455             |
| Percent of Total Assets in Working Capital     | 0.58%              | 0.87%              | 1.77%              | 1.04%              | 1.03%              | 0.89%              | 0.40%              |
| Days Sales in Receivables                      | 29.1               | 32.4               | 31.9               | 30.1               | 29.0               | 37.1               | 32.6               |

**MADISON COUNTY UTILITIES DISTRICT  
BALANCE SHEETS (DEC 31)**

| <b>ASSETS</b>                                  | <b>2009</b>        | <b>2010</b>        | <b>Project<br/>Completion</b> |
|--|--------------------|--------------------|-------------------------------|
| <b>Current Assets</b>                          |                    |                    |                               |
| Cash   | 879,975            | 879,975            | 1,118,012                     |
| Investments                                    | 0                  | 0                  | 0                             |
| Accounts Receivable                            | 320,090            | 330,090            | 340,000                       |
| Inventories                                    | 130,749            | 130,749            | 130,749                       |
| Other  | 52,179             | 52,179             | 52,179                        |
| <b>Total Current Assets</b>                    | <b>1,382,993</b>   | <b>1,392,993</b>   | <b>1,640,940</b>              |
| <b>Restricted Assets</b>                       |                    |                    |                               |
| Restricted Cash & Investments                  | 832,278            | 857,278            | 882,278                       |
| <b>Total Restricted Assets</b>                 | <b>832,278</b>     | <b>857,278</b>     | <b>882,278</b>                |
| <b>Utility Plant</b>                           |                    |                    |                               |
| Land, System, Building and Equipment           | 20,956,001         | 20,956,001         | 21,896,226                    |
| <b>Less Accumulated Depreciation ( )</b>       | <b>(6,165,512)</b> | <b>(6,645,512)</b> | <b>(7,125,512)</b>            |
| <b>Net Fixed Assets</b>                        | <b>14,790,489</b>  | <b>14,310,489</b>  | <b>14,770,714</b>             |
| <b>Other Assets</b>                            |                    |                    |                               |
| Other  | 125,157            | 110,996            | 96,835                        |
| <b>Total Other Assets</b>                      | <b>125,157</b>     | <b>110,996</b>     | <b>96,835</b>                 |
| <b>Total Assets</b>                            | <b>17,130,917</b>  | <b>16,671,756</b>  | <b>17,390,767</b>             |
| <b>LIABILITIES</b>                             |                    |                    |                               |
| <b>Current Liabilities</b>                     |                    |                    |                               |
| Accounts Payable                               | 255,632            | 255,632            | 255,632                       |
| Bonds and Notes Payable                        | 406,885            | 418,959            | 431,054                       |
| Current Portion - Proposed KIA Loan            |                    |                    | 3,189                         |
| Other  | 0                  | 0                  |                               |
| Customer Meter Deposits                        | 99,840             | 99,840             | 99,840                        |
| Interest                                       | 62,817             | 62,817             | 62,817                        |
| <b>Total Current Liabilities</b>               | <b>825,174</b>     | <b>837,248</b>     | <b>852,533</b>                |
| <b>Long Term Liabilities</b>                   |                    |                    |                               |
| Notes Payable                                  | 0                  | 0                  | 0                             |
| Bonds Payable                                  | 3,170,000          | 2,960,000          | 2,740,000                     |
| KIA Fund Loan (F02-07, F07-06)                 | 3,511,948          | 3,302,989          | 3,091,935                     |
| Proposed KIA Loan                              |                    |                    | 937,036                       |
| Premium on Bonds Payable                       | 63,952             | 58,876             | 53,800                        |
| <b>Total Long Term Liabilities</b>             | <b>6,745,900</b>   | <b>6,321,865</b>   | <b>6,822,771</b>              |
| <b>Total Liabilities</b>                       | <b>7,571,074</b>   | <b>7,159,113</b>   | <b>7,675,303</b>              |
| <b>Retained Earnings:</b>                      |                    |                    |                               |
| Invested in Capital Assets Net of Related Debt | 7,701,656          | 7,701,656          | 7,701,656                     |
| Restricted                                     | 832,278            | 857,278            | 882,278                       |
| Unrestricted                                   | 1,025,909          | 953,709            | 1,131,530                     |
| <b>Total Retained Earnings</b>                 | <b>9,559,843</b>   | <b>9,512,643</b>   | <b>9,715,464</b>              |
| <b>Total Liabilities and Equities</b>          | <b>17,130,917</b>  | <b>16,671,756</b>  | <b>17,390,767</b>             |
| <b>Balance Sheet Analysis</b>                  |                    |                    |                               |
| Current Ratio                                  | 1.68               | 1.66               | 1.92                          |
| Debt to Equity                                 | 0.79               | 0.75               | 0.79                          |
| Working Capital                                | 557,819            | 555,745            | 788,407                       |
| Percent of Total Assets in Working Capital     | 3.26%              | 3.33%              | 4.53%                         |
| Days Sales in Receivables                      | 30.0               | 30.1               | 30.1                          |

**A  
T  
T  
A  
C  
H  
M  
E  
N  
T**

**I.B.12.**



**A RESOLUTION OF THE KENTUCKY INFRASTRUCTURE AUTHORITY  
AUTHORIZING AND APPROVING THE ISSUANCE OF OBLIGATIONS OF  
THE KENTUCKY INFRASTRUCTURE AUTHORITY TO REIMBURSE  
CAPITAL EXPENDITURES MADE BY GOVERNMENTAL AGENCIES  
PURSUANT TO LOANS MADE BY THE KENTUCKY INFRASTRUCTURE  
AUTHORITY TO SUCH GOVERNMENTAL AGENCIES**

**WHEREAS**, the Board of Directors of the Kentucky Infrastructure Authority (the "Authority") has heretofore approved the undertaking of the projects described in further detail in Exhibit A (collectively, the "Project"); and

**WHEREAS**, the Authority anticipates making loans to governmental agencies pursuant to the provisions of Chapter 224A of the Kentucky Revised Statutes (the "Act") for the Project and the governmental agencies may be expected to pay and/or incur costs with respect to the Project ("Prior Capital Expenditures") on or after the date of this resolution and prior to the issuance of the obligations (the "Obligations") which will finance the Project.

**NOW, THEREFORE BE IT RESOLVED** by the Board of Directors of the Kentucky Infrastructure Authority as follows:

**Section 1.** The Board of Directors hereby approves the use of the Obligations to finance the costs of the Project in the maximum principal amount set forth in Exhibit A plus costs of issuance related thereto and amounts required to fund a debt service reserve, if any, and declares its intent that any Prior Capital Expenditures made by the governmental agencies pursuant to loans made by the Authority will be made in anticipation of the issuance of such Obligations to reimburse said Prior Capital Expenditures. This declaration is made pursuant to Treas. Reg. 31.150-2.

**Section 2.** The Executive Director and Treasurer of the Authority are hereby authorized and directed to reimburse, not later than eighteen months after the later of (i) the date of the expenditure or (ii) the date the item was placed in service, but in any event not later than three years after the original expenditure, only those Prior Capital Expenditures made with respect to assets having a reasonably expected economic life of at least one year, and in addition, eligible preliminary expenditures paid and incurred prior to commencement of the Project.

**Section 3.** The Authority finds and determines that, consistent with the Authority's budgetary and financial circumstances, it does not have funds currently available and does not expect to have funds available in the future that may be allocated on a long-term basis, other than the proceeds of the Obligations, to finance the Prior Capital Expenditures.

**Section 4.** The Authority hereby directs the Executive Director, Secretary, and Treasurer to take the following action at the time the Prior Capital Expenditures are reimbursed from proceeds of the Obligations: (i) evidence the reimbursement on the books and records maintained with respect to the Obligations, and (ii) identify either the actual prior expenditure to be reimbursed or, in the case of reimbursement of a fund or account, the fund or account from which the expenditure was paid.

**Section 5.** The books, records and proceedings of the Authority with respect to this resolution shall be made reasonably available by the Authority for its inspection by the general public at the Authority's administrative office every business day during normal business hours commencing no later than 30 days after the passage of this resolution. Said books, record and proceedings of the Authority with respect to this resolution will continue to be reasonably available to the general public until the date of issuance of the Obligations.

**Section 6.** This Resolution shall be in full force and effect from and after its adoption.

Passed and adopted this 9th day of December, 2010.

---

TONY WILDER, CHAIR  
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

---

SANDY WILLIAMS, SECRETARY  
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

---

PECK, SHAFFER & WILLIAMS LLP  
LEGAL COUNSEL TO THE  
KENTUCKY INFRASTRUCTURE AUTHORITY

**EXHIBIT A**

| <b><u>APPLICANT</u></b>          | <b><u>FUND</u></b> | <b><u>AMOUNT</u></b> |
|----------------------------------|--------------------|----------------------|
| City of Livermore                | A                  | \$ 1,105,000         |
| Regional Water Resource Agency   | A                  | \$ 4,005,000         |
| City of Bardstown                | A                  | \$ 1,800,000         |
| City of LaCenter                 | A                  | \$ 895,000           |
| City of Morehead                 | A                  | \$ 3,000,000         |
| City of Caneyville               | B                  | \$ 100,000           |
| City of Crab Orchard             | B                  | \$ 810,000           |
| Bracken County Water District    | B                  | \$ 475,000           |
| Northern Kentucky Water District | F                  | \$16,000,000         |
| Madison County Utilities         | F                  | \$ 940,225           |



# **COAL/TOBACCO DEVELOPMENT FUND GRANTS**



2003 CDF TDF Draw Status Report

12/7/10

| County    | ADD               | WRIS No    | CDF         | TDF | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|-----------|-------------------|------------|-------------|-----|------------|----------|-------------|------------------|---------|
| 0,00      |                   |            |             |     |            |          |             |                  |         |
| Bell      | CUMBERLAND VALLEY | WX21013907 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Bell      | CUMBERLAND VALLEY | WX21013874 | \$130,000   | \$0 | 4          | 11/2/07  | \$130,000   | \$0              | 100     |
| Bell      | CUMBERLAND VALLEY | SX21013021 | \$150,000   | \$0 | 4          | 12/21/07 | \$150,000   | \$0              | 100     |
| Bell      | CUMBERLAND VALLEY | WX21013915 | \$175,000   | \$0 | 2          | 6/29/07  | \$175,000   | \$0              | 100     |
| Bell      | CUMBERLAND VALLEY | WX21013913 | \$225,000   | \$0 | 2          | 9/21/06  | \$225,000   | \$0              | 100     |
| Bell      | CUMBERLAND VALLEY | WX21013914 | \$320,000   | \$0 | 2          | 1/4/07   | \$320,000   | \$0              | 100     |
| Boyd      | FIVCO             | WX21019006 | \$47,000    | \$0 | 1          | 7/17/07  | \$47,000    | \$0              | 100     |
| Boyd      | FIVCO             | SX21019001 | \$250,000   | \$0 | 5          | 10/26/07 | \$250,000   | \$0              | 100     |
| Boyd      | FIVCO             | WX21019022 | \$350,000   | \$0 | 3          | 5/22/06  | \$320,000   | \$30,000         | 91      |
| Boyd      | FIVCO             | WX21019023 | \$350,000   | \$0 | 5          | 5/20/05  | \$350,000   | \$0              | 100     |
| Breathitt | KENTUCKY RIVER    | WX21025100 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Breathitt | KENTUCKY RIVER    | WX21025001 | \$2,726,804 | \$0 | 8          | 7/27/07  | \$2,726,804 | \$0              | 100     |
| Butler    | BARREN RIVER      | WX21031005 | \$1,000,000 | \$0 | 4          | 6/15/07  | \$1,000,000 | \$0              | 100     |
| Carter    | FIVCO             | WX21043003 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Carter    | FIVCO             | SX21043023 | \$600,000   | \$0 | 1          | 6/16/06  | \$600,000   | \$0              | 100     |
| Carter    | FIVCO             | WX21043001 | \$600,000   | \$0 | 2          | 5/20/05  | \$600,000   | \$0              | 100     |
| Carter    | FIVCO             | WX21043018 | \$600,000   | \$0 | 4          | 12/20/06 | \$600,000   | \$0              | 100     |
| Christian | PENNYRILE         | WX21047014 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Clay      | CUMBERLAND VALLEY | SX21051041 | \$100,000   | \$0 | 2          | 11/1/05  | \$100,000   | \$0              | 100     |
| Clay      | CUMBERLAND VALLEY | SX21051042 | \$300,000   | \$0 | 2          | 11/1/05  | \$300,000   | \$0              | 100     |
| Clay      | CUMBERLAND VALLEY | WX21051201 | \$1,000,000 | \$0 | 3          | 12/20/04 | \$1,000,000 | \$0              | 100     |
| Clay      | CUMBERLAND VALLEY | WX21051541 | \$2,000,000 | \$0 | 3          | 9/21/05  | \$2,000,000 | \$0              | 100     |
| Daviess   | GREEN RIVER       | WX21059006 | \$100,000   | \$0 | 3          | 6/16/06  | \$100,000   | \$0              | 100     |
| Daviess   | GREEN RIVER       | WX21059008 | \$250,000   | \$0 | 3          | 11/22/06 | \$250,000   | \$0              | 100     |
| Daviess   | GREEN RIVER       | WX21059009 | \$350,000   | \$0 | 3          | 2/22/06  | \$350,000   | \$0              | 100     |
| Elliott   | FIVCO             | SX21063001 | \$250,000   | \$0 | 1          | 3/2/04   | \$250,000   | \$0              | 100     |
| Elliott   | FIVCO             | WX21063001 | \$800,000   | \$0 | 5          | 9/14/07  | \$800,000   | \$0              | 100     |

| County  | ADD               | WRIS No    | CDF         | TDF | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|---------|-------------------|------------|-------------|-----|------------|----------|-------------|------------------|---------|
| Floyd   | BIG SANDY         | WX21071702 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Floyd   | BIG SANDY         | WX21071715 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Floyd   | BIG SANDY         | WX21071717 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Floyd   | BIG SANDY         | WX21071207 | \$400,000   | \$0 | 2          | 2/21/05  | \$400,000   | \$0              | 100     |
| Floyd   | BIG SANDY         | WX21071701 | \$1,250,000 | \$0 | 3          | 10/6/05  | \$1,250,000 | \$0              | 100     |
| Greenup | FIVCO             | WX21089082 | \$7,241     | \$0 |            |          | \$0         | \$7,241          | 0       |
| Greenup | FIVCO             | SX21089027 | \$7,800     | \$0 | 1          | 5/11/07  | \$7,800     | \$0              | 100     |
| Greenup | FIVCO             | SX21089015 | \$15,000    | \$0 |            |          | \$0         | \$15,000         | 0       |
| Greenup | FIVCO             | WX21089022 | \$15,390    | \$0 | 3          | 2/18/06  | \$15,390    | \$0              | 100     |
| Greenup | FIVCO             | WX21089027 | \$22,702    | \$0 | 4          | 10/31/06 | \$22,702    | \$0              | 100     |
| Greenup |                   | SX21089029 | \$22,710    | \$0 | 1          | 1/21/05  | \$22,710    | \$0              | 100     |
| Greenup | FIVCO             | WX21089026 | \$22,711    | \$0 | 2          | 9/21/05  | \$22,711    | \$0              | 100     |
| Greenup | FIVCO             | SX21089012 | \$60,000    | \$0 |            |          | \$0         | \$60,000         | 0       |
| Greenup | FIVCO             | SX21089013 | \$100,000   | \$0 | 2          | 8/24/07  | \$100,000   | \$0              | 100     |
| Greenup | FIVCO             | WX21089010 | \$100,000   | \$0 | 3          | 11/21/05 | \$100,000   | \$0              | 100     |
| Greenup | FIVCO             | WX21089012 | \$125,000   | \$0 | 2          | 5/20/05  | \$122,964   | \$2,036          | 98      |
| Greenup | FIVCO             | WX21089002 | \$155,000   | \$0 | 2          | 11/21/05 | \$154,975   | \$25             | 100     |
| Greenup | FIVCO             | WX21089001 | \$400,000   | \$0 | 2          | 10/29/10 | \$399,578   | \$422            | 100     |
| Greenup | FIVCO             | WX21089015 | \$500,000   | \$0 | 4          | 11/21/05 | \$500,000   | \$0              | 100     |
| Hancock | GREEN RIVER       | WX21059007 | \$250,000   | \$0 | 2          | 4/19/06  | \$250,000   | \$0              | 100     |
| Harlan  | CUMBERLAND VALLEY | WX21095007 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Harlan  | CUMBERLAND VALLEY | WX21095631 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Harlan  | CUMBERLAND VALLEY | WX21095632 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Harlan  | CUMBERLAND VALLEY | WX21095633 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Harlan  | CUMBERLAND VALLEY | WX21095634 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Harlan  | CUMBERLAND VALLEY | WX21095668 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Harlan  | CUMBERLAND VALLEY | WX21095601 | \$125,000   | \$0 | 4          | 2/27/09  | \$125,000   | \$0              | 100     |
| Harlan  | CUMBERLAND VALLEY | WX21095602 | \$160,000   | \$0 | 5          | 10/24/06 | \$160,000   | \$0              | 100     |
| Harlan  | CUMBERLAND VALLEY | WX21095021 | \$616,027   | \$0 | 3          | 12/8/06  | \$616,027   | \$0              | 100     |
| Harlan  | CUMBERLAND VALLEY | WX21095641 | \$800,000   | \$0 | 2          | 2/15/07  | \$800,000   | \$0              | 100     |

| County    | ADD               | WRIS No    | CDF         | TDF | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|-----------|-------------------|------------|-------------|-----|------------|----------|-------------|------------------|---------|
| Henderson | GREEN RIVER       | WX21101003 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Henderson | GREEN RIVER       | WX21101008 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Henderson | GREEN RIVER       | WX21101010 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Henderson | GREEN RIVER       | WX21101011 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Henderson | GREEN RIVER       | WX21101012 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Henderson | GREEN RIVER       | WX21101015 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Henderson | GREEN RIVER       | WX21101032 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Henderson | GREEN RIVER       | WX21101033 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Hopkins   | PENNYRILE         | WX21107010 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Hopkins   | PENNYRILE         | WX21107011 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Hopkins   |                   | WX21107013 | \$37,500    | \$0 | 1          | 8/31/07  | \$37,500    | \$0              | 100     |
| Hopkins   |                   | WX21107016 | \$38,044    | \$0 | 3          | 11/30/07 | \$38,044    | \$0              | 100     |
| Hopkins   |                   | WX21107012 | \$89,716    | \$0 | 6          | 10/24/06 | \$89,716    | \$0              | 100     |
| Hopkins   |                   | WX21107015 | \$99,727    | \$0 | 2          | 9/21/05  | \$70,387    | \$29,340         | 71      |
| Hopkins   |                   | WX21107014 | \$105,013   | \$0 | 4          | 10/9/09  | \$105,010   | \$3              | 100     |
| Jackson   | CUMBERLAND VALLEY | WX21109706 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Jackson   | CUMBERLAND VALLEY | WX21109715 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Jackson   | CUMBERLAND VALLEY | WX21109716 | \$435,000   | \$0 | 4          | 1/18/07  | \$434,490   | \$510            | 100     |
| Johnson   | BIG SANDY         | WX21115012 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Johnson   | BIG SANDY         | WX21115002 | \$613,435   | \$0 | 3          | 5/11/07  | \$613,435   | \$0              | 100     |
| Knott     | KENTUCKY RIVER    | WX21119014 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Knott     | KRADD             | WX21119002 | \$674,090   | \$0 | 5          | 10/19/07 | \$669,090   | \$5,000          | 99      |
| Knott     | KENTUCKY RIVER    | WX21119101 | \$1,000,000 | \$0 | 3          | 9/22/04  | \$1,000,000 | \$0              | 100     |
| Knox      | CUMBERLAND VALLEY | WX21121535 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Knox      | CUMBERLAND VALLEY | WX21121536 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Knox      | CUMBERLAND VALLEY | WX21121533 | \$150,000   | \$0 | 5          | 11/11/10 | \$150,000   | \$0              | 100     |
| Knox      | CUMBERLAND VALLEY | WX21125509 | \$180,000   | \$0 | 2          | 12/20/05 | \$180,000   | \$0              | 100     |
| Knox      | CUMBERLAND VALLEY | SX21121509 | \$202,442   | \$0 |            |          | \$0         | \$202,442        | 0       |
| Knox      | CUMBERLAND VALLEY | WX21121005 | \$500,000   | \$0 | 2          | 6/16/06  | \$425,000   | \$75,000         | 85      |
| Knox      | CUMBERLAND VALLEY | WX21121534 | \$975,958   | \$0 | 2          | 2/28/07  | \$975,958   | \$0              | 100     |

| County   | ADD               | WRIS No    | CDF         | TDF | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|----------|-------------------|------------|-------------|-----|------------|----------|-------------|------------------|---------|
| Laurel   | CUMBERLAND VALLEY | WX21125529 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Laurel   | CUMBERLAND VALLEY | WX21125537 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Laurel   |                   | SX21125154 | \$2,000,000 | \$0 | 3          | 5/29/09  | \$2,000,000 | \$0              | 100     |
| Lawrence | FIVCO             | SX21127005 | \$150,000   | \$0 | 2          | 5/25/07  | \$150,000   | \$0              | 100     |
| Lawrence | FIVCO             | WX21127001 | \$391,520   | \$0 | 2          | 5/4/07   | \$391,520   | \$0              | 100     |
| Lawrence | FIVCO             | WX21019005 | \$500,000   | \$0 | 2          | 3/20/06  | \$500,000   | \$0              | 100     |
| Lee      | KENTUCKY RIVER    | WX21129001 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Lee      | KENTUCKY RIVER    | WX21129101 | \$58,000    | \$0 | 2          | 5/21/04  | \$58,000    | \$0              | 100     |
| Lee      | KENTUCKY RIVER    | SX21129002 | \$150,000   | \$0 | 2          | 4/21/04  | \$150,000   | \$0              | 100     |
| Lee      | KENTUCKY RIVER    | WX21129003 | \$500,000   | \$0 | 2          | 11/30/04 | \$500,000   | \$0              | 100     |
| Lee      | KENTUCKY RIVER    | WX21129002 | \$1,000,000 | \$0 | 12         | 6/15/07  | \$1,000,000 | \$0              | 100     |
| Leslie   | KENTUCKY RIVER    | WX21131001 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Leslie   | KENTUCKY RIVER    | WX21131007 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Leslie   | KENTUCKY RIVER    | WX21131010 | \$250,000   | \$0 | 3          | 12/18/09 | \$250,000   | \$0              | 100     |
| Leslie   | KENTUCKY RIVER    | WX21131100 | \$500,000   | \$0 | 3          | 7/6/09   | \$500,000   | \$0              | 100     |
| Leslie   | KENTUCKY RIVER    | WX21131101 | \$650,000   | \$0 | 6          | 9/17/10  | \$650,000   | \$0              | 100     |
| Letcher  | KENTUCKY RIVER    | WX21133009 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Letcher  | KENTUCKY RIVER    | WX21133200 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Letcher  | KENTUCKY RIVER    | WX21133003 | \$180,000   | \$0 | 1          | 12/20/04 | \$153,000   | \$27,000         | 85      |
| Letcher  | KENTUCKY RIVER    | WX21133004 | \$223,466   | \$0 | 4          | 10/12/07 | \$222,613   | \$853            | 100     |
| Letcher  | KENTUCKY RIVER    | WX21133022 | \$400,000   | \$0 | 1          | 10/25/04 | \$340,000   | \$60,000         | 85      |
| Letcher  | KENTUCKY RIVER    | WX21133020 | \$450,000   | \$0 | 5          | 2/15/08  | \$449,118   | \$882            | 100     |
| Letcher  | KENTUCKY RIVER    | WX21133014 | \$2,000,000 | \$0 | 15         | 8/14/09  | \$1,985,227 | \$14,773         | 99      |
| Magoffin |                   | SX21153016 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Magoffin | BIG SANDY         | WX21153015 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Magoffin | BIG SANDY         | WX21153016 | \$700,000   | \$0 | 3          | 11/19/04 | \$700,000   | \$0              | 100     |
| Magoffin |                   | SX21153017 | \$1,100,000 | \$0 | 3          | 7/24/06  | \$1,100,000 | \$0              | 100     |
| Martin   | BIG SANDY         | WX21159002 | \$0         | \$0 | 38         | 10/22/10 | \$3,122,831 | (\$3,122,831)    | 0       |
| Martin   | BIG SANDY         | WX21159001 | \$470,034   | \$0 | 3          | 4/6/07   | \$470,034   | \$0              | 100     |
| Martin   | BIG SANDY         | WX21159004 | \$1,033,289 | \$0 | 3          | 4/6/07   | \$1,033,289 | \$0              | 100     |

| County     | ADD             | WRIS No    | CDF         | TDF | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|------------|-----------------|------------|-------------|-----|------------|----------|-------------|------------------|---------|
| McCreary   | LAKE CUMBERLAND | WX21147004 | \$80,000    | \$0 | 2          | 12/14/06 | \$80,000    | \$0              | 100     |
| McCreary   | LAKE CUMBERLAND | WX21147001 | \$920,000   | \$0 | 2          | 10/24/06 | \$920,000   | \$0              | 100     |
| McLean     | GREEN RIVER     | SX21149007 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| McLean     | GREEN RIVER     | WX21149003 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| McLean     | GREEN RIVER     | WX21149008 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| McLean     | GREEN RIVER     | WX21149009 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| McLean     | GREEN RIVER     | WX21149010 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Menifee    | GATEWAY         | WX21165004 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Menifee    | GATEWAY         | WX21165001 | \$353,400   | \$0 | 2          | 8/21/06  | \$353,400   | \$0              | 100     |
| Menifee    | GATEWAY         | WX21165005 | \$550,000   | \$0 | 3          | 11/21/05 | \$550,000   | \$0              | 100     |
| Morgan     | GATEWAY         | WX21175014 | \$400,000   | \$0 | 10         | 9/10/10  | \$400,000   | \$0              | 100     |
| Morgan     | GATEWAY         | WX21175001 | \$500,000   | \$0 | 2          | 3/24/05  | \$500,000   | \$0              | 100     |
| Morgan     | GATEWAY         | WX21175005 | \$500,000   | \$0 | 2          | 2/21/05  | \$500,000   | \$0              | 100     |
| Muhlenberg | PENNYRILE       | WX21177004 | \$500,000   | \$0 | 8          | 1/16/09  | \$500,000   | \$0              | 100     |
| Ohio       | GREEN RIVER     | WX21183004 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Ohio       | GREEN RIVER     | WX21183001 | \$241,500   | \$0 | 2          | 7/17/07  | \$213,540   | \$27,960         | 88      |
| Owsley     | KENTUCKY RIVER  | SX21189003 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Owsley     | KENTUCKY RIVER  | SX21189001 | \$600,000   | \$0 | 11         | 3/20/09  | \$592,266   | \$7,734          | 99      |
| Perry      | KENTUCKY RIVER  | WX21193002 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Perry      | KENTUCKY RIVER  | WX21193025 | \$0         | \$0 | 5          | 6/8/06   | \$150,000   | (\$150,000)      | 0       |
| Perry      | KENTUCKY RIVER  | WX21193200 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Perry      | KENTUCKY RIVER  | WX21193009 | \$769,702   | \$0 | 3          | 1/23/06  | \$769,702   | \$0              | 100     |
| Perry      | KENTUCKY RIVER  | WX21193012 | \$1,099,134 | \$0 | 2          | 11/19/04 | \$1,099,134 | \$0              | 100     |
| Perry      | KENTUCKY RIVER  | WX21193201 | \$1,280,800 | \$0 | 2          | 1/23/06  | \$1,280,800 | \$0              | 100     |
| Pike       | BIG SANDY       | WX21195653 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Pike       | BIG SANDY       | WX21195654 | \$0         | \$0 |            |          | \$0         | \$0              | 0       |
| Pike       | BIG SANDY       | WX21195614 | \$151,000   | \$0 | 2          | 1/21/05  | \$151,000   | \$0              | 100     |
| Pike       | BIG SANDY       | wx21195111 | \$174,000   | \$0 | 2          | 12/20/04 | \$170,528   | \$3,472          | 98      |
| Pike       | BIG SANDY       | WX21195641 | \$197,000   | \$0 | 2          | 9/22/04  | \$197,000   | \$0              | 100     |
| Pike       | BIG SANDY       | WX21195001 | \$363,204   | \$0 | 2          | 11/30/07 | \$363,204   | \$0              | 100     |

| County     | ADD               | WRIS No    | CDF         | TDF       | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|------------|-------------------|------------|-------------|-----------|------------|----------|-------------|------------------|---------|
| Pike       | BIG SANDY         | WX21195642 | \$366,000   | \$0       | 2          | 1/21/05  | \$366,000   | \$0              | 100     |
| Pike       | BIG SANDY         | SX21195010 | \$800,000   | \$0       | 2          | 4/19/06  | \$800,000   | \$0              | 100     |
| Pike       | BIG SANDY         | WX21195615 | \$911,747   | \$0       | 2          | 9/22/04  | \$911,747   | \$0              | 100     |
| Union      | GREEN RIVER       | WX21225036 | \$50,000    | \$0       |            |          | \$0         | \$50,000         | 0       |
| Union      | GREEN RIVER       | SX21225004 | \$150,000   | \$0       | 1          | 11/21/03 | \$125,500   | \$24,500         | 84      |
| Union      | GREEN RIVER       | SX21225002 | \$300,000   | \$0       | 3          | 12/14/06 | \$300,000   | \$0              | 100     |
| Union      | GREEN RIVER       | WX21225002 | \$300,000   | \$0       | 2          | 1/21/05  | \$300,000   | \$0              | 100     |
| Webster    | GREEN RIVER       | SX21233003 | \$0         | \$0       |            |          | \$0         | \$0              | 0       |
| Webster    | GREEN RIVER       | WX21233003 | \$0         | \$0       |            |          | \$0         | \$0              | 0       |
| Webster    | GREEN RIVER       | wx21233047 | \$0         | \$0       |            |          | \$0         | \$0              | 0       |
| Webster    | GREEN RIVER       | wx21233048 | \$0         | \$0       | 3          | 3/21/05  | \$500,000   | (\$500,000)      | 0       |
| Webster    | GREEN RIVER       | SX21233006 | \$850,000   | \$0       | 9          | 11/2/07  | \$850,000   | \$0              | 100     |
| Whitley    | CUMBERLAND VALLEY | WX21121725 | \$0         | \$0       |            |          | \$0         | \$0              | 0       |
| Whitley    | CUMBERLAND VALLEY | WX21235431 | \$170,000   | \$0       | 2          | 7/25/05  | \$170,000   | \$0              | 100     |
| Whitley    | CUMBERLAND VALLEY | SX21235216 | \$395,000   | \$0       | 3          | 10/17/08 | \$395,000   | \$0              | 100     |
| Whitley    | CUMBERLAND VALLEY | WX21125541 | \$395,000   | \$0       | 8          | 3/4/10   | \$395,000   | \$0              | 100     |
| Whitley    | CUMBERLAND VALLEY | WX21235401 | \$500,000   | \$0       | 2          | 11/16/06 | \$500,000   | \$0              | 100     |
| Whitley    | CUMBERLAND VALLEY | WX21235430 | \$600,000   | \$0       | 2          | 12/7/07  | \$600,000   | \$0              | 100     |
| Whitley    | CUMBERLAND VALLEY | WX21125540 | \$700,000   | \$0       | 3          | 11/16/06 | \$700,000   | \$0              | 100     |
| Whitley    | CUMBERLAND VALLEY | WX21235801 | \$3,000,000 | \$0       | 18         | 1/9/09   | \$3,000,000 | \$0              | 100     |
| Wolfe      | KENTUCKY RIVER    | WX21237104 | \$200,000   | \$0       | 2          | 6/21/05  | \$200,000   | \$0              | 100     |
| Wolfe      | KENTUCKY RIVER    | WX21237103 | \$217,673   | \$0       | 2          | 6/21/05  | \$217,673   | \$0              | 100     |
| Wolfe      | KENTUCKY RIVER    | WX21237102 | \$250,000   | \$0       | 2          | 6/21/05  | \$250,000   | \$0              | 100     |
| Wolfe      | KENTUCKY RIVER    | WX21237101 | \$300,000   | \$0       | 3          | 6/21/05  | \$300,000   | \$0              | 100     |
| 1.00 Adair | LAKE CUMBERLAND   | WX21001002 | \$0         | \$413,000 | 2          | 11/21/05 | \$413,000   | \$0              | 100     |
| Allen      | BARREN RIVER      | SX21003002 | \$0         | \$500,000 | 5          | 10/24/06 | \$497,500   | \$2,500          | 100     |
| Anderson   | BLUEGRASS         | WX21005002 | \$0         | \$750,000 | 6          | 4/27/07  | \$750,000   | \$0              | 100     |
| Barren     | BARREN RIVER      | SX21009022 | \$0         | \$250,000 | 1          | 8/19/04  | \$250,000   | \$0              | 100     |
| Barren     | BARREN RIVER      | WX21009001 | \$0         | \$340,000 | 2          | 12/27/06 | \$340,000   | \$0              | 100     |

| County       | ADD               | WRIS No    | CDF | TDF         | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|--------------|-------------------|------------|-----|-------------|------------|----------|-------------|------------------|---------|
| Barren       | BARREN RIVER      | SX21009021 | \$0 | \$1,400,000 | 9          | 11/16/07 | \$1,400,000 | \$0              | 100     |
| Bath         | GATEWAY           | WX21011003 | \$0 | \$850,000   | 3          | 11/21/05 | \$850,000   | \$0              | 100     |
| Bourbon      | BLUEGRASS         | WX21017003 | \$0 | \$320,000   | 2          | 5/20/05  | \$320,000   | \$0              | 100     |
| Bourbon      | BLUEGRASS         | WX21017002 | \$0 | \$650,000   | 3          | 12/19/08 | \$642,450   | \$7,550          | 99      |
| Boyle        | BLUEGRASS         | WX21021004 | \$0 | \$35,000    | 2          | 2/8/08   | \$35,000    | \$0              | 100     |
| Boyle        | BLUEGRASS         | SX21021006 | \$0 | \$70,000    | 2          | 12/16/08 | \$70,000    | \$0              | 100     |
| Boyle        | BLUEGRASS         | SX21021001 | \$0 | \$400,000   | 3          | 1/11/08  | \$400,000   | \$0              | 100     |
| Bracken      | BUFFALO TRACE     | SX21023002 | \$0 | \$50,000    | 2          | 12/19/08 | \$50,000    | \$0              | 100     |
| Bracken      | BUFFALO TRACE     | SX21023001 | \$0 | \$80,000    | 2          | 9/19/08  | \$80,000    | \$0              | 100     |
| Bracken      | BUFFALO TRACE     | WX21023002 | \$0 | \$200,000   | 1          | 2/18/06  | \$200,000   | \$0              | 100     |
| Bracken      | BUFFALO TRACE     | WX21023001 | \$0 | \$360,000   | 2          | 3/21/05  | \$360,000   | \$0              | 100     |
| Bracken      | BUFFALO TRACE     | WX21023003 | \$0 | \$360,000   | 2          | 3/21/05  | \$360,000   | \$0              | 100     |
| Breckinridge | LINCOLN TRAIL     | WX21027001 | \$0 | \$500,000   | 3          | 8/17/07  | \$500,000   | \$0              | 100     |
| Bullitt      |                   | IX21059004 | \$0 | \$50,000    | 4          | 8/17/07  | \$42,858    | \$7,143          | 86      |
| Bullitt      | KIPDA             | WX21029101 | \$0 | \$80,000    | 1          | 9/28/07  | \$80,000    | \$0              | 100     |
| Bullitt      | KIPDA             | WX21029099 | \$0 | \$90,000    | 1          | 9/28/07  | \$90,000    | \$0              | 100     |
| Bullitt      |                   | SX21029014 | \$0 | \$125,000   | 4          | 3/14/08  | \$125,000   | \$0              | 100     |
| Bullitt      | KIPDA             | WX21029020 | \$0 | \$126,000   | 1          | 3/20/06  | \$126,000   | \$0              | 100     |
| Bullitt      | KIPDA             | WX21029049 | \$0 | \$300,000   | 1          | 9/3/10   | \$300,000   | \$0              | 100     |
| Bullitt      | KIPDA             | WX21029104 | \$0 | \$383,000   | 1          | 4/10/09  | \$383,000   | \$0              | 100     |
| Caldwell     | PENNYRILE         | WX21033001 | \$0 | \$275,000   | 2          | 2/18/06  | \$275,000   | \$0              | 100     |
| Caldwell     | PENNYRILE         | WX21033002 | \$0 | \$300,000   | 2          | 11/21/05 | \$300,000   | \$0              | 100     |
| Carroll      | NORTHERN KENTUCKY | SX21041300 | \$0 | \$250,000   | 2          | 3/14/08  | \$250,000   | \$0              | 100     |
| Casey        | LAKE CUMBERLAND   | SX21045001 | \$0 | \$80,000    | 2          | 9/22/04  | \$80,000    | \$0              | 100     |
| Casey        | LAKE CUMBERLAND   | WX21045001 | \$0 | \$750,000   | 4          | 1/23/09  | \$750,000   | \$0              | 100     |
| Clark        | BLUEGRASS         | SX21049012 | \$0 | \$150,000   | 1          | 2/27/09  | \$150,000   | \$0              | 100     |
| Clark        | BLUEGRASS         | WX21049002 | \$0 | \$375,000   | 2          | 10/19/05 | \$375,000   | \$0              | 100     |
| Clark        | BLUEGRASS         | SX21049015 | \$0 | \$500,000   | 7          | 8/14/09  | \$500,000   | \$0              | 100     |
| Clinton      | LAKE CUMBERLAND   | WX21053001 | \$0 | \$135,000   | 2          | 5/9/06   | \$135,000   | \$0              | 100     |
| Clinton      | LAKE CUMBERLAND   | SX21053001 | \$0 | \$150,000   | 2          | 9/21/05  | \$150,000   | \$0              | 100     |

| County     | ADD               | WRIS No    | CDF | TDF         | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|------------|-------------------|------------|-----|-------------|------------|----------|-------------|------------------|---------|
| Clinton    | LAKE CUMBERLAND   | WX21053003 | \$0 | \$360,000   | 2          | 5/20/05  | \$360,000   | \$0              | 100     |
| Clinton    | LAKE CUMBERLAND   | SX21053003 | \$0 | \$1,000,000 | 7          | 12/18/09 | \$1,000,000 | \$0              | 100     |
| Crittenden | PENNYRILE         | WX21055005 | \$0 | \$150,000   | 2          | 11/21/05 | \$150,000   | \$0              | 100     |
| Crittenden | PENNYRILE         | WX21055006 | \$0 | \$150,000   | 2          | 11/21/05 | \$150,000   | \$0              | 100     |
| Crittenden | PENNYRILE         | SX21055001 | \$0 | \$200,000   | 3          | 2/22/06  | \$200,000   | \$0              | 100     |
| Crittenden | PENNYRILE         | WX21055004 | \$0 | \$500,000   | 2          | 11/21/05 | \$500,000   | \$0              | 100     |
| Cumberland | LAKE CUMBERLAND   | WX21057002 | \$0 | \$1,300,000 | 4          | 12/23/09 | \$1,300,000 | \$0              | 100     |
| Edmonson   | BARREN RIVER      | SX21061004 | \$0 | \$300,000   | 3          | 5/9/06   | \$300,000   | \$0              | 100     |
| Edmonson   |                   | WX21061018 | \$0 | \$358,000   | 4          | 9/25/06  | \$358,000   | \$0              | 100     |
| Estill     | BLUEGRASS         | WX21065002 | \$0 | \$600,000   | 5          | 3/16/07  | \$600,000   | \$0              | 100     |
| Fleming    | BUFFALO TRACE     | SX21069010 | \$0 | \$35,000    | 2          | 2/21/05  | \$35,000    | \$0              | 100     |
| Fleming    | BUFFALO TRACE     | WX21069004 | \$0 | \$75,000    | 1          | 1/21/05  | \$75,000    | \$0              | 100     |
| Fleming    | BUFFALO TRACE     | WX21069006 | \$0 | \$100,000   | 3          | 3/20/06  | \$100,000   | \$0              | 100     |
| Fleming    | BUFFALO TRACE     | WX21069003 | \$0 | \$150,000   | 2          | 6/1/07   | \$150,000   | \$0              | 100     |
| Fleming    | BUFFALO TRACE     | SX21069007 | \$0 | \$200,000   | 3          | 7/6/09   | \$177,562   | \$22,438         | 89      |
| Fleming    | BUFFALO TRACE     | WX21069005 | \$0 | \$350,000   | 2          | 9/21/05  | \$350,000   | \$0              | 100     |
| Franklin   | BLUEGRASS         | WX21073001 | \$0 | \$48,037    | 1          | 10/1/10  | \$48,037    | \$0              | 100     |
| Franklin   | BLUEGRASS         | WX21073002 | \$0 | \$53,852    | 1          | 10/1/10  | \$53,852    | \$0              | 100     |
| Franklin   | BLUEGRASS         | WX21073003 | \$0 | \$650,000   | 7          | 9/22/10  | \$650,000   | \$0              | 100     |
| Gallatin   | NORTHERN KENTUCKY | WX21077400 | \$0 | \$250,000   | 5          | 5/22/06  | \$250,000   | \$0              | 100     |
| Garrard    | BLUEGRASS         | WX21079005 | \$0 | \$65,000    | 3          | 3/21/05  | \$65,000    | \$0              | 100     |
| Garrard    | BLUEGRASS         | WX21079006 | \$0 | \$100,000   | 1          | 4/27/04  | \$100,000   | \$0              | 100     |
| Grant      | NORTHERN KENTUCKY | WX21081301 | \$0 | \$725,000   | 3          | 4/6/07   | \$725,000   | \$0              | 100     |
| Grayson    | LINCOLN TRAIL     | WX21085004 | \$0 | \$500,000   | 9          | 2/26/10  | \$500,000   | \$0              | 100     |
| Green      | LAKE CUMBERLAND   | SX21087002 | \$0 | \$573,000   | 5          | 7/3/08   | \$573,000   | \$0              | 100     |
| Green      | LAKE CUMBERLAND   | WX21087004 | \$0 | \$600,000   | 3          | 11/21/05 | \$600,000   | \$0              | 100     |
| Hardin     | LINCOLN TRAIL     | WX21093016 | \$0 | \$25,000    | 2          | 2/29/08  | \$25,000    | \$0              | 100     |
| Hardin     | LINCOLN TRAIL     | SX21093001 | \$0 | \$100,000   | 4          | 2/29/08  | \$100,000   | \$0              | 100     |
| Hardin     | LINCOLN TRAIL     | WX21093002 | \$0 | \$700,000   | 2          | 5/22/06  | \$700,000   | \$0              | 100     |
| Hardin     | LINCOLN TRAIL     | WX21093007 | \$0 | \$1,000,000 | 2          | 9/12/08  | \$1,000,000 | \$0              | 100     |

| County     | ADD           | WRIS No    | CDF | TDF         | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|------------|---------------|------------|-----|-------------|------------|----------|-------------|------------------|---------|
| Harrison   | BLUEGRASS     | WX21097003 | \$0 | \$100,000   | 2          | 9/17/10  | \$100,000   | \$0              | 100     |
| Harrison   | BLUEGRASS     | SX21097001 | \$0 | \$1,000,000 | 7          | 8/29/08  | \$1,000,000 | \$0              | 100     |
| Hart       | BARREN RIVER  | WX21061004 | \$0 | \$110,000   | 2          | 10/1/04  | \$110,000   | \$0              | 100     |
| Hart       | BARREN RIVER  | WX21099002 | \$0 | \$288,000   | 7          | 6/15/07  | \$288,000   | \$0              | 100     |
| Hart       | BARREN RIVER  | WX21099001 | \$0 | \$300,000   | 6          | 12/20/05 | \$300,000   | \$0              | 100     |
| Henry      | KIPDA         | WX21103001 | \$0 | \$500,000   | 2          | 2/23/04  | \$500,000   | \$0              | 100     |
| Jessamine  | BLUEGRASS     | WX21113006 | \$0 | \$285,000   | 2          | 1/23/06  | \$285,000   | \$0              | 100     |
| Jessamine  | BLUEGRASS     | WX21113004 | \$0 | \$800,000   | 11         | 9/12/08  | \$800,000   | \$0              | 100     |
| Larue      | LINCOLN TRAIL | SX21123002 | \$0 | \$200,000   | 2          | 1/21/05  | \$200,000   | \$0              | 100     |
| Larue      | LINCOLN TRAIL | WX21123001 | \$0 | \$250,000   | 2          | 11/21/05 | \$250,000   | \$0              | 100     |
| Larue      | LINCOLN TRAIL | WX21123011 | \$0 | \$250,000   | 2          | 12/20/04 | \$250,000   | \$0              | 100     |
| Lewis      | BUFFALO TRACE | WX21135003 | \$0 | \$100,000   | 3          | 2/21/05  | \$100,000   | \$0              | 100     |
| Lewis      | BUFFALO TRACE | WX21135004 | \$0 | \$200,000   | 4          | 3/14/08  | \$200,000   | \$0              | 100     |
| Lewis      | BUFFALO TRACE | SX21135001 | \$0 | \$700,000   | 3          | 10/29/10 | \$700,000   | \$0              | 100     |
| Lincoln    | BLUEGRASS     | WX21137013 | \$0 | \$38,988    | 2          | 7/25/05  | \$37,971    | \$1,017          | 97      |
| Lincoln    | BLUEGRASS     | WX21137011 | \$0 | \$60,000    | 2          | 11/21/05 | \$60,000    | \$0              | 100     |
| Lincoln    | BLUEGRASS     | WX21137002 | \$0 | \$1,000,000 | 9          | 7/17/09  | \$1,000,000 | \$0              | 100     |
| Livingston | PENNYRILE     | SX21139002 | \$0 | \$50,000    | 2          | 5/22/06  | \$50,000    | \$0              | 100     |
| Livingston | PENNYRILE     | WX21139004 | \$0 | \$50,000    | 6          | 3/23/07  | \$50,000    | \$0              | 100     |
| Livingston | PENNYRILE     | WX21139005 | \$0 | \$50,000    | 2          | 10/19/05 | \$50,000    | \$0              | 100     |
| Livingston | PENNYRILE     | WX21139003 | \$0 | \$125,000   | 2          | 11/21/05 | \$109,248   | \$15,752         | 87      |
| Livingston | PENNYRILE     | WX21139001 | \$0 | \$175,000   | 2          | 11/21/05 | \$175,000   | \$0              | 100     |
| Lyon       | PENNYRILE     | WX21143001 | \$0 | \$500,000   | 2          | 11/21/05 | \$500,000   | \$0              | 100     |
| Madison    | BLUEGRASS     | WX21151014 | \$0 | \$100,000   | 2          | 7/25/05  | \$100,000   | \$0              | 100     |
| Madison    | BLUEGRASS     | SX21151004 | \$0 | \$1,000,000 | 3          | 8/5/08   | \$1,000,000 | \$0              | 100     |
| Madison    | BLUEGRASS     | WX21151011 | \$0 | \$1,000,000 | 1          | 4/17/09  | \$1,000,000 | \$0              | 100     |
| Marion     | LINCOLN TRAIL | WX21155007 | \$0 | \$180,000   | 2          | 2/9/04   | \$180,000   | \$0              | 100     |
| Marion     | LINCOLN TRAIL | WX21155006 | \$0 | \$250,000   | 2          | 12/20/04 | \$250,000   | \$0              | 100     |
| Marion     | LINCOLN TRAIL | SX21155003 | \$0 | \$270,000   | 1          | 5/23/05  | \$270,000   | \$0              | 100     |
| Mason      | BUFFALO TRACE | WX21161005 | \$0 | \$100,000   | 3          | 11/16/07 | \$100,000   | \$0              | 100     |

| County            | ADD               | WRIS No    | CDF | TDF       | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|-------------------|-------------------|------------|-----|-----------|------------|----------|-------------|------------------|---------|
| Mason             | BUFFALO TRACE     | WX21161007 | \$0 | \$100,000 | 3          | 11/21/05 | \$100,000   | \$0              | 100     |
| Mason             | BUFFALO TRACE     | WX21161008 | \$0 | \$100,000 | 2          | 11/21/05 | \$100,000   | \$0              | 100     |
| Mason             | BUFFALO TRACE     | WX21161006 | \$0 | \$200,000 | 4          | 11/16/07 | \$200,000   | \$0              | 100     |
| Mason             | BUFFALO TRACE     | WX21161004 | \$0 | \$500,000 | 2          | 2/18/06  | \$500,000   | \$0              | 100     |
| Mason             | BUFFALO TRACE     | WX21161009 | \$0 | \$500,000 | 2          | 11/21/05 | \$500,000   | \$0              | 100     |
| Meade             | LINCOLN TRAIL     | WX21163005 | \$0 | \$100,000 | 2          | 5/11/07  | \$100,000   | \$0              | 100     |
| Meade             | LINCOLN TRAIL     | WX21163003 | \$0 | \$250,000 | 2          | 7/17/09  | \$250,000   | \$0              | 100     |
| Mercer            | BLUEGRASS         | WX21167001 | \$0 | \$200,000 | 9          | 9/21/05  | \$200,000   | \$0              | 100     |
| Mercer            | BLUEGRASS         | WX21167002 | \$0 | \$450,000 | 5          | 12/14/07 | \$450,000   | \$0              | 100     |
| Mercer            | BLUEGRASS         | WX21167003 | \$0 | \$500,000 | 6          | 10/19/07 | \$500,000   | \$0              | 100     |
| Metcalfe          | BARREN RIVER      | SX21169009 | \$0 | \$200,000 | 9          | 7/6/09   | \$200,000   | \$0              | 100     |
| Metcalfe          | BARREN RIVER      | WX21169004 | \$0 | \$300,000 | 5          | 6/16/06  | \$300,000   | \$0              | 100     |
| Metcalfe          | BARREN RIVER      | WX21169006 | \$0 | \$300,000 | 3          | 2/22/08  | \$300,000   | \$0              | 100     |
| Monroe            | BARREN RIVER      | WX21171001 | \$0 | \$66,000  | 2          | 8/17/04  | \$66,000    | \$0              | 100     |
| Monroe            | BARREN RIVER      | SX21171005 | \$0 | \$200,000 | 9          | 2/22/07  | \$200,000   | \$0              | 100     |
| Monroe            | BARREN RIVER      | WX21171012 | \$0 | \$300,000 | 3          | 8/22/08  | \$300,000   | \$0              | 100     |
| Monroe            | BARREN RIVER      | WX21171004 | \$0 | \$345,000 | 5          | 9/21/05  | \$345,000   | \$0              | 100     |
| Montgomery        | GATEWAY           | WX21173031 | \$0 | \$50,000  | 2          | 2/9/04   | \$50,000    | \$0              | 100     |
| Montgomery        | GATEWAY           | WX21173033 | \$0 | \$125,000 | 2          | 8/17/04  | \$125,000   | \$0              | 100     |
| Montgomery        | GATEWAY           | WX21173013 | \$0 | \$250,000 | 3          | 11/21/05 | \$250,000   | \$0              | 100     |
| Montgomery        | GATEWAY           | WX21173001 | \$0 | \$610,000 | 2          | 5/9/08   | \$610,000   | \$0              | 100     |
| Nelson            | LINCOLN TRAIL     | WX21179006 | \$0 | \$250,000 | 2          | 9/21/05  | \$250,000   | \$0              | 100     |
| Nelson            | LINCOLN TRAIL     | WX21179005 | \$0 | \$500,000 | 2          | 1/23/06  | \$500,000   | \$0              | 100     |
| Nicholas          | BLUEGRASS         | WX21181002 | \$0 | \$300,000 | 5          | 6/15/07  | \$300,000   | \$0              | 100     |
| Oldham            | KIPDA             | WX21185029 | \$0 | \$100,000 | 1          | 2/21/05  | \$100,000   | \$0              | 100     |
| Oldham            | KIPDA             | WX21185030 | \$0 | \$450,000 | 3          | 10/10/08 | \$450,000   | \$0              | 100     |
| Oldham            | KIPDA             | SX21185022 | \$0 | \$600,000 | 3          | 6/1/07   | \$600,000   | \$0              | 100     |
| <del>Oldham</del> | NORTHERN KENTUCKY | WX21187400 | \$0 | \$750,000 | 4          | 3/23/07  | \$750,000   | \$0              | 100     |
| Pendleton         | NORTHERN KENTUCKY | WX21191312 | \$0 | \$442,000 | 4          | 10/19/05 | \$442,000   | \$0              | 100     |
| Pendleton         | NORTHERN KENTUCKY | SX21191100 | \$0 | \$500,000 | 2          | 1/18/07  | \$500,000   | \$0              | 100     |

| County     | ADD               | WRIS No    | CDF | TDF         | Last ReqNo | Last Req | Total Drawn | Amount Remaining | % Drawn |
|------------|-------------------|------------|-----|-------------|------------|----------|-------------|------------------|---------|
| Pendleton  | NORTHERN KENTUCKY | WX21191310 | \$0 | \$700,000   | 3          | 10/19/05 | \$700,000   | \$0              | 100     |
| Powell     | BLUEGRASS         | WX21197001 | \$0 | \$600,000   | 4          | 3/27/09  | \$599,088   | \$912            | 100     |
| Pulaski    | LAKE CUMBERLAND   | WX21199016 | \$0 | \$50,000    | 2          | 6/21/04  | \$50,000    | \$0              | 100     |
| Pulaski    | LAKE CUMBERLAND   | SX21199020 | \$0 | \$125,000   | 2          | 7/22/04  | \$125,000   | \$0              | 100     |
| Pulaski    | LAKE CUMBERLAND   | WX21199003 | \$0 | \$250,000   | 3          | 11/7/08  | \$250,000   | \$0              | 100     |
| Pulaski    | LAKE CUMBERLAND   | WX21199011 | \$0 | \$340,000   | 2          | 7/24/06  | \$340,000   | \$0              | 100     |
| Pulaski    | LAKE CUMBERLAND   | WX21199008 | \$0 | \$413,000   | 4          | 12/4/09  | \$413,000   | \$0              | 100     |
| Robertson  | BUFFALO TRACE     | SX21201001 | \$0 | \$300,000   | 2          | 10/19/05 | \$300,000   | \$0              | 100     |
| Robertson  | BUFFALO TRACE     | WX21201005 | \$0 | \$375,000   | 3          | 2/23/04  | \$375,000   | \$0              | 100     |
| Rockcastle | CUMBERLAND VALLEY | WX21203551 | \$0 | \$250,000   | 4          | 5/4/07   | \$250,000   | \$0              | 100     |
| Rockcastle | CUMBERLAND VALLEY | WX21203514 | \$0 | \$475,000   | 3          | 5/20/05  | \$475,000   | \$0              | 100     |
| Rowan      | GATEWAY           | WX21205019 | \$0 | \$75,000    | 2          | 2/21/05  | \$75,000    | \$0              | 100     |
| Rowan      | GATEWAY           | SX21205001 | \$0 | \$425,000   | 3          | 7/24/06  | \$425,000   | \$0              | 100     |
| Russell    | LAKE CUMBERLAND   | WX21207002 | \$0 | \$100,000   | 2          | 8/18/05  | \$100,000   | \$0              | 100     |
| Russell    | LAKE CUMBERLAND   | WX21207005 | \$0 | \$450,000   | 2          | 12/20/04 | \$450,000   | \$0              | 100     |
| Scott      | BLUEGRASS         | sx21209002 | \$0 | \$370,000   | 4          | 11/21/05 | \$370,000   | \$0              | 100     |
| Scott      | BLUEGRASS         | SX21209001 | \$0 | \$500,000   | 8          | 12/12/08 | \$500,000   | \$0              | 100     |
| Scott      | BLUEGRASS         | WX21209003 | \$0 | \$500,000   | 1          | 12/22/03 | \$500,000   | \$0              | 100     |
| Shelby     | KIPDA             | WX21211037 | \$0 | \$50,466    | 1          | 7/30/10  | \$50,466    | \$0              | 100     |
| Shelby     | KIPDA             | WX21211022 | \$0 | \$100,000   | 1          | 8/27/10  | \$100,000   | \$0              | 100     |
| Shelby     | KIPDA             | SX21211002 | \$0 | \$150,000   | 6          | 8/31/07  | \$150,000   | \$0              | 100     |
| Shelby     | KIPDA             | SX21211006 | \$0 | \$375,000   | 6          | 1/23/06  | \$375,000   | \$0              | 100     |
| Simpson    | BARREN RIVER      | SX21213006 | \$0 | \$500,000   | 3          | 7/25/05  | \$500,000   | \$0              | 100     |
| Spencer    | KIPDA             | WX21215088 | \$0 | \$500,000   | 3          | 7/11/08  | \$500,000   | \$0              | 100     |
| Taylor     | LAKE CUMBERLAND   | SX21217010 | \$0 | \$250,000   | 5          | 12/14/07 | \$250,000   | \$0              | 100     |
| Taylor     | LAKE CUMBERLAND   | WX21217001 | \$0 | \$1,000,000 | 10         | 7/24/06  | \$1,000,000 | \$0              | 100     |
| Todd       | PENNYRILE         | WX21219006 | \$0 | \$1,250,000 | 2          | 10/31/03 | \$1,250,000 | \$0              | 100     |
| Trigg      | PENNYRILE         | WX21221001 | \$0 | \$500,000   | 2          | 3/9/07   | \$500,000   | \$0              | 100     |
| Trigg      | PENNYRILE         | WX21221003 | \$0 | \$500,000   | 5          | 12/24/08 | \$500,000   | \$0              | 100     |
| Trimble    | KIPDA             | WX21223018 | \$0 | \$180,000   | 3          | 1/21/05  | \$180,000   | \$0              | 100     |

| County               | ADD             | WRIS No    | CDF                 | TDF                 | Last ReqNo | Last Req | Total Drawn          | Amount Remaining     | % Drawn    |
|----------------------|-----------------|------------|---------------------|---------------------|------------|----------|----------------------|----------------------|------------|
| Warren               | BARREN RIVER    | SX21227010 | \$0                 | \$220,000           | 2          | 8/17/07  | \$220,000            | \$0                  | 100        |
| Warren               | BARREN RIVER    | WX21227035 | \$0                 | \$500,000           | 2          | 8/17/07  | \$500,000            | \$0                  | 100        |
| Warren               | BARREN RIVER    | WX21227021 | \$0                 | \$800,000           | 2          | 8/17/07  | \$800,000            | \$0                  | 100        |
| Washington           | LINCOLN TRAIL   | SX21229001 | \$0                 | \$500,000           | 3          | 5/20/05  | \$500,000            | \$0                  | 100        |
| Washington           | LINCOLN TRAIL   | WX21229003 | \$0                 | \$1,250,000         | 11         | 9/4/09   | \$1,250,000          | \$0                  | 100        |
| Wayne                | LAKE CUMBERLAND | WX21231001 | \$0                 | \$684,000           | 2          | 10/24/06 | \$684,000            | \$0                  | 100        |
| Wayne                | LAKE CUMBERLAND | WX21231002 | \$0                 | \$729,000           | 2          | 10/24/06 | \$729,000            | \$0                  | 100        |
| Woodford             | BLUEGRASS       | WX21239002 | \$0                 | \$150,000           | 3          | 10/22/10 | \$130,698            | \$19,302             | 87         |
| Woodford             | BLUEGRASS       | WX21239005 | \$0                 | \$150,000           | 5          | 11/21/05 | \$150,000            | \$0                  | 100        |
| <b>Grand Totals:</b> |                 |            | <b>\$54,770,779</b> | <b>\$59,071,343</b> |            |          | <b>\$116,894,146</b> | <b>(\$3,052,024)</b> | <b>103</b> |

Number of Projects: 335  
 Number of CDF Funds: 114  
 Number of TDF Funds: 164  
 Number of Draws: 276

## **2020 ACCOUNT/FUND B GRANTS**



## 2020 Grants

12/7/2010

| County       | WRIS       | Grant Amount | Draw Amount |
|--------------|------------|--------------|-------------|
| Adair        | WX21001002 | \$825,200    | \$825,200   |
| Adair        | WX21001008 | \$55,000     | \$55,000    |
| Ballard      | WX21007010 | \$175,000    | \$175,000   |
| Barren       | WX21009002 | \$180,000    | \$180,000   |
| Barren       | WX21009005 | \$35,000     | \$35,000    |
| Barren       | WX21009006 | \$57,750     | \$55,164    |
| Barren       | WX21009008 | \$155,000    | \$141,912   |
| Bath         | WX21011001 | \$28,678     | \$28,678    |
| Bath         | WX21011002 | \$1,300,000  | \$1,300,000 |
| Bath         | WX21011025 | \$250,000    | \$250,000   |
| Boone        | WX21015005 | \$128,800    | \$128,800   |
| Bourbon      | WX21017001 | \$200,000    | \$200,000   |
| Bourbon      | WX21017002 | \$1,000,000  | \$985,000   |
| Boyd         | WX21019006 | \$750,000    | \$750,000   |
| Boyle        | WX21021002 | \$750,000    | \$750,000   |
| Bracken      | WX21023001 | \$93,500     | \$93,500    |
| Bracken      | WX21023002 | \$200,000    | \$200,000   |
| Bracken      | WX21023005 | \$350,000    | \$350,000   |
| Breckinridge | WX21027001 | \$225,000    | \$225,000   |
| Bullitt      | WX21029007 | \$134,750    | \$134,750   |
| Bullitt      | WX21029008 | \$5,000      | \$5,000     |
| Bullitt      | WX21029057 | \$66,500     | \$66,500    |
| Bullitt      | WX21029087 | \$140,000    | \$140,000   |
| Bullitt      | WX21029118 | \$25,000     | \$25,000    |
| Bullitt      | WX21029203 | \$70,000     | \$70,000    |
| Butler       | WX21031004 | \$61,000     | \$61,000    |
| Caldwell     | WX21033001 | \$652,000    | \$652,000   |
| Caldwell     | WX21033002 | \$1,500,000  | \$1,500,000 |
| Calloway     | WX21035009 | \$133,200    | \$86,311    |
| Calloway     | WX21035011 | \$262,200    | \$261,288   |
| Carlisle     | SX21039000 | \$190,750    | \$190,750   |
| Carroll      | WX21041301 | \$675,000    | \$675,000   |
| Carter       | WX21043001 | \$440,000    | \$440,000   |
| Carter       | WX21043002 | \$500,000    | \$500,000   |
| Carter       | WX21043004 | \$1,500,000  | \$1,500,000 |
| Casey        | WX21045001 | \$200,000    | \$200,000   |
| Christian    | WX21047009 | \$225,000    | \$225,000   |
| Christian    | WX21047011 | \$1,000,000  | \$1,000,000 |
| Clark        | WX21049002 | \$176,000    | \$176,000   |
| Clark        | WX21173010 | \$49,792     | \$49,792    |
| Clay         | WX21051541 | \$1,000,000  | \$1,000,000 |
| Clinton      | WX21053001 | \$220,000    | \$220,000   |
| Crittenden   | WX21055001 | \$200,000    | \$200,000   |
| Cumberland   | WX21057002 | \$675,000    | \$675,000   |
| Daviess      | WX21059001 | \$1,000,000  | \$1,000,000 |
| Daviess      | WX21059006 | \$100,000    | \$100,000   |
| Edmonson     | WX21061003 | \$40,000     | \$40,000    |
| Edmonson     | WX21061017 | \$16,157     | \$16,157    |
| Fayette      | WX21067001 | \$245,000    | \$245,000   |
| Fleming      | WX21069001 | \$4,000,000  | \$4,000,000 |
| Fleming      | WX21069002 | \$814,642    | \$814,642   |
| Fleming      | WX21069009 | \$342,679    | \$342,679   |
| Floyd        | WX21071204 | \$153,336    | \$153,336   |
| Franklin     | WX21073001 | \$40,000     | \$40,000    |
| Franklin     | WX21073002 | \$35,000     | \$35,000    |
| Franklin     | WX21073004 | \$175,000    | \$175,000   |
| Fulton       | WX21075005 | \$450,000    | \$450,000   |
| Garrard      | WX21079001 | \$100,000    | \$100,000   |
| Garrard      | WX21079002 | \$100,000    | \$100,000   |
| Grant        | WX21081014 | \$792,100    | \$792,100   |
| Grant        | WX21081202 | \$25,000     | \$25,000    |

| County     | WRIS       | Grant Amount | Draw Amount |
|------------|------------|--------------|-------------|
| Graves     | WX21083002 | \$1,000,000  | \$1,000,000 |
| Graves     | WX21083052 | \$500,000    | \$500,000   |
| Grayson    | WX21085001 | \$361,000    | \$360,937   |
| Grayson    | WX21085009 | \$1,000,000  | \$1,000,000 |
| Green      | WX21087003 | \$200,000    | \$200,000   |
| Greenup    | WX21089001 | \$264,750    | \$264,750   |
| Hancock    | WX21059007 | \$100,000    | \$100,000   |
| Hancock    | WX21091001 | \$24,376     | \$24,376    |
| Hardin     | WX21093001 | \$32,000     | \$32,000    |
| Hardin     | WX21093004 | \$1,115,000  | \$845,372   |
| Harlan     | SX21095059 | \$200,000    | \$200,000   |
| Harlan     | WX21095602 | \$160,500    | \$160,500   |
| Harlan     | WX21095641 | \$806,275    | \$806,275   |
| Harlan     | WX21095662 | \$1,200,000  | \$110,608   |
| Harrison   | WX21097001 | \$250,000    | \$250,000   |
| Hart       | WX21061004 | \$225,000    | \$225,000   |
| Hart       | WX21099003 | \$40,000     | \$40,000    |
| Henderson  | WX21101005 | \$600,000    | \$600,000   |
| Henry      | WX21103001 | \$1,175,000  | \$1,175,000 |
| Hopkins    | WX21107007 | \$196,866    | \$196,866   |
| Jackson    | WX21109706 | \$1,000,000  | \$1,000,000 |
| Jefferson  | WX21111011 | \$149,600    | \$149,600   |
| Jessamine  | WX21113002 | \$50,000     | \$48,951    |
| Jessamine  | WX21113005 | \$150,000    | \$150,000   |
| Johnson    | WX21115005 | \$648,575    | \$648,575   |
| Kenton     | WX21117201 | \$229,680    | \$229,680   |
| Knott      | Wx21119100 | \$2,000,000  | \$2,000,000 |
| Knott      | WX21119775 | \$500,000    | \$464,268   |
| Knox       | WX21121721 | \$5,000      | \$5,000     |
| Knox       | WX21121722 | \$27,500     | \$27,500    |
| Knox       | WX21121723 | \$15,000     | \$12,305    |
| Larue      | WX21123001 | \$175,000    | \$175,000   |
| Larue      | WX21123009 | \$55,434     | \$41,135    |
| Laurel     | WX21125456 | \$30,000     | \$30,000    |
| Laurel     | WX21125527 | \$350,364    | \$350,364   |
| Laurel     | WX21125529 | \$850,000    | \$850,000   |
| Lawrence   | WX21019005 | \$650,000    | \$650,000   |
| Lawrence   | WX21127001 | \$1,000,000  | \$1,000,000 |
| Lewis      | WX21135001 | \$1,177,000  | \$1,177,000 |
| Lewis      | WX21161001 | \$500,000    | \$500,000   |
| Lincoln    | WX21137001 | \$190,000    | \$190,000   |
| Livingston | WX21139001 | \$312,500    | \$312,500   |
| Logan      | WX21141005 | \$125,000    | \$125,000   |
| Logan      | WX21141014 | \$50,000     | \$31,924    |
| Logan      | WX21141036 | \$50,000     | \$50,000    |
| Lyon       | WX21143001 | \$50,000     | \$50,000    |
| Madison    | WX21151001 | \$462,500    | \$462,500   |
| Madison    | WX21151002 | \$125,000    | \$125,000   |
| Magoffin   | WX21153003 | \$823,233    | \$823,233   |
| Marion     | WX21155005 | \$130,000    | \$130,000   |
| Marshall   | WX21157001 | \$125,000    | \$125,000   |
| Marshall   | WX21157002 | \$28,157     | \$28,157    |
| McLean     | WX21149002 | \$150,000    | \$147,968   |
| Meade      | WX21163003 | \$175,000    | \$175,000   |
| Menifee    | WX21165001 | \$4,000,000  | \$4,000,000 |
| Mercer     | WX21167004 | \$1,000,000  | \$1,000,000 |
| Metcalfe   | WX21099006 | \$54,575     | \$46,312    |
| Metcalfe   | WX21169001 | \$595,782    | \$595,782   |
| Metcalfe   | WX21169004 | \$89,325     | \$89,325    |
| Metcalfe   | WX21169005 | \$440,000    | \$440,000   |
| Monroe     | WX21171001 | \$115,000    | \$115,000   |

## 2020 Grants

12/7/2010

| County     | WRIS       | Grant Amount        | Draw Amount         |
|------------|------------|---------------------|---------------------|
| Monroe     | WX21171002 | \$20,000            | \$20,000            |
| Monroe     | WX21171003 | \$15,000            | \$15,000            |
| Montgomery | WX21173007 | \$67,649            | \$67,649            |
| Montgomery | WX21173011 | \$65,600            | \$65,600            |
| Morgan     | WX21175001 | \$275,000           | \$275,000           |
| Morgan     | WX21175003 | \$150,000           | \$150,000           |
| Muhlenberg | WX21177001 | \$1,000,000         | \$1,000,000         |
| Nelson     | WX21179003 | \$150,000           | \$150,000           |
| Owen       | WX21187205 | \$800,000           | \$800,000           |
| Owen       | WX21187206 | \$100,000           | \$100,000           |
| Owen       | WX21187207 | \$100,000           | \$100,000           |
| Owen       | WX21187300 | \$60,000            | \$60,000            |
| Owsley     | WX21189001 | \$481,035           | \$481,035           |
| Owsley     | WX21189002 | \$130,000           | \$130,000           |
| Pendleton  | WX21191311 | \$500,000           | \$500,000           |
| Pendleton  | WX21191405 | \$548,378           | \$548,378           |
| Perry      | WX21193009 | \$250,000           | \$250,000           |
| Pulaski    | WX21199010 | \$200,000           | \$200,000           |
| Pulaski    | WX21199016 | \$500,000           | \$500,000           |
| Pulaski    | WX21199066 | \$620,000           | \$620,000           |
| Robertson  | WX21201005 | \$750,000           | \$750,000           |
| Rockcastle | WX21203522 | \$65,000            | \$65,000            |
| Rockcastle | WX21203524 | \$110,000           | \$110,000           |
| Rowan      | SX21205026 | \$373,900           | \$10,551            |
| Rowan      | WX21205001 | \$500,000           | \$500,000           |
| Rowan      | WX21205003 | \$7,500             | \$7,500             |
| Russell    | WX21207001 | \$186,400           | \$186,400           |
| Russell    | WX21207002 | \$279,750           | \$279,750           |
| Russell    | WX21207005 | \$550,000           | \$550,000           |
| Scott      | SX21209010 | \$80,000            | \$80,000            |
| Scott      | WX21209001 | \$250,000           | \$250,000           |
| Shelby     | WX21211018 | \$35,000            | \$35,000            |
| Shelby     | WX21211026 | \$650,000           | \$650,000           |
| Simpson    | WX21213001 | \$80,500            | \$80,500            |
| Spencer    | WX21215015 | \$40,632            | \$40,632            |
| Spencer    | WX21215021 | \$50,065            | \$24,165            |
| Spencer    | WX21215023 | \$193,251           | \$193,251           |
| Spencer    | WX21215087 | \$430,400           | \$430,400           |
| Todd       | SX21219001 | \$200,000           | \$200,000           |
| Todd       | WX21219001 | \$5,000,000         | \$5,000,000         |
| Trigg      | WX21221002 | \$70,000            | \$68,629            |
| Trimble    | WX21223001 | \$80,300            | \$80,300            |
| Trimble    | WX21223007 | \$3,850             | \$2,866             |
| Trimble    | WX21223012 | \$22,877            | \$22,877            |
| Trimble    | WX21223016 | \$3,950             | \$3,950             |
| Warren     | WX21227003 | \$175,000           | \$175,000           |
| Warren     | WX21227030 | \$202,465           | \$202,465           |
| Washington | WX21229001 | \$400,000           | \$400,000           |
| Wayne      | WX21231002 | \$711,550           | \$711,550           |
| Whitley    | WX21121725 | \$34,670            | \$34,670            |
| Woodford   | WX21239001 | \$60,000            | \$60,000            |
| Woodford   | WX21239003 | \$350,000           | \$350,000           |
|            |            | <b>\$71,373,746</b> | <b>\$69,462,437</b> |



## **IEDF FUND GRANTS**



IEDF Grants

| County   | GrantID   | Grantee                                | WRIS       | Amount      | Draw Amount | Balance     |
|----------|-----------|--|------------|-------------|-------------|-------------|
| Adair    | 1N-2008   | Adair County Water District            | WX21001016 | \$1,225,000 | \$815,570   | \$409,430   |
| Adair    | 2N-2008   | City of Columbia                       | SX21001012 | \$273,000   | \$205,542   | \$67,458    |
| Allen    | 10N-2008  | City of Scottsville                    | SX21003027 | \$500,000   | \$0         | \$500,000   |
| Allen    | 13UT-2005 | City of Scottsville                    | SX21003007 | \$215,085   | \$185,667   | \$29,418    |
| Allen    | 184N-2007 | Allen County Fiscal Court              | WX21003006 | \$25,000    | \$24,546    | \$454       |
| Allen    | 2N-2010   | City of Scottsville                    | SX21003026 | \$358,000   | \$0         | \$358,000   |
| Allen    | 3N-2008   | Allen County Fiscal Court              | WX21003011 | \$72,000    | \$0         | \$72,000    |
| Allen    | 3T-2005   | Allen County Fiscal Court              | SX21003002 | \$500,000   | \$499,163   | \$837       |
| Allen    | 3T-2005   | Allen County Fiscal Court              | WX21003004 | \$125,000   | \$117,761   | \$7,239     |
| Allen    | 4T-2005   | City of Scottsville                    | WX21003008 | \$62,160    | \$61,957    | \$203       |
| Allen    | 5N-2008   | City of Scottsville                    | SX21003029 | \$145,000   | \$144,980   | \$20        |
| Allen    | 6N-2008   | City of Scottsville                    | SX21003025 | \$25,000    | \$0         | \$25,000    |
| Allen    | 8N-2008   | City of Scottsville                    | SX21003027 | \$250,000   | \$0         | \$250,000   |
| Allen    | 9N-2008   | City of Scottsville                    | SX21003026 | \$250,000   | \$0         | \$250,000   |
| Anderson | 11N-2008  | South Anderson Water District          | WX21005004 | \$1,800,000 | \$0         | \$1,800,000 |
| Anderson | 190N-2007 | City of Lawrenceburg                   | SX21005005 | \$1,000,000 | \$994,916   | \$5,084     |
| Ballard  | 10UT-2005 | City of Barlow                         | SX21007011 | \$500,000   | \$313,343   | \$186,657   |
| Ballard  | 12N-2008  | City of Barlow                         | SX21007011 | \$450,000   | \$60,596    | \$389,404   |
| Ballard  | 13N-2008  | City of Kevil                          | SX21007004 | \$450,000   | \$373,854   | \$76,146    |
| Ballard  | 193N-2007 | City of Kevil                          | WX21007016 | \$95,000    | \$94,792    | \$208       |
| Barren   | 14T-2005  | Caveland Environmental Authority, Inc. | SX21009027 | \$177,400   | \$147,430   | \$29,970    |
| Barren   | 15N-2008  | Caveland Environmental Authority       | WX21009038 | \$200,000   | \$0         | \$200,000   |
| Barren   | 16N-2008  | Caveland Environmental Authority       | WX21009024 | \$256,000   | \$230,707   | \$25,293    |
| Barren   | 17N-2008  | Caveland Environmental Authority       | SX21009039 | \$460,000   | \$376,685   | \$83,315    |
| Barren   | 18N-2008  | Glasgow Water Company                  | WX21009027 | \$240,000   | \$118,381   | \$121,619   |
| Barren   | 199N-2007 | Glasgow Water Company                  | SX21009020 | \$380,000   | \$271,109   | \$108,891   |
| Barren   | 19N-2008  | Glasgow Water Company                  | SX21009036 | \$500,000   | \$44,340    | \$455,661   |
| Barren   | 20N-2008  | Glasgow Water Company                  | SX21009023 | \$350,000   | \$0         | \$350,000   |
| Barren   | 21N-2008  | Glasgow Water Company                  | SX21009038 | \$600,000   | \$0         | \$600,000   |
| Barren   | 269N-2007 | Caveland Environmental Authority       | SX21061011 | \$1,300,000 | \$36,396    | \$1,263,604 |
| Bath     | 201N-2007 | City of Owingsville                    | SX21011009 | \$600,000   | \$51,875    | \$548,125   |
| Bath     | 202N-2007 | City of Sharpsburg                     | SX21011006 | \$400,000   | \$386,567   | \$13,433    |
| Bath     | 20T-2005  | City of Sharpsburg                     | SX21011006 | \$300,000   | \$264,666   | \$35,334    |
| Bath     | 23N-2008  | Bath County Water District             | WX21011017 | \$206,250   | \$185,702   | \$20,548    |
| Bath     | 24N-2008  | City of Owingsville                    | SX21011013 | \$350,000   | \$333,000   | \$17,000    |
| Bath     | 25N-2008  | City of Owingsville                    | SX21011009 | \$450,000   | \$0         | \$450,000   |
| Bath     | 27N-2008  | Sharpsburg Water District              | WX21011023 | \$5,000     | \$3,775     | \$1,225     |
| Bath     | 28N-2008  | Sharpsburg Water District              | WX21011022 | \$720,000   | \$30,488    | \$689,513   |
| Bell     | 1C-2008   | Bell County Fiscal Court               | SX21013144 | \$500,000   | \$356,449   | \$143,552   |
| Bell     | 1C-2008   | Bell County Fiscal Court               | WX21210139 | \$500,000   | \$0         | \$500,000   |
| Bell     | 2C-2007   | Bell County Fiscal Court               | SX21013148 | \$250,000   | \$248,726   | \$1,274     |
| Bell     | 2C-2008   | City of Middlesboro                    | SX21013148 | \$450,000   | \$19,337    | \$430,663   |
| Bell     | 3C-2007   | Bell County Fiscal Court               | WX21013913 | \$275,000   | \$269,845   | \$5,155     |

IEDF Grants

12/7/2010

| County       | GrantID   | Grantee                               | WRIS       | Amount      | Draw Amount | Balance   |
|--------------|-----------|---------------------------------------|------------|-------------|-------------|-----------|
| Bell         | 3C-2008   | Pineville Utility Commission          | WX21013922 | \$900,000   | \$236,930   | \$663,070 |
| Bell         | 4C-2007   | Bell County Fiscal Court              | WX21013924 | \$50,000    | \$31,042    | \$18,958  |
| Boone        | 203N-2007 | Boone County Water District           | WX21015203 | \$500,000   | \$274,347   | \$225,653 |
| Boone        | 204N-2007 | Boone County Water District           | WX21015204 | \$415,000   | \$255,293   | \$159,707 |
| Boone        | 205N-2007 | Boone County Water District           | WX21015251 | \$407,000   | \$340,702   | \$66,298  |
| Boone        | 208N-2007 | City of Florence                      | SX21015504 | \$56,000    | \$48,068    | \$7,932   |
| Boone        | 23T-2005  | Boone County Fiscal Court             | WX21015202 | \$150,000   | \$88,303    | \$61,697  |
| Boone        | 26T-2005  | Boone County Fiscal Court             | WX21015201 | \$50,000    | \$34,311    | \$15,689  |
| Boone        | 29N-2008  | Boone County Fiscal Court             | WX21015404 | \$605,000   | \$568,996   | \$36,004  |
| Boone        | 32N-2008  | Boone County Fiscal Court             | WX21015401 | \$1,200,000 | \$1,118,772 | \$81,228  |
| Boone        | 34N-2008  | Boone County Fiscal Court             | WX21015407 | \$350,000   | \$218,939   | \$131,061 |
| Bourbon      | 212N-2007 | Bourbon County Fiscal Court           | SX21017009 | \$600,000   | \$0         | \$600,000 |
| Bourbon      | 213N-2007 | Bourbon County Fiscal Court           | WX21017009 | \$76,500    | \$75,426    | \$1,074   |
| Bourbon      | 32T-2005  | Bourbon County Fiscal Court           | SX21017006 | \$260,000   | \$217,261   | \$42,739  |
| Bourbon      | 33T-2005  | Bourbon County Fiscal Court           | SX21017007 | \$500,000   | \$207,973   | \$292,027 |
| Bourbon      | 36N-2008  | Bourbon County Fiscal Court           | WX21017018 | \$25,000    | \$0         | \$25,000  |
| Bourbon      | 37N-2008  | Bourbon County Fiscal Court           | SX21017009 | \$425,000   | \$0         | \$425,000 |
| Bourbon      | 41N-2008  | Bourbon County Fiscal Court           | SX21017006 | \$252,900   | \$124,159   | \$128,741 |
| Bourbon      | 42N-2008  | Bourbon County Fiscal Court           | SX21017011 | \$147,900   | \$0         | \$147,900 |
| Bourbon      | 43N-2008  | City of Paris                         | WX21017007 | \$220,000   | \$0         | \$220,000 |
| Boyd         | 7C-2007   | Boyd County Fiscal Court              | SX21019023 | \$400,000   | \$395,000   | \$5,000   |
| Boyd         | 9C-2007   | Boyd County Sanitation District No. 4 | SX21019003 | \$50,000    | \$46,353    | \$3,647   |
| Boyle        | 217N-2007 | Boyle County Fiscal Court             | WX21021005 | \$250,000   | \$237,944   | \$12,056  |
| Boyle        | 220N-2007 | City of Danville                      | WX21021008 | \$250,000   | \$184,284   | \$65,717  |
| Boyle        | 44N-2008  | City of Danville                      | SX21021010 | \$450,000   | \$15,235    | \$434,765 |
| Boyle        | 45N-2008  | City of Danville                      | SX21021010 | \$550,000   | \$0         | \$550,000 |
| Boyle        | 46N-2008  | City of Danville                      | SX21021003 | \$300,000   | \$65,852    | \$234,148 |
| Bracken      | 223N-2007 | Bracken County Fiscal Court           | SX21023005 | \$100,000   | \$0         | \$100,000 |
| Breathitt    | 1CS-2011  | Breathitt County Fiscal Court         | WX21025003 | \$247,067   | \$0         | \$247,067 |
| Breathitt    | 2CS-2011  | City of Jackson                       | WX21025500 | \$150,000   | \$0         | \$150,000 |
| Breckinridge | 230N-2007 | City of Cloverport                    | WX21027022 | \$221,250   | \$219,324   | \$1,926   |
| Breckinridge | 233N-2007 | City of Irvington                     | WX21027023 | \$221,250   | \$201,366   | \$19,884  |
| Breckinridge | 49N-2008  | Breckinridge County Fiscal Court      | WX21027012 | \$500,000   | \$489,750   | \$10,250  |
| Breckinridge | 50N-2008  | City of Cloverport                    | SX21027011 | \$74,225    | \$0         | \$74,225  |
| Breckinridge | 50N-2008  | City of Cloverport                    | WX21027042 | \$25,775    | \$0         | \$25,775  |
| Bullitt      | 237N-2007 | City of Mount Washington              | WX21029229 | \$850,000   | \$0         | \$850,000 |
| Bullitt      | 48T-2005  | City of Pioneer Village               | IX21059001 | \$50,000    | \$47,773    | \$2,227   |
| Bullitt      | 59N-2008  | Bullitt County Sanitation District    | SX21029014 | \$150,000   | \$0         | \$150,000 |
| Bullitt      | 62N-2008  | Bullitt County Fiscal Court           | WX21029193 | \$50,000    | \$0         | \$50,000  |
| Bullitt      | 62N-2008  | Bullitt County Fiscal Court           | WX21029243 | \$340,000   | \$0         | \$340,000 |
| Butler       | 66N-2008  | Butler County Water System, Inc.      | WX21031038 | \$320,000   | \$269,947   | \$50,053  |
| Butler       | 67N-2008  | Butler County Water System, Inc.      | WX21031030 | \$300,000   | \$220,348   | \$79,652  |
| Butler       | 68N-2008  | Butler County Water System, Inc.      | WX21031035 | \$450,000   | \$413,256   | \$36,744  |

IEDF Grants

12/7/2010

| County   | GrantID   | Grantee                                   | WRIS       | Amount      | Draw Amount | Balance     |
|----------|-----------|---|------------|-------------|-------------|-------------|
| Caldwell | 73N-2008  | Princeton Water and Wastewater Commission | WX21033010 | \$600,000   | \$501,315   | \$98,685    |
| Caldwell | 74N-2008  | Princeton Water and Wastewater Commission | SX21033004 | \$350,000   | \$305,000   | \$45,000    |
| Calloway | 243N-2007 | City of Murray                            | WX21035018 | \$84,000    | \$83,520    | \$480       |
| Calloway | 245N-2007 | City of Murray                            | SX21035014 | \$375,788   | \$352,861   | \$22,927    |
| Calloway | 246N-2007 | City of Murray                            | WX21035019 | \$250,000   | \$0         | \$250,000   |
| Calloway | 248N-2007 | Murray Water District 2                   | WX21035004 | \$135,000   | \$134,996   | \$4         |
| Calloway | 249N-2007 | Murray Water District #3                  | WX21035023 | \$50,000    | \$24,302    | \$25,698    |
| Calloway | 250N-2007 | South 641 Water District                  | SX21035008 | \$200,000   | \$169,780   | \$30,220    |
| Calloway | 59T-2005  | Dexter-Almo Water District                | WX21035014 | \$92,000    | \$91,552    | \$448       |
| Calloway | 75N-2008  | Calloway County Fiscal Court              | WX21035015 | \$155,000   | \$59,224    | \$95,776    |
| Calloway | 77N-2008  | Center Ridge Water District #4            | WX21035016 | \$190,000   | \$135,175   | \$54,825    |
| Calloway | 78N-2008  | City of Hazel                             | SX21035008 | \$60,000    | \$0         | \$60,000    |
| Calloway | 79N-2008  | City of Murray                            | WX21035017 | \$1,011,000 | \$0         | \$1,011,000 |
| Calloway | 80N-2008  | City of Murray                            | WX21035010 | \$280,000   | \$216,292   | \$63,708    |
| Calloway | 83N-2008  | City of Murray                            | SX21035009 | \$100,000   | \$82,613    | \$17,387    |
| Calloway | 84N-2008  | Dexter-Almo Water District                | WX21035025 | \$144,000   | \$143,692   | \$308       |
| Calloway | 85N-2008  | Murray Water District 2                   | WX21035020 | \$220,000   | \$137,923   | \$82,077    |
| Campbell | 86N-2008  | City of Bellevue                          | SX21037107 | \$200,000   | \$0         | \$200,000   |
| Campbell | 88N-2008  | City of Newport                           | SX21037104 | \$600,000   | \$0         | \$600,000   |
| Campbell | 90N-2008  | City of Wilder                            | SX21037003 | \$100,000   | \$81,013    | \$18,988    |
| Campbell | 91N-2008  | Northern Kentucky Water District          | WX21037203 | \$1,000,000 | \$0         | \$1,000,000 |
| Campbell | 92N-2008  | Northern Kentucky Water District          | WX21037203 | \$1,200,000 | \$0         | \$1,200,000 |
| Campbell | 93N-2008  | Northern Kentucky Water District          | WX21037203 | \$750,000   | \$0         | \$750,000   |
| Carlisle | 25UT-2005 | Carlisle County Sanitation District #1    | SX21039001 | \$180,332   | \$180,322   | \$10        |
| Carlisle | 94N-2008  | Carlisle County Sanitation District #1    | SX21039001 | \$600,000   | \$591,585   | \$8,415     |
| Carlisle | 95N-2008  | City of Arlington                         | WX21039016 | \$350,000   | \$317,606   | \$32,394    |
| Carlisle | 96N-2008  | City of Arlington                         | SX21039014 | \$60,000    | \$50,322    | \$9,678     |
| Carlisle | 98N-2008  | City of Bardwell                          | WX21039015 | \$300,000   | \$0         | \$300,000   |
| Carroll  | 100N-2008 | Carroll County Water District             | WX21041303 | \$350,000   | \$0         | \$350,000   |
| Carroll  | 101N-2008 | Carroll County Water District             | WX21041303 | \$200,000   | \$0         | \$200,000   |
| Carroll  | 350N-2008 | Carrollton Utilities                      | SX21187100 | \$400,000   | \$385,070   | \$14,930    |
| Carter   | 12C-2008  | Carter County Fiscal Court                | WX21043020 | \$300,000   | \$293,618   | \$6,382     |
| Carter   | 13C-2008  | City of Grayson                           | SX21043005 | \$550,000   | \$0         | \$550,000   |
| Carter   | 14C-2008  | City of Olive Hill                        | SX21043010 | \$450,000   | \$2,250     | \$447,750   |
| Carter   | 15C-2008  | City of Olive Hill                        | SX21043026 | \$85,000    | \$0         | \$85,000    |
| Carter   | 16C-2008  | City of Olive Hill                        | WX21043025 | \$415,000   | \$0         | \$415,000   |
| Carter   | 178N-2008 | City of Grayson                           | WX21043032 | \$50,000    | \$4,750     | \$45,250    |
| Carter   | 21C-2007  | City of Grayson                           | SX21043005 | \$200,000   | \$54,200    | \$145,800   |
| Carter   | 22C-2007  | City of Olive Hill                        | WX21043022 | \$250,000   | \$0         | \$250,000   |
| Carter   | 27C-2007  | Grayson Utility Commission                | WX21043007 | \$500,000   | \$499,910   | \$90        |
| Carter   | 28C-2007  | City of Olive Hill                        | WX21043022 | \$500,000   | \$264,979   | \$235,021   |
| Carter   | 37C-2008  | Rattlesnake Ridge Water District          | WX21043020 | \$500,000   | \$0         | \$500,000   |
| Carter   | 90C-2008  | Rattlesnake Ridge Water District          | WX21043020 | \$500,000   | \$274,312   | \$225,688   |

IEDF Grants

12/7/2010

| County     | GrantID   | Grantee                                  | WRIS       | Amount      | Draw Amount | Balance   |
|------------|-----------|--|------------|-------------|-------------|-----------|
| Casey      | 103N-2008 | East Casey County Water District         | WX21045008 | \$375,000   | \$293,070   | \$81,930  |
| Casey      | 105N-2008 | East Casey County Water District         | WX21045006 | \$120,000   | \$0         | \$120,000 |
| Casey      | 106N-2008 | East Casey County Water District         | WX21045007 | \$980,000   | \$574,254   | \$405,746 |
| Casey      | 70T-2005  | City of Liberty                          | SX21045004 | \$300,000   | \$299,982   | \$18      |
| Christian  | 107N-2008 | Hopkinsville Water Environment Authority | SX21047016 | \$300,000   | \$155,270   | \$144,730 |
| Christian  | 110N-2008 | Hopkinsville Water Environment Authority | SX21047018 | \$350,000   | \$275,810   | \$74,190  |
| Christian  | 111N-2008 | Christian County Water District          | WX21047014 | \$100,000   | \$24,657    | \$75,343  |
| Christian  | 111N-2008 | Christian County Water District          | WX21047024 | \$500,000   | \$234,600   | \$265,400 |
| Christian  | 111N-2008 | Christian County Water District          | WX21047025 | \$200,000   | \$71,605    | \$128,395 |
| Christian  | 112N-2008 | City of Oak Grove                        | WX21047018 | \$300,000   | \$0         | \$300,000 |
| Christian  | 114N-2008 | Hopkinsville Water Environment Authority | WX21047013 | \$350,000   | \$0         | \$350,000 |
| Christian  | 32C-2007  | Hopkinsville Water Environment Authority | SX21047005 | \$200,000   | \$173,829   | \$26,171  |
| Clark      | 115N-2008 | Hopkinsville Water Environment Authority | SX21049030 | \$400,000   | \$213,800   | \$186,201 |
| Clark      | 117N-2008 | Winchester Municipal Utilities           | SX21049016 | \$175,000   | \$0         | \$175,000 |
| Clark      | 117N-2008 | Winchester Municipal Utilities           | WX21049010 | \$750,000   | \$665,717   | \$84,283  |
| Clark      | 260N-2007 | Winchester Municipal Utilities           | SX21049005 | \$750,000   | \$107,238   | \$642,762 |
| Clark      | 73T-2005  | Winchester Municipal Utilities           | SX21049016 | \$325,000   | \$46,123    | \$278,877 |
| Clark      | 17C-2008  | City of Manchester                       | SX21051034 | \$125,000   | \$85,417    | \$39,583  |
| Clay       | 18C-2008  | City of Manchester                       | WX21051049 | \$800,000   | \$65,900    | \$734,100 |
| Clay       | 21C-2008  | Clay County Fiscal Court                 | WX21051541 | \$250,000   | \$0         | \$250,000 |
| Clay       | 22C-2008  | Clay County Fiscal Court                 | WX21051541 | \$100,000   | \$0         | \$100,000 |
| Clay       | 35C-2007  | City of Manchester                       | SX21051047 | \$250,000   | \$171,468   | \$78,532  |
| Clay       | 36C-2007  | Clay County Fiscal Court                 | WX21051541 | \$1,000,000 | \$825,728   | \$174,272 |
| Clay       | 38C-2007  | City of Manchester                       | WX21051541 | \$250,000   | \$163,145   | \$86,855  |
| Clinton    | 120N-2008 | City of Albany                           | WX21053006 | \$350,000   | \$103,178   | \$246,822 |
| Clinton    | 121N-2008 | City of Albany                           | WX21053012 | \$600,000   | \$0         | \$600,000 |
| Clinton    | 266N-2007 | City of Albany                           | WX21053001 | \$200,000   | \$176,904   | \$23,096  |
| Crittenden | 23C-2008  | City of Marion                           | SX21055002 | \$600,000   | \$253,061   | \$346,939 |
| Crittenden | 24C-2008  | City of Marion                           | SX21055002 | \$250,000   | \$0         | \$250,000 |
| Crittenden | 24C-2008  | City of Marion                           | WX21055003 | \$250,000   | \$109,815   | \$140,185 |
| Crittenden | 25C-2008  | City of Marion                           | WX21055003 | \$450,000   | \$0         | \$450,000 |
| Crittenden | 39C-2005  | City of Marion                           | WX21055002 | \$488,888   | \$487,176   | \$1,712   |
| Cumberland | 123N-2008 | Cumberland County Water District         | WX21057015 | \$110,000   | \$108,657   | \$1,343   |
| Cumberland | 267N-2007 | City of Burkesville                      | WX21057002 | \$190,000   | \$106,492   | \$83,508  |
| Daviess    | 29C-2008  | City of Whitesville                      | SX21059029 | \$225,000   | \$173,725   | \$51,275  |
| Daviess    | 32C-2008  | Owensboro Municipal Utilities (OMU)      | WX21059036 | \$225,000   | \$0         | \$225,000 |
| Daviess    | 43C-2005  | Southeast Daviess County Water District  | WX21059012 | \$215,000   | \$214,259   | \$741     |
| Daviess    | 45C-2007  | Regional Water Resource Agency (RWRA)    | SX21059014 | \$65,000    | \$6,954     | \$58,046  |
| Edmonson   | 125N-2008 | Edmonson County Water District           | SX21061005 | \$750,000   | \$14,787    | \$735,213 |
| Edmonson   | 84T-2005  | Edmonson County Water District           | SX21061005 | \$960,000   | \$4,800     | \$955,200 |
| Elliott    | 48C-2007  | City of Sandy Hook                       | SX21063007 | \$250,000   | \$73,689    | \$176,311 |
| Elliott    | 49C-2005  | City of Sandy Hook                       | SX21063006 | \$479,444   | \$83,018    | \$396,427 |
| Estill     | 126N-2008 | City of Irvine Utility Commission        | SX21065005 | \$900,000   | \$176,910   | \$723,091 |

IEDF Grants

12/7/2010

| County   | GrantID   | Grantee                                   | WRIS       | Amount      | Draw Amount | Balance     |
|----------|-----------|---|------------|-------------|-------------|-------------|
| Estill   | 272N-2007 | City of Irvine                            | SX21065005 | \$900,000   | \$863,869   | \$36,131    |
| Fayette  | 127N-2008 | Lexington-Fayette Urban County Government | SX21067006 | \$3,100,000 | \$0         | \$3,100,000 |
| Fayette  | 128N-2008 | Lexington-Fayette Urban County Government | SX21067020 | \$600,000   | \$285,522   | \$314,478   |
| Fayette  | 274N-2007 | Lexington-Fayette Urban County Government | SX21067008 | \$930,000   | \$134,431   | \$795,569   |
| Fayette  | 276N-2007 | Lexington-Fayette Urban County Government | SX21067103 | \$2,600,000 | \$1,033,117 | \$1,566,883 |
| Fayette  | 88T-2005  | Lexington-Fayette Urban County Government | SX21067007 | \$600,000   | \$0         | \$600,000   |
| Fleming  | 130N-2008 | City of Flemingsburg                      | WX21069016 | \$450,000   | \$276,298   | \$173,702   |
| Fleming  | 131N-2008 | City of Flemingsburg                      | SX21069011 | \$200,000   | \$1,000     | \$199,000   |
| Fleming  | 15UT-2005 | City of Flemingsburg                      | SX21069011 | \$150,000   | \$42,921    | \$107,079   |
| Fleming  | 277N-2007 | City of Flemingsburg                      | SX21069001 | \$100,000   | \$92,525    | \$7,475     |
| Fleming  | 278N-2007 | City of Flemingsburg                      | SX21069014 | \$100,000   | \$500       | \$99,500    |
| Fleming  | 90T-2005  | City of Flemingsburg                      | SX21069002 | \$100,000   | \$9,004     | \$90,996    |
| Fleming  | 93T-2005  | City of Flemingsburg                      | SX21069001 | \$165,000   | \$157,169   | \$7,831     |
| Floyd    | 3CS-2011  | Prestonsburg City Utilities Commission    | WX21071220 | \$100,000   | \$0         | \$100,000   |
| Floyd    | 41C-2008  | Southern Water & Sewer                    | WX21071728 | \$30,000    | \$29,700    | \$300       |
| Floyd    | 42C-2008  | Southern Water & Sewer                    | WX21071729 | \$30,000    | \$5,900     | \$24,100    |
| Floyd    | 43C-2008  | Southern Water & Sewer                    | SX21071218 | \$1,000,000 | \$0         | \$1,000,000 |
| Floyd    | 44C-2008  | Wheelwright Utility Commission            | WX21071904 | \$290,000   | \$121,204   | \$168,796   |
| Floyd    | 45C-2008  | Wheelwright Utility Commission            | WX21071903 | \$310,000   | \$0         | \$310,000   |
| Floyd    | 46C-2008  | Wheelwright Utility Commission            | WX21071903 | \$860,000   | \$0         | \$860,000   |
| Floyd    | 51C-2007  | City of Wheelwright                       | SX21071901 | \$182,000   | \$178,556   | \$3,444     |
| Floyd    | 54C-2007  | Floyd County Fiscal Court                 | SX21195121 | \$600,000   | \$0         | \$600,000   |
| Floyd    | 55C-2007  | Prestonsburg City Utilities Commission    | WX21071206 | \$200,000   | \$66,531    | \$133,469   |
| Franklin | 135N-2008 | City of Frankfort                         | SX21073017 | \$733,000   | \$0         | \$733,000   |
| Franklin | 136N-2008 | Farmdale Sanitation District              | SX21073029 | \$550,000   | \$42,400    | \$507,600   |
| Franklin | 137N-2008 | Farmdale Water District                   | WX21073010 | \$992,000   | \$77,360    | \$914,640   |
| Franklin | 138N-2008 | Frankfort Plant Board                     | WX21073009 | \$100,000   | \$81,522    | \$18,478    |
| Franklin | 139N-2008 | Frankfort Plant Board                     | WX21073007 | \$225,000   | \$123,238   | \$101,762   |
| Franklin | 140N-2008 | Peaks Mill Water District                 | WX21073008 | \$550,000   | \$12,750    | \$537,250   |
| Franklin | 248T-2005 | Peaks Mill Water District                 | WX21187204 | \$893,000   | \$892,406   | \$594       |
| Franklin | 283N-2007 | City of Frankfort                         | SX21073004 | \$230,000   | \$141,138   | \$88,863    |
| Franklin | 286N-2007 | City of Frankfort                         | SX21073012 | \$200,000   | \$38,500    | \$161,500   |
| Franklin | 287N-2007 | Farmdale Water District                   | WX21073005 | \$700,000   | \$484,160   | \$215,840   |
| Franklin | 352N-2008 | Peaks Mill Water District                 | WX21187215 | \$550,000   | \$545,000   | \$5,000     |
| Franklin | 97T-2005  | City of Frankfort                         | SX21073008 | \$600,000   | \$312,514   | \$287,486   |
| Fulton   | 100T-2005 | City of Fulton                            | SX21075006 | \$125,000   | \$55,192    | \$69,808    |
| Fulton   | 100T-2005 | City of Fulton                            | WX21075009 | \$125,000   | \$97,093    | \$27,907    |
| Fulton   | 141N-2008 | City of Fulton                            | WX21075007 | \$245,000   | \$159,044   | \$85,956    |
| Fulton   | 142N-2008 | City of Hickman                           | WX21075011 | \$250,000   | \$113,855   | \$136,145   |
| Fulton   | 143N-2008 | City of Hickman                           | SX21075007 | \$500,000   | \$294,783   | \$205,217   |
| Fulton   | 288N-2007 | City of Fulton                            | WX21075007 | \$150,000   | \$138,473   | \$11,527    |
| Fulton   | 289N-2007 | City of Fulton                            | WX21075012 | \$350,000   | \$348,543   | \$1,457     |
| Fulton   | 290N-2007 | City of Hickman                           | SX21075007 | \$300,000   | \$287,648   | \$12,352    |

IEDF Grants

12/7/2010

| County   | GrantID   | Grantee   | WRIS       | Amount      | Draw Amount | Balance   |
|----------|-----------|---|------------|-------------|-------------|-----------|
| Gallatin | 145N-2008 | City of Glencoe                                     | SX21077100 | \$200,000   | \$146,180   | \$53,820  |
| Gallatin | 146N-2008 | Gallatin County Fiscal Court                        | SX21077110 | \$500,000   | \$145,380   | \$354,620 |
| Garrard  | 103T-2005 | Garrard County Water Association                    | WX21079007 | \$33,000    | \$30,062    | \$2,938   |
| Garrard  | 148N-2008 | City of Lancaster                                   | SX21079009 | \$506,750   | \$0         | \$506,750 |
| Garrard  | 149N-2008 | City of Lancaster                                   | SX21079010 | \$450,000   | \$0         | \$450,000 |
| Garrard  | 150N-2008 | City of Lancaster                                   | SX21079013 | \$85,000    | \$0         | \$85,000  |
| Garrard  | 151N-2008 | Garrard County Water Association                    | WX21079014 | \$85,000    | \$62,684    | \$22,316  |
| Garrard  | 152N-2008 | Garrard County Water Association                    | WX21079014 | \$129,000   | \$0         | \$129,000 |
| Garrard  | 267N-2008 | Garrard County Water Association                    | WX21079014 | \$85,000    | \$0         | \$85,000  |
| Garrard  | 295N-2007 | City of Lancaster                                   | SX21079004 | \$100,000   | \$0         | \$100,000 |
| Garrard  | 296N-2007 | City of Lancaster                                   | SX21079007 | \$90,705    | \$0         | \$90,705  |
| Grant    | 155N-2008 | City of Corinth                                     | SX21081901 | \$500,000   | \$385,264   | \$114,736 |
| Grant    | 157N-2008 | Grant County Sanitation District                    | SX21081303 | \$250,000   | \$0         | \$250,000 |
| Grant    | 158N-2008 | Grant County Sanitation District                    | SX21081303 | \$400,000   | \$270,398   | \$129,602 |
| Grant    | 299N-2007 | City of Williamstown                                | SX21081304 | \$900,000   | \$382,815   | \$517,185 |
| Grant    | 300N-2007 | City of Dry Ridge                                   | SX21081600 | \$250,000   | \$249,783   | \$217     |
| Graves   | 107T-2005 | Fancy Farm Water and Sewer District                 | SX21083014 | \$155,000   | \$72,638    | \$82,362  |
| Graves   | 108T-2005 | Fancy Farm Water and Sewer District                 | WX21083030 | \$495,000   | \$383,734   | \$111,266 |
| Graves   | 109T-2005 | Hardemon Water District                             | WX21083018 | \$50,000    | \$49,966    | \$34      |
| Graves   | 112T-2005 | Fancy Farm Water and Sewer District                 | WX21083030 | \$320,000   | \$0         | \$320,000 |
| Graves   | 113T-2005 | City of Mayfield Electric and Water System          | WX21083032 | \$100,000   | \$97,300    | \$2,700   |
| Graves   | 159N-2008 | City of Mayfield                                    | WX21083044 | \$1,050,000 | \$235,702   | \$814,298 |
| Graves   | 164N-2008 | Graves County Fiscal Court                          | WX21083010 | \$400,000   | \$25,500    | \$374,500 |
| Graves   | 165N-2008 | Hickory Water District - Graves County Fiscal Court | WX21083025 | \$350,000   | \$306,875   | \$43,125  |
| Graves   | 166N-2008 | Symsonia Water District                             | WX21083055 | \$595,000   | \$53,518    | \$541,482 |
| Graves   | 306N-2007 | Mayfield Electric and Water System                  | SX21083021 | \$260,000   | \$214,423   | \$45,577  |
| Graves   | 309N-2007 | Sedalia Water District                              | WX21083039 | \$125,000   | \$119,776   | \$5,224   |
| Graves   | 310N-2007 | Symsonia Water District                             | SX21083010 | \$75,000    | \$45,546    | \$29,454  |
| Graves   | 312N-2007 | Wingo Water System                                  | WX21083001 | \$91,780    | \$0         | \$91,780  |
| Grayson  | 118T-2005 | Leitchfield Sewer Utility                           | SX21085002 | \$1,100,000 | \$1,074,128 | \$25,872  |
| Grayson  | 167N-2008 | City of Leitchfield                                 | SX21085005 | \$750,000   | \$620,842   | \$129,158 |
| Grayson  | 168N-2008 | City of Leitchfield                                 | WX21085021 | \$200,000   | \$67,224    | \$132,777 |
| Grayson  | 313N-2007 | City of Caneyville                                  | SX21085001 | \$550,000   | \$446,958   | \$103,042 |
| Grayson  | 314N-2007 | City of Clarkson                                    | SX21085004 | \$94,200    | \$91,525    | \$2,675   |
| Grayson  | 319N-2007 | Grayson County Water District                       | WX21085016 | \$337,300   | \$332,356   | \$4,944   |
| Green    | 171N-2008 | Green County Sanitation District #1                 | SX21087008 | \$240,000   | \$0         | \$240,000 |
| Green    | 173N-2008 | Green County Sanitation District #1                 | SX21087002 | \$400,000   | \$99,801    | \$300,199 |
| Green    | 320N-2007 | City of Greensburg                                  | WX21087012 | \$250,000   | \$249,973   | \$28      |
| Greenup  | 176N-2008 | City of Flatwoods                                   | WX21089028 | \$300,000   | \$0         | \$300,000 |
| Greenup  | 180N-2008 | City of Greenup                                     | WX21089084 | \$200,000   | \$0         | \$200,000 |
| Greenup  | 185N-2008 | City of Raceland                                    | SX21089071 | \$142,000   | \$108,389   | \$33,611  |
| Greenup  | 187N-2008 | City of Russell                                     | SX21089012 | \$300,000   | \$0         | \$300,000 |
| Greenup  | 188N-2008 | City of South Shore                                 | SX21089032 | \$200,000   | \$66,704    | \$133,296 |

IEDF Grants

12/7/2010

| County  | GrantID   | Grantee                         | WRIS       | Amount    | Draw Amount | Balance   |
|---------|-----------|---------------------------------|------------|-----------|-------------|-----------|
| Greenup | 189N-2008 | City of Worthington             | SX21089061 | \$261,500 | \$125,588   | \$135,912 |
| Greenup | 189N-2008 | City of Worthington             | SX21089062 | \$138,500 | \$39,664    | \$98,836  |
| Greenup | 190N-2008 | City of Wurtland                | WX21089054 | \$47,000  | \$42,415    | \$4,585   |
| Greenup | 191N-2008 | City of Wurtland                | SX21089059 | \$55,000  | \$49,920    | \$5,080   |
| Greenup | 192N-2008 | City of Wurtland                | SX21089076 | \$200,000 | \$0         | \$200,000 |
| Greenup | 193N-2008 | Greenup County Fiscal Court     | SX21089086 | \$25,000  | \$0         | \$25,000  |
| Greenup | 193N-2008 | Greenup County Fiscal Court     | WX21089066 | \$25,000  | \$0         | \$25,000  |
| Greenup | 19UT-2005 | City of Wurtland                | SX21089073 | \$300,000 | \$0         | \$300,000 |
| Greenup | 26UT-2005 | City of Flatwoods               | WX21089057 | \$130,000 | \$114,988   | \$15,012  |
| Greenup | 57C-2005  | City of Wurtland                | SX21089021 | \$500,000 | \$187,790   | \$312,210 |
| Greenup | 58C-2007  | City of Greenup                 | WX21089038 | \$200,000 | \$0         | \$200,000 |
| Greenup | 59C-2005  | City of Greenup                 | SX21089037 | \$50,000  | \$37,000    | \$13,000  |
| Greenup | 59C-2007  | City of Greenup                 | WX21089020 | \$40,000  | \$0         | \$40,000  |
| Greenup | 60C-2007  | City of Raceland                | SX21089030 | \$18,000  | \$17,810    | \$190     |
| Greenup | 62C-2007  | City of Worthington             | SX21089057 | \$70,000  | \$67,424    | \$2,576   |
| Greenup | 63C-2005  | City of Greenup                 | WX21089036 | \$275,000 | \$0         | \$275,000 |
| Greenup | 63C-2007  | City of Wurtland                | WX21089023 | \$30,000  | \$1,107     | \$28,893  |
| Greenup | 64C-2007  | City of Wurtland                | SX21089021 | \$470,000 | \$0         | \$470,000 |
| Greenup | 66C-2005  | City of Greenup                 | WX21089037 | \$130,000 | \$0         | \$130,000 |
| Greenup | 67C-2005  | City of Bellefonte              | SX21089046 | \$22,000  | \$21,898    | \$102     |
| Greenup | 67C-2005  | City of Flatwoods               | SX21089034 | \$21,470  | \$21,463    | \$7       |
| Greenup | 67C-2005  | Greenup County Fiscal Court     | SX21089021 | \$100,000 | \$0         | \$100,000 |
| Greenup | 67C-2005  | Greenup County Fiscal Court     | WX21089018 | \$100,000 | \$0         | \$100,000 |
| Greenup | 67C-2005  | Greenup County Fiscal Court     | WX21089044 | \$20,000  | \$0         | \$20,000  |
| Greenup | 67C-2005  | Greenup County Fiscal Court     | WX21089083 | \$16,530  | \$0         | \$16,530  |
| Greenup | 73C-2005  | City of Worthington             | SX21089057 | \$50,000  | \$18,180    | \$31,820  |
| Greenup | 9C-2008   | Cannonsburg Water District      | WX21019031 | \$250,000 | \$136,740   | \$113,260 |
| Hancock | 2C-2010   | Hancock County Fiscal Court     | WX21091072 | \$75,000  | \$33,355    | \$41,645  |
| Hancock | 47C-2008  | City of Hawesville              | SX21091010 | \$90,000  | \$0         | \$90,000  |
| Hancock | 47C-2008  | City of Hawesville              | WX21091066 | \$100,000 | \$10,896    | \$89,104  |
| Hancock | 47C-2008  | City of Hawesville              | WX21091068 | \$100,000 | \$27,865    | \$72,135  |
| Hancock | 47C-2008  | City of Hawesville              | WX21091077 | \$335,000 | \$226,145   | \$108,855 |
| Hancock | 48C-2008  | City of Lewisport               | SX21091007 | \$410,493 | \$137,091   | \$273,402 |
| Hancock | 48C-2008  | City of Lewisport               | WX21091020 | \$100,503 | \$100,020   | \$483     |
| Hancock | 4C-2010   | Hancock County Fiscal Court     | WX21091079 | \$100,000 | \$0         | \$100,000 |
| Hancock | 68C-2007  | City of Hawesville              | SX21091008 | \$191,794 | \$166,525   | \$25,269  |
| Hancock | 71C-2007  | City of Lewisport               | WX21091023 | \$41,451  | \$41,024    | \$427     |
| Hancock | 7UT-2005  | Hancock County Fiscal Court     | WX21091022 | \$10,650  | \$10,635    | \$15      |
| Hardin  | 130T-2005 | City of West Point              | WX21093016 | \$200,000 | \$191,113   | \$8,887   |
| Hardin  | 194N-2008 | City of West Point              | SX21093001 | \$65,000  | \$0         | \$65,000  |
| Hardin  | 194N-2008 | City of West Point              | SX21093018 | \$235,000 | \$19,825    | \$215,175 |
| Hardin  | 195N-2008 | Hardin County Water District #1 | WX21093038 | \$300,000 | \$34,450    | \$265,550 |
| Hardin  | 196N-2008 | Hardin County Water District #1 | WX21093037 | \$450,000 | \$24,217    | \$425,783 |

IEDF Grants

12/7/2010

| County    | GrantID   | Grantee  | WRIS       | Amount      | Draw Amount | Balance     |
|-----------|-----------|--|------------|-------------|-------------|-------------|
| Hardin    | 197N-2008 | City of Elizabethtown  | WX21093031 | \$1,000,000 | \$0         | \$1,000,000 |
| Hardin    | 323N-2007 | City of Vine Grove   | SX21093002 | \$500,000   | \$459,720   | \$40,280    |
| Hardin    | 325N-2007 | City of West Point   | WX21093016 | \$125,000   | \$118,186   | \$6,814     |
| Hardin    | 327N-2007 | Hardin County Water District #1                              | WX21093020 | \$1,000,000 | \$111,925   | \$888,075   |
| Hardin    | 330N-2007 | Hardin County Water District #2                              | SX21093004 | \$600,000   | \$22,900    | \$577,100   |
| Hardin    | 331N-2007 | Hardin County Water District #2                              | WX21093033 | \$500,000   | \$4,640     | \$495,360   |
| Hardin    | 332N-2007 | Hardin County Water District #2                              | WX21093015 | \$500,000   | \$491,320   | \$8,680     |
| Harlan    | 1CS-2010  | Harlan County Fiscal Court - Black Mountain Utility District | WX21095001 | \$250,000   | \$0         | \$250,000   |
| Harlan    | 2CS-2010  | Harlan County Fiscal Court - Cawood Water District           | WX21095048 | \$100,000   | \$0         | \$100,000   |
| Harlan    | 3CS-2008  | Harlan County Fiscal Court - Green Hills Water District      | WX21095601 | \$325,000   | \$0         | \$325,000   |
| Harlan    | 3CS-2009  | Harlan County Fiscal Court - Black Mountain Utility District | WX21095634 | \$1,000,000 | \$611,683   | \$388,317   |
| Harlan    | 3CS-2010  | Harlan County Fiscal Court - Green Hills Water District      | WX21095601 | \$100,000   | \$0         | \$100,000   |
| Harlan    | 4CS-2009  | Harlan County Fiscal Court - Cawood Water District           | WX21095048 | \$50,000    | \$0         | \$50,000    |
| Harlan    | 4CS-2010  | Harlan County Fiscal Court                                   | SX21095061 | \$100,000   | \$0         | \$100,000   |
| Harlan    | 50C-2008  | City of Harlan   | SX21095059 | \$250,000   | \$239,549   | \$10,451    |
| Harlan    | 51C-2008  | Black Mountain Utility District                              | WX21095001 | \$250,000   | \$123,457   | \$126,543   |
| Harlan    | 52C-2008  | Harlan County Fiscal Court - Black Mountain Utility District | WX21095634 | \$1,150,000 | \$940,766   | \$209,234   |
| Harlan    | 53C-2008  | Harlan County Fiscal Court - Green Hills Water District      | WX21095601 | \$200,000   | \$0         | \$200,000   |
| Harlan    | 54C-2008  | Harlan County Fiscal Court - Black Mountain Utility District | SX21095010 | \$1,000,000 | \$0         | \$1,000,000 |
| Harlan    | 5CS-2009  | Harlan County Fiscal Court - Green Hills Water District      | WX21095601 | \$300,000   | \$0         | \$300,000   |
| Harlan    | 6CS-2009  | Harlan County Fiscal Court                                   | WX21095672 | \$450,000   | \$153,388   | \$296,612   |
| Harrison  | 198N-2008 | City of Cynthiana  | WX21097002 | \$835,000   | \$466,314   | \$368,686   |
| Harrison  | 199N-2008 | Harrison County Water Association                            | WX21097015 | \$820,000   | \$811,550   | \$8,450     |
| Harrison  | 336N-2007 | City of Cynthiana  | SX21097004 | \$250,000   | \$249,600   | \$400       |
| Hart      | 143T-2005 | Hart County Fiscal Court                                     | SX21099001 | \$600,000   | \$592,000   | \$8,000     |
| Hart      | 144T-2005 | Hart County Fiscal Court                                     | SX21099008 | \$362,000   | \$361,939   | \$61        |
| Hart      | 200N-2008 | City of Munfordville   | SX21099004 | \$100,000   | \$5,000     | \$95,000    |
| Hart      | 201N-2008 | City of Munfordville   | WX21099019 | \$150,000   | \$0         | \$150,000   |
| Hart      | 205N-2008 | Green River Valley Water District                            | WX21099013 | \$40,000    | \$27,057    | \$12,943    |
| Hart      | 208N-2008 | Green River Valley Water District                            | WX21099013 | \$20,000    | \$0         | \$20,000    |
| Henderson | 4CS-2011  | Henderson County Water District                              | WX21101102 | \$42,000    | \$0         | \$42,000    |
| Henderson | 55C-2008  | City of Henderson  | SX21101002 | \$1,350,000 | \$105,521   | \$1,244,479 |
| Henderson | 56C-2008  | Henderson County Fiscal Court                                | SX21101038 | \$1,000,000 | \$0         | \$1,000,000 |
| Henderson | 5CS-2011  | Henderson County Water District                              | WX21101101 | \$36,000    | \$0         | \$36,000    |
| Henderson | 77C-2007  | City of Henderson  | IX21101001 | \$1,250,000 | \$1,166,134 | \$83,866    |

IEDF Grants

12/7/2010

| County    | GrantID   | Grantee                                | WRIS       | Amount      | Draw Amount | Balance     |
|-----------|-----------|--|------------|-------------|-------------|-------------|
| Henderson | 7CS-2009  | Henderson County Fiscal Court          | WX21101083 | \$45,000    | \$0         | \$45,000    |
| Henderson | 7CS-2011  | Henderson County Water District        | WX21101103 | \$33,000    | \$0         | \$33,000    |
| Henderson | 82C-2005  | Henderson County Water District        | WX21101015 | \$48,000    | \$47,999    | \$1         |
| Henderson | 85C-2005  | Henderson County Water District        | WX21101088 | \$325,000   | \$297,732   | \$27,268    |
| Henry     | 209N-2008 | City of Campbellsburg                  | SX21103006 | \$100,000   | \$92,171    | \$7,829     |
| Henry     | 210N-2008 | City of Eminence                       | SX21103001 | \$350,000   | \$0         | \$350,000   |
| Henry     | 213N-2008 | Henry County Water District #2         | WX21103030 | \$25,000    | \$0         | \$25,000    |
| Hickman   | 218N-2008 | City of Columbus                       | WX21105007 | \$65,000    | \$3,575     | \$61,425    |
| Hickman   | 219N-2008 | City of Columbus                       | WX21105005 | \$40,000    | \$28,679    | \$11,321    |
| Hickman   | 346N-2007 | City of Clinton                        | SX21105004 | \$300,000   | \$132,149   | \$167,851   |
| Hickman   | 347N-2007 | City of Clinton                        | WX21105004 | \$70,000    | \$22,066    | \$47,934    |
| Hopkins   | 36CS-2011 | City of White Plains                   | WX21107039 | \$50,000    | \$0         | \$50,000    |
| Hopkins   | 57C-2008  | City of Hanson                         | SX21107003 | \$400,000   | \$0         | \$400,000   |
| Hopkins   | 58C-2008  | City of Madisonville                   | SX21107008 | \$1,350,000 | \$959,048   | \$390,952   |
| Hopkins   | 59C-2008  | Nebo Water District                    | WX21107018 | \$452,000   | \$180,248   | \$271,752   |
| Hopkins   | 5CS-2010  | City of Madisonville                   | SX21107008 | \$300,000   | \$0         | \$300,000   |
| Hopkins   | 8CS-2009  | City of Hanson                         | SX21107003 | \$113,000   | \$112,342   | \$68        |
| Hopkins   | 92C-2005  | City of St. Charles                    | SX21107004 | \$300,000   | \$213,000   | \$87,000    |
| Hopkins   | 9CS-2009  | City of White Plains                   | SX21107018 | \$160,000   | \$157,584   | \$2,416     |
| Jackson   | 60C-2008  | City of McKee                          | SX21109090 | \$500,000   | \$0         | \$500,000   |
| Jackson   | 62C-2008  | Jackson County Fiscal Court            | WX21109719 | \$850,000   | \$709,150   | \$140,850   |
| Jackson   | 84C-2007  | City of McKee                          | SX21109090 | \$1,000,000 | \$674,253   | \$325,747   |
| Jackson   | 85C-2007  | Jackson County Water Association       | WX21109708 | \$36,000    | \$0         | \$36,000    |
| Jackson   | 86C-2007  | Jackson County Water Association       | WX21109708 | \$514,862   | \$287,749   | \$227,113   |
| Jackson   | 87C-2007  | City of McKee                          | SX21109090 | \$539,300   | \$0         | \$539,300   |
| Jackson   | 88C-2007  | Jackson County Water Association       | WX21109708 | \$55,910    | \$0         | \$55,910    |
| Jackson   | 96C-2005  | Jackson County Fiscal Court            | WX21109715 | \$183,000   | \$174,263   | \$8,737     |
| Jessamine | 222N-2008 | City of Nicholasville                  | SX21113014 | \$400,000   | \$26,255    | \$373,745   |
| Jessamine | 223N-2008 | City of Nicholasville                  | WX21113026 | \$150,000   | \$0         | \$150,000   |
| Jessamine | 224N-2008 | City of Nicholasville                  | SX21113012 | \$150,000   | \$116,904   | \$33,096    |
| Jessamine | 229N-2008 | Jessamine South Elkhorn Water District | WX21113016 | \$1,000,000 | \$0         | \$1,000,000 |
| Jessamine | 348N-2007 | City of Nicholasville                  | WX21113019 | \$220,000   | \$115,427   | \$104,573   |
| Jessamine | 349N-2007 | City of Nicholasville                  | WX21113018 | \$500,000   | \$409,637   | \$90,363    |
| Jessamine | 350N-2007 | City of Nicholasville                  | WX21113020 | \$330,000   | \$282,385   | \$47,615    |
| Jessamine | 353N-2007 | Jessamine County Water District #1     | WX21113012 | \$1,900,000 | \$86,500    | \$1,813,500 |
| Jessamine | 354N-2007 | Jessamine County Water District #1     | WX21113015 | \$750,000   | \$743,406   | \$6,594     |
| Jessamine | 355N-2007 | Jessamine South Elkhorn Water District | SX21113009 | \$110,000   | \$0         | \$110,000   |
| Jessamine | 356N-2007 | Jessamine South Elkhorn Water District | SX21113010 | \$180,000   | \$0         | \$180,000   |
| Jessamine | 357N-2007 | Jessamine South Elkhorn Water District | SX21113011 | \$150,000   | \$0         | \$150,000   |
| Jessamine | 5N-2010   | Jessamine South Elkhorn Water District | WX21113038 | \$217,422   | \$0         | \$217,422   |
| Johnson   | 11CS-2009 | Johnson County Fiscal Court            | WX21115027 | \$250,000   | \$176,135   | \$73,865    |
| Johnson   | 63C-2008  | Paintsville Utility Commission         | SX21115017 | \$250,000   | \$31,462    | \$218,538   |
| Johnson   | 67C-2008  | Paintsville Utility Commission         | WX21115026 | \$191,383   | \$35,464    | \$155,919   |

IEDF Grants

12/7/2010

| County  | GrantID   | Grantee                                   | WRIS       | Amount      | Draw Amount | Balance     |
|---------|-----------|---|------------|-------------|-------------|-------------|
| Johnson | 68C-2008  | Paintsville Utility Commission            | WX21115001 | \$750,000   | \$746,550   | \$3,450     |
| Johnson | 69C-2008  | Paintsville Utility Commission            | WX21115026 | \$828,000   | \$0         | \$828,000   |
| Johnson | 6CS-2010  | Johnson County Fiscal Court               | WX21115027 | \$250,000   | \$0         | \$250,000   |
| Kenton  | 232N-2008 | City of Park Hills                        | SX21117202 | \$124,000   | \$0         | \$124,000   |
| Kenton  | 233N-2008 | Northern Kentucky Water District          | WX21117206 | \$300,000   | \$0         | \$300,000   |
| Kenton  | 234N-2008 | Northern Kentucky Water District          | WX21117206 | \$300,000   | \$0         | \$300,000   |
| Kenton  | 235N-2008 | Northern Kentucky Water District          | WX21117207 | \$500,000   | \$0         | \$500,000   |
| Kenton  | 236N-2008 | Sanitation District #1 of NKY             | SX21117102 | \$950,000   | \$0         | \$950,000   |
| Kenton  | 237N-2008 | Sanitation District #1 of NKY             | SX21117103 | \$500,000   | \$0         | \$500,000   |
| Knoit   | 193C-2005 | City of Hindman                           | WX21119250 | \$88,888    | \$84,471    | \$4,417     |
| Knoit   | 70C-2008  | Knott County Water and Sewer              | WX21119018 | \$1,000,000 | \$965,336   | \$34,664    |
| Knoit   | 71C-2008  | Troublesome Creek Environmental Authority | SX21119810 | \$1,425,000 | \$674,866   | \$750,134   |
| Knoit   | 7CS-2010  | Knott County Fiscal Court                 | WX21119013 | \$2,000,000 | \$604,841   | \$1,395,159 |
| Knoit   | 97C-2007  | Knott County Fiscal Court                 | WX21119225 | \$1,200,000 | \$1,194,125 | \$5,875     |
| Knoit   | 9CS-2011  | Knott County Fiscal Court                 | WX21119006 | \$1,025,000 | \$0         | \$1,025,000 |
| Knoit   | 9CS-2011  | Knott County Fiscal Court                 | WX21119050 | \$875,000   | \$0         | \$875,000   |
| Knox    | 100C-2007 | Barbourville Utility Commission           | SX21121139 | \$600,000   | \$0         | \$600,000   |
| Knox    | 103C-2007 | Knox County Utility Commission            | WX21121531 | \$750,000   | \$390,460   | \$359,540   |
| Knox    | 105C-2005 | Barbourville Utility Commission           | WX21121510 | \$400,000   | \$393,862   | \$6,138     |
| Knox    | 72C-2008  | Barbourville Utility Commission           | WX21121539 | \$400,000   | \$0         | \$400,000   |
| Knox    | 73C-2008  | Barbourville Utility Commission           | WX21121539 | \$385,000   | \$0         | \$385,000   |
| Knox    | 74C-2008  | Corbin Utility Commission                 | SX21121509 | \$700,000   | \$25,625    | \$674,375   |
| Knox    | 75C-2008  | Corbin Utility Commission                 | SX21121508 | \$300,000   | \$41,500    | \$258,500   |
| Knox    | 76C-2008  | Knox County Utility Commission            | WX21121533 | \$100,000   | \$27,196    | \$72,804    |
| Knox    | 78C-2008  | Knox County Utility Commission            | WX21121532 | \$575,000   | \$404,316   | \$170,684   |
| Knox    | 98C-2007  | Barbourville Utility Commission           | SX21121138 | \$300,000   | \$271,122   | \$28,878    |
| Knox    | 99C-2007  | Barbourville Utility Commission           | SX21121138 | \$65,962    | \$0         | \$65,962    |
| Knox    | 99C-2007  | Barbourville Utility Commission           | WX21125508 | \$134,038   | \$101,117   | \$32,921    |
| Larue   | 238N-2008 | City of Hodgenville                       | SX21123003 | \$200,000   | \$0         | \$200,000   |
| Larue   | 239N-2008 | City of Hodgenville                       | WX21123010 | \$300,000   | \$271,386   | \$28,614    |
| Larue   | 240N-2008 | Larue County Water District #1            | WX21123016 | \$250,000   | \$16,002    | \$233,998   |
| Larue   | 241N-2008 | Larue County Water District #1            | WX21123007 | \$300,000   | \$24,876    | \$275,124   |
| Larue   | 242N-2008 | Larue County Water District #1            | WX21123006 | \$450,000   | \$23,257    | \$426,743   |
| Larue   | 338N-2008 | Larue County Water District #1            | WX21179003 | \$150,000   | \$7,576     | \$142,424   |
| Larue   | 364N-2007 | Larue County Water District #1            | SX21123004 | \$82,465    | \$0         | \$82,465    |
| Laurel  | 104C-2007 | Laurel Water District #2                  | WX21125557 | \$225,000   | \$99,847    | \$125,153   |
| Laurel  | 109C-2005 | Laurel Water District #2                  | WX21125552 | \$1,000,000 | \$990,000   | \$10,000    |
| Laurel  | 109C-2007 | London Public Works                       | IX21125001 | \$425,000   | \$201,780   | \$223,220   |
| Laurel  | 111C-2007 | London Utility Commission                 | SX21123180 | \$1,200,000 | \$1,131,631 | \$68,369    |
| Laurel  | 112C-2007 | Laurel County Water District No. 2        | WX21125554 | \$750,000   | \$25,470    | \$724,530   |
| Laurel  | 157C-2008 | Cumberland Falls Highway Water District   | WX21235403 | \$50,000    | \$0         | \$50,000    |
| Laurel  | 184C-2007 | London Utility Commission                 | SX21125182 | \$200,000   | \$196,410   | \$3,590     |
| Laurel  | 185C-2007 | Laurel County Water District No. 2        | WX21125555 | \$200,000   | \$0         | \$200,000   |

IEDF Grants

12/7/2010

| County   | GrantID   | Grantee                                 | WRIS       | Amount      | Draw_Amount | Balance   |
|----------|-----------|---|------------|-------------|-------------|-----------|
| Laurel   | 80C-2008  | London Utility Commission               | SX21125182 | \$302,900   | \$0         | \$302,900 |
| Laurel   | 82C-2008  | Laurel County Water District No. 2      | WX21125555 | \$125,000   | \$0         | \$125,000 |
| Laurel   | 83C-2008  | Laurel County Water District No. 2      | WX21125555 | \$100,000   | \$67,624    | \$32,376  |
| Lawrence | 114C-2005 | Lawrence County Fiscal Court            | SX21127012 | \$188,888   | \$80,062    | \$108,826 |
| Lawrence | 115C-2005 | Lawrence County Fiscal Court            | SX21127012 | \$100,000   | \$0         | \$100,000 |
| Lawrence | 115C-2007 | Louisa Water and Sewer Commission       | SX21127002 | \$500,000   | \$447,428   | \$52,572  |
| Lawrence | 11C-2007  | Big Sandy Water District                | WX21019028 | \$400,000   | \$184,388   | \$215,612 |
| Lawrence | 87C-2008  | Big Sandy Water District                | WX21019035 | \$1,000,000 | \$809,171   | \$190,829 |
| Lawrence | 88C-2008  | City of Louisa Sewer Department         | SX21127002 | \$600,000   | \$12,893    | \$587,108 |
| Lawrence | 89C-2008  | City of Louisa Sewer Department         | SX21127025 | \$250,000   | \$0         | \$250,000 |
| Lee      | 91C-2008  | City of Beattyville                     | SX21129006 | \$400,000   | \$362,760   | \$37,240  |
| Leslie   | 118C-2005 | City of Hyden                           | SX21131101 | \$88,888    | \$88,000    | \$888     |
| Leslie   | 119C-2005 | Hyden-Leslie Water District             | WX21131200 | \$1,000,000 | \$818,767   | \$181,233 |
| Leslie   | 120C-2005 | Leslie County Fiscal Court              | SX21131100 | \$300,000   | \$284,367   | \$15,633  |
| Leslie   | 120C-2007 | Hyden-Leslie Water District             | WX21131007 | \$500,000   | \$313,954   | \$186,046 |
| Leslie   | 121C-2005 | Hyden-Leslie Water District             | WX21131003 | \$250,000   | \$247,000   | \$3,000   |
| Leslie   | 121C-2007 | Hyden-Leslie Water District             | WX21131200 | \$750,000   | \$0         | \$750,000 |
| Leslie   | 93C-2008  | City of Hyden                           | SX21131001 | \$250,000   | \$0         | \$250,000 |
| Leslie   | 94C-2008  | Hyden-Leslie Water District             | WX21131008 | \$500,000   | \$0         | \$500,000 |
| Leslie   | 95C-2008  | Hyden-Leslie Water District             | WX21131007 | \$750,000   | \$0         | \$750,000 |
| Leslie   | 96C-2008  | Hyden-Leslie Water District             | WX21131111 | \$750,000   | \$44,328    | \$705,672 |
| Leslie   | 97C-2008  | Leslie County Fiscal Court              | WX21131111 | \$100,000   | \$0         | \$100,000 |
| Letcher  | 100C-2008 | Letcher County Fiscal Court             | WX21133013 | \$850,000   | \$0         | \$850,000 |
| Letcher  | 101C-2008 | City of Jenkins                         | SX21133051 | \$100,000   | \$73,213    | \$26,787  |
| Letcher  | 102C-2008 | Letcher County Water and Sewer District | WX21133013 | \$750,000   | \$100,067   | \$649,933 |
| Letcher  | 10CS-2010 | Letcher County Fiscal Court             | WX21133017 | \$375,000   | \$0         | \$375,000 |
| Letcher  | 11CS-2010 | Letcher County Fiscal Court             | WX21133021 | \$250,000   | \$0         | \$250,000 |
| Letcher  | 122C-2007 | Letcher County Fiscal Court             | SX21133100 | \$500,000   | \$0         | \$500,000 |
| Letcher  | 123C-2007 | Letcher County Fiscal Court             | WX21133008 | \$250,000   | \$128,077   | \$121,923 |
| Letcher  | 124C-2005 | City of Neon - Sewer Extension          | SX21133001 | \$388,888   | \$343,983   | \$44,905  |
| Letcher  | 125C-2005 | Letcher County Fiscal Court             | SX21133100 | \$344,000   | \$0         | \$344,000 |
| Letcher  | 125C-2005 | Letcher County Fiscal Court             | WX21133005 | \$112,000   | \$111,749   | \$251     |
| Letcher  | 12CS-2011 | Letcher County Fiscal Court             | SX21133009 | \$300,000   | \$0         | \$300,000 |
| Letcher  | 12CS-2011 | Letcher County Fiscal Court             | SX21133150 | \$250,000   | \$0         | \$250,000 |
| Letcher  | 12CS-2011 | Letcher County Fiscal Court             | WX21133008 | \$300,000   | \$0         | \$300,000 |
| Letcher  | 18CS-2009 | Letcher County Fiscal Court             | WX21133300 | \$50,000    | \$49,999    | \$1       |
| Letcher  | 19CS-2009 | Letcher County Fiscal Court             | WX21133010 | \$250,000   | \$119,269   | \$130,731 |
| Letcher  | 20CS-2009 | Letcher County Fiscal Court             | WX21133502 | \$250,000   | \$79,324    | \$170,676 |
| Letcher  | 21CS-2009 | Letcher County Fiscal Court             | WX21133503 | \$1,000,000 | \$803,046   | \$196,954 |
| Letcher  | 22CS-2009 | Letcher County Fiscal Court             | WX21133017 | \$375,000   | \$0         | \$375,000 |
| Letcher  | 23CS-2009 | Letcher County Fiscal Court             | WX21133021 | \$250,000   | \$0         | \$250,000 |
| Letcher  | 24CS-2009 | Letcher County Fiscal Court             | WX21133795 | \$70,000    | \$56,926    | \$13,074  |
| Letcher  | 98C-2008  | City of Whitesburg                      | SX21133007 | \$250,000   | \$236,772   | \$13,228  |

IEDF Grants

12/7/2010

| County     | GrantID   | Grantee                                       | WRIS       | Amount      | Draw Amount | Balance     |
|------------|-----------|---|------------|-------------|-------------|-------------|
| Lecher     | 99C-2008  | City of Jenkins                               | WX21133041 | \$400,000   | \$106,825   | \$293,175   |
| Lecher     | 9CS-2010  | Letcher County Fiscal Court                   | WX21133502 | \$250,000   | \$0         | \$250,000   |
| Lewis      | 163T-2005 | Garrison-Quincy Water District                | SX21135001 | \$50,000    | \$8,698     | \$41,302    |
| Lewis      | 20UT-2005 | Vanceburg Electric Plant Board                | SX21135014 | \$100,000   | \$78,869    | \$21,131    |
| Lewis      | 243N-2008 | Garrison-Quincy Water District                | SX21135001 | \$1,000,000 | \$15,000    | \$985,000   |
| Lewis      | 289N-2008 | Western Lewis Rectorville Water & Gas         | WX21161020 | \$250,000   | \$114,360   | \$135,640   |
| Lewis      | 367N-2007 | Garrison-Quincy Water District                | SX21135001 | \$700,000   | \$105,054   | \$594,946   |
| Lewis      | 6N-2010   | Vanceburg Electric Plant Board                | SX21135014 | \$100,000   | \$1,500     | \$98,500    |
| Lincoln    | 164T-2005 | Lincoln County Fiscal Court                   | WX21137022 | \$110,000   | \$78,610    | \$31,390    |
| Lincoln    | 247N-2008 | City of Crab Orchard                          | SX21137006 | \$90,000    | \$0         | \$90,000    |
| Lincoln    | 248N-2008 | City of Crab Orchard                          | WX21137034 | \$158,400   | \$155,005   | \$3,395     |
| Lincoln    | 249N-2008 | City of Stanford Water Commission             | SX21137003 | \$1,551,600 | \$201,808   | \$1,349,792 |
| Livingston | 171T-2005 | Ledbetter Water District                      | SX21139004 | \$134,000   | \$40,035    | \$93,965    |
| Livingston | 173T-2005 | City of Salem                                 | SX21139006 | \$100,000   | \$48,241    | \$51,759    |
| Livingston | 250N-2008 | City of Grand Rivers                          | SX21139001 | \$500,000   | \$0         | \$500,000   |
| Livingston | 251N-2008 | City of Salem                                 | SX21139006 | \$50,000    | \$0         | \$50,000    |
| Livingston | 253N-2008 | City of Smithland                             | SX21139003 | \$100,000   | \$60,167    | \$39,833    |
| Livingston | 376N-2007 | City of Salem                                 | SX21139006 | \$50,000    | \$3,876     | \$46,124    |
| Livingston | 379N-2007 | Grand Rivers Sewer System                     | SX21139001 | \$300,000   | \$297,460   | \$2,540     |
| Livingston | 380N-2007 | Ledbetter Water District                      | SX21139004 | \$35,000    | \$25,842    | \$9,158     |
| Livingston | 41C-2007  | Crittenden / Livingston County Water District | WX21055007 | \$800,000   | \$799,867   | \$133       |
| Logan      | 176T-2005 | Auburn Water System                           | WX21141023 | \$150,000   | \$149,992   | \$8         |
| Logan      | 383N-2007 | Mud River Watershed Conservancy District      | WX21141039 | \$73,000    | \$990       | \$72,010    |
| Lyon       | 263N-2008 | City of Eddyville                             | SX21143004 | \$230,000   | \$116,240   | \$113,760   |
| Lyon       | 264N-2008 | City of Kuttawa                               | SX21143006 | \$230,000   | \$114,806   | \$115,194   |
| Lyon       | 265N-2008 | Lyon County Water Consortium                  | WX21143002 | \$300,000   | \$138,708   | \$161,293   |
| Lyon       | 266N-2008 | Lyon County Water District                    | SX21143003 | \$400,000   | \$68,781    | \$331,219   |
| Lyon       | 387N-2007 | City of Kuttawa                               | SX21143002 | \$1,175,000 | \$1,024,148 | \$150,852   |
| Madison    | 147N-2008 | City of Berea                                 | SX21151014 | \$85,000    | \$0         | \$85,000    |
| Madison    | 182T-2005 | City of Berea                                 | SX21151014 | \$50,000    | \$0         | \$50,000    |
| Madison    | 183T-2005 | City of Richmond                              | WX21151004 | \$196,000   | \$170,304   | \$25,696    |
| Madison    | 183T-2005 | City of Richmond                              | WX21151005 | \$426,000   | \$64,492    | \$361,508   |
| Madison    | 183T-2005 | City of Richmond                              | WX21151010 | \$378,000   | \$31,608    | \$346,392   |
| Madison    | 1N-2010   | City of Richmond                              | WX21151005 | \$750,000   | \$0         | \$750,000   |
| Madison    | 267N-2008 | City of Berea                                 | SX21151014 | \$65,000    | \$0         | \$65,000    |
| Madison    | 268N-2008 | City of Berea                                 | WX21151042 | \$100,000   | \$0         | \$100,000   |
| Madison    | 269N-2008 | City of Berea                                 | WX21151040 | \$500,000   | \$0         | \$500,000   |
| Madison    | 271N-2008 | Madison County Utility District               | WX21151033 | \$250,000   | \$29,249    | \$220,751   |
| Madison    | 273N-2008 | Northern Madison County Sanitation District   | SX21151018 | \$800,000   | \$124,625   | \$675,375   |
| Madison    | 274N-2008 | Southern Madison Water District               | WX21151017 | \$250,000   | \$129,290   | \$120,710   |
| Madison    | 391N-2007 | City of Berea                                 | WX21151030 | \$500,000   | \$0         | \$500,000   |
| Magoffin   | 103C-2008 | City of Salyersville                          | WX21153515 | \$350,000   | \$284,041   | \$65,959    |
| Magoffin   | 106C-2008 | Magoffin County Water District                | WX21153024 | \$600,000   | \$575,371   | \$24,629    |

IEDF Grants

12/7/2010

| County    | GrantID   | Grantee                                     | WRIS       | Amount      | Draw Amount | Balance     |
|-----------|-----------|---|------------|-------------|-------------|-------------|
| Magoffin  | 106C-2008 | Magoffin County Water District              | WX21153025 | \$400,000   | \$396,300   | \$3,700     |
| Magoffin  | 126C-2007 | Magoffin County Water District              | WX21153022 | \$900,000   | \$893,308   | \$6,692     |
| Magoffin  | 127C-2007 | City of Salyersville                        | SX21153520 | \$200,000   | \$200,000   | \$0         |
| Magoffin  | 1C-2010   | City of Salyersville                        | WX21153516 | \$400,000   | \$20,493    | \$379,507   |
| Marion    | 190T-2005 | Marion County Water District                | WX21155010 | \$45,000    | \$44,775    | \$225       |
| Marion    | 193T-2005 | City of Loretto                             | SX21155002 | \$750,000   | \$736,266   | \$13,734    |
| Marion    | 197T-2005 | Marion County Water District                | WX21155009 | \$150,000   | \$149,423   | \$577       |
| Marion    | 277N-2008 | Lebanon/Marion County Industrial Foundation | SX21155003 | \$420,000   | \$399,798   | \$20,202    |
| Marion    | 278N-2008 | Marion County Water District                | WX21155027 | \$200,000   | \$190,977   | \$9,023     |
| Marion    | 279N-2008 | Marion County Water District                | WX21155020 | \$725,000   | \$344,426   | \$380,574   |
| Marion    | 280N-2008 | Marion County Water District                | WX21155019 | \$300,000   | \$248,817   | \$51,183    |
| Marshall  | 281N-2008 | Marshall County Fiscal Court                | WX21157046 | \$1,800,000 | \$1,693,177 | \$106,823   |
| Marshall  | 402N-2007 | City of Calvert City                        | SX21157024 | \$250,000   | \$0         | \$250,000   |
| Marshall  | 403N-2007 | City of Calvert City                        | WX21157003 | \$125,000   | \$0         | \$125,000   |
| Marshall  | 406N-2007 | Marshall County Fiscal Court                | WX21157046 | \$575,000   | \$575,000   | \$0         |
| Martin    | 107C-2008 | Martin County Water District                | WX21159002 | \$1,350,000 | \$1,274,050 | \$75,950    |
| Martin    | 108C-2008 | Martin County Water District                | WX21159001 | \$1,000,000 | \$0         | \$1,000,000 |
| Martin    | 129C-2005 | Martin County Fiscal Court                  | SX21159501 | \$1,000,000 | \$0         | \$1,000,000 |
| Martin    | 130C-2007 | Martin County Water District                | SX21159501 | \$1,000,000 | \$6,250     | \$993,750   |
| McCracken | 292N-2008 | Paducah McCracken Joint Sewer Agency        | SX21159501 | \$500,000   | \$25,600    | \$474,400   |
| McCracken | 414N-2007 | Paducah Water Works                         | SX21145172 | \$1,300,000 | \$898,751   | \$401,249   |
| McCracken | 416N-2007 | Paducah Water Works                         | WX21145022 | \$140,000   | \$132,750   | \$7,250     |
| McCracken | 420N-2007 | Hendron Water District                      | WX21145035 | \$175,000   | \$16,349    | \$158,651   |
| McCracken | 131C-2007 | West McCracken Water District               | WX21145004 | \$35,000    | \$0         | \$35,000    |
| McCreary  | 296N-2008 | McCreary County Water District              | SX21147011 | \$500,000   | \$445,572   | \$54,428    |
| McCreary  | 298N-2008 | McCreary County Water District              | WX21147009 | \$775,000   | \$654,823   | \$120,177   |
| McCreary  | 136C-2005 | McCreary County Water District              | WX21147024 | \$400,000   | \$32,821    | \$367,179   |
| McLean    | 139C-2007 | McLean County Fiscal Court                  | WX21149011 | \$50,000    | \$47,832    | \$2,168     |
| McLean    | 140C-2007 | McLean County Fiscal Court                  | SX21149003 | \$50,000    | \$25,475    | \$24,525    |
| McLean    | 143C-2007 | McLean County Fiscal Court                  | WX21149029 | \$75,000    | \$713       | \$74,288    |
| McLean    | 144C-2005 | McLean County Fiscal Court                  | SX21149010 | \$40,000    | \$32,024    | \$7,976     |
| McLean    | 144C-2007 | McLean County Fiscal Court                  | WX21149018 | \$20,000    | \$190       | \$19,810    |
| McLean    | 146C-2005 | McLean County Fiscal Court                  | SX21149008 | \$100,000   | \$99,524    | \$476       |
| McLean    | 147C-2007 | McLean County Fiscal Court                  | WX21149024 | \$110,000   | \$0         | \$110,000   |
| McLean    | 148C-2007 | McLean County Fiscal Court                  | WX21149012 | \$80,000    | \$20,116    | \$59,884    |
| McLean    | 299N-2008 | McLean County Fiscal Court                  | SX21149018 | \$250,000   | \$247,790   | \$2,210     |
| McLean    | 300N-2008 | McLean County Fiscal Court                  | WX21149021 | \$300,000   | \$1,500     | \$298,500   |
| McLean    | 302N-2008 | McLean County Fiscal Court                  | WX21149011 | \$50,000    | \$250       | \$49,750    |
| McLean    | 303N-2008 | McLean County Fiscal Court                  | WX21149021 | \$200,000   | \$31,440    | \$168,560   |
| McLean    | 305N-2008 | McLean County Fiscal Court                  | WX21149025 | \$250,000   | \$248,993   | \$1,007     |
| McLean    | 306N-2008 | McLean County Fiscal Court                  | WX21149010 | \$100,000   | \$68,656    | \$31,344    |
| McLean    | 307N-2008 | McLean County Fiscal Court                  | WX21149024 | \$30,000    | \$0         | \$30,000    |
| McLean    | 308N-2008 | McLean County Fiscal Court                  | WX21149022 | \$250,000   | \$1,250     | \$248,750   |
| McLean    |           | McLean County Fiscal Court                  | WX21149048 | \$97,229    | \$31,410    | \$65,819    |

IEDF Grants

12/7/2010

| County     | GrantID   | Grantee                                  | WRIS       | Amount      | Draw Amount | Balance     |
|------------|-----------|--|------------|-------------|-------------|-------------|
| Meade      | 216T-2005 | City of Brandenburg                      | WX21163005 | \$100,000   | \$0         | \$100,000   |
| Meade      | 309N-2008 | City of Brandenburg                      | SX21163003 | \$303,000   | \$0         | \$303,000   |
| Meade      | 310N-2008 | City of Muldraugh                        | WX21163020 | \$122,000   | \$0         | \$122,000   |
| Meade      | 311N-2008 | City of Muldraugh                        | WX21163021 | \$186,000   | \$0         | \$186,000   |
| Meade      | 422N-2007 | City of Brandenburg                      | WX21163010 | \$250,000   | \$183,987   | \$66,013    |
| Meade      | 423N-2007 | Meade County Fiscal Court                | SX21163002 | \$275,000   | \$260,811   | \$14,189    |
| Meade      | 423N-2007 | Meade County Fiscal Court                | SX21163003 | \$75,000    | \$0         | \$75,000    |
| Meade      | 423N-2007 | Meade County Fiscal Court                | WX21163017 | \$120,000   | \$114,279   | \$5,721     |
| Meade      | 423N-2007 | Meade County Fiscal Court                | WX21163018 | \$500,000   | \$494,896   | \$5,104     |
| Menifee    | 109C-2008 | Cave Run Water Commission                | WX21165008 | \$245,000   | \$216,533   | \$28,467    |
| Menifee    | 109C-2008 | City of Frenchburg                       | SX21165016 | \$287,390   | \$25,153    | \$262,237   |
| Menifee    | 112C-2008 | Menifee County Fiscal Court              | WX21165012 | \$226,360   | \$218,474   | \$7,886     |
| Menifee    | 150C-2005 | Menifee County Sanitation District No. 1 | SX21165012 | \$440,000   | \$386,791   | \$53,209    |
| Menifee    | 151C-2007 | City of Frenchburg                       | WX21165009 | \$80,000    | \$51,292    | \$28,708    |
| Mercer     | 222T-2005 | Mercer County Fiscal Court               | SX21167006 | \$50,000    | \$49,750    | \$250       |
| Mercer     | 313N-2008 | Lake Village Water Association           | WX21167012 | \$350,000   | \$0         | \$350,000   |
| Mercer     | 314N-2008 | Mercer County Sanitation District        | SX21167011 | \$740,000   | \$0         | \$740,000   |
| Mercer     | 315N-2008 | Mercer County Sanitation District        | SX21167011 | \$260,000   | \$0         | \$260,000   |
| Metcalfe   | 318N-2008 | City of Edmonton                         | SX21169004 | \$100,000   | \$17,765    | \$82,235    |
| Metcalfe   | 319N-2008 | City of Edmonton                         | WX21169013 | \$280,000   | \$8,288     | \$271,712   |
| Metcalfe   | 319N-2008 | City of Edmonton                         | WX21169016 | \$520,000   | \$163,690   | \$356,310   |
| Metcalfe   | 320N-2008 | Metcalfe County Fiscal Court             | WX21169013 | \$51,000    | \$0         | \$51,000    |
| Metcalfe   | 320N-2008 | Metcalfe County Fiscal Court             | WX21169021 | \$14,000    | \$0         | \$14,000    |
| Metcalfe   | 320N-2008 | Metcalfe County Fiscal Court             | WX21169026 | \$75,000    | \$0         | \$75,000    |
| Metcalfe   | 320N-2008 | Metcalfe County Fiscal Court             | WX21169027 | \$30,000    | \$0         | \$30,000    |
| Metcalfe   | 320N-2008 | Metcalfe County Fiscal Court             | WX21169028 | \$30,000    | \$0         | \$30,000    |
| Monroe     | 229T-2005 | Monroe County Fiscal Court               | WX21171017 | \$40,000    | \$8,812     | \$31,188    |
| Monroe     | 231T-2005 | Monroe County Water District             | WX21171007 | \$100,000   | \$25,516    | \$74,484    |
| Monroe     | 323N-2008 | City of Tompkinsville                    | SX21171004 | \$200,000   | \$198,609   | \$1,391     |
| Monroe     | 324N-2008 | Monroe County Water District             | WX21171027 | \$1,250,000 | \$573,909   | \$676,091   |
| Monroe     | 436N-2007 | Monroe County Water District             | WX21171027 | \$1,200,000 | \$144,545   | \$1,055,455 |
| Montgomery | 236T-2005 | Levee Road Water Association             | WX21173014 | \$461,300   | \$460,485   | \$815       |
| Montgomery | 325N-2008 | City of Jeffersonville                   | WX21173082 | \$75,000    | \$74,193    | \$807       |
| Montgomery | 325N-2008 | City of Jeffersonville                   | WX21173103 | \$40,000    | \$29,798    | \$10,202    |
| Montgomery | 327N-2008 | Montgomery County Sanitation District #2 | SX21173042 | \$40,000    | \$10,700    | \$29,300    |
| Montgomery | 329N-2008 | Levee Water District                     | WX21173089 | \$175,000   | \$38,318    | \$136,682   |
| Montgomery | 331N-2008 | Montgomery County Sanitation District #2 | SX21173031 | \$78,906    | \$56,725    | \$22,181    |
| Montgomery | 331N-2008 | Montgomery County Sanitation District #2 | SX21173043 | \$60,547    | \$55,290    | \$5,257     |
| Montgomery | 331N-2008 | Montgomery County Sanitation District #2 | SX21173047 | \$110,547   | \$18,244    | \$92,303    |
| Montgomery | 333N-2008 | Montgomery County Water District #1      | WX21173085 | \$175,000   | \$131,503   | \$43,497    |
| Morgan     | 114C-2008 | City of West Liberty                     | SX21175017 | \$250,000   | \$240,396   | \$9,604     |
| Muhlenberg | 118C-2008 | City of Drakesboro                       | SX21177008 | \$250,000   | \$0         | \$250,000   |
| Muhlenberg | 118C-2008 | City of Greenville                       | WX21177013 | \$450,000   | \$7,196     | \$442,804   |

IEDF Grants

12/7/2010

| County     | GrantID   | Grantee                               | WRIS       | Amount      | Draw Amount | Balance     |
|------------|-----------|---------------------------------------|------------|-------------|-------------|-------------|
| Muhlenberg | 155C-2005 | Muhlenberg County Fiscal Court        | WX21177004 | \$1,000,000 | \$145,330   | \$854,670   |
| Muhlenberg | 156C-2005 | Muhlenberg County Fiscal Court        | SX21177002 | \$250,000   | \$115,893   | \$134,107   |
| Muhlenberg | 157C-2005 | Muhlenberg County Fiscal Court        | SX21177002 | \$250,000   | \$0         | \$250,000   |
| Muhlenberg | 157C-2005 | Muhlenberg County Fiscal Court        | SX21177008 | \$250,000   | \$237,244   | \$12,756    |
| Muhlenberg | 15CS-2011 | City of Drakesboro                    | SX21177016 | \$170,000   | \$0         | \$170,000   |
| Muhlenberg | 37CS-2011 | Muhlenberg County Water District #1   | WX21177019 | \$20,000    | \$0         | \$20,000    |
| Muhlenberg | 38CS-2011 | Muhlenberg County Water District #3   | WX21177022 | \$100,000   | \$0         | \$100,000   |
| Muhlenberg | CS-2005   | City of Greenville                    | SX21177002 | \$250,000   | \$0         | \$250,000   |
| Nelson     | 241T-2005 | City of New Haven                     | WX21179008 | \$500,000   | \$500,000   | \$0         |
| Nelson     | 242T-2005 | City of New Haven                     | SX21179010 | \$30,000    | \$29,625    | \$375       |
| Nelson     | 337N-2008 | City of New Haven                     | SX21179011 | \$500,000   | \$485,000   | \$15,000    |
| Nelson     | 339N-2008 | City of Bardstown                     | WX21179017 | \$1,000,000 | \$0         | \$1,000,000 |
| Nelson     | 340N-2008 | North Nelson Water District           | WX21179001 | \$500,000   | \$497,500   | \$2,500     |
| Nelson     | 447N-2007 | City of Bloomfield                    | SX21179008 | \$2,300,000 | \$292,659   | \$2,007,341 |
| Nelson     | 448N-2007 | City of New Haven                     | SX21179009 | \$600,000   | \$233,700   | \$366,300   |
| Nicholas   | 344N-2008 | Nicholas County Sanitaion District #2 | SX21181003 | \$1,100,500 | \$0         | \$1,100,500 |
| Nicholas   | 452N-2007 | Nicholas County Sanitaion District #2 | SX21181003 | \$400,000   | \$227,087   | \$172,913   |
| Ohio       | 121C-2008 | City of Hartford                      | SX21183012 | \$625,000   | \$242,342   | \$382,658   |
| Ohio       | 123C-2008 | Ohio County Water District            | WX21183012 | \$550,000   | \$62,750    | \$487,250   |
| Ohio       | 125C-2008 | Ohio County Fiscal Court              | SX21183002 | \$100,000   | \$0         | \$100,000   |
| Oldham     | 244T-2005 | Oldham County Fiscal Court            | WX21185041 | \$175,000   | \$0         | \$175,000   |
| Oldham     | 24UT-2005 | Oldham County Sewer District          | SX21185028 | \$250,000   | \$0         | \$250,000   |
| Oldham     | 345N-2008 | Oldham County Fiscal Court            | SX21185027 | \$200,000   | \$120,562   | \$79,438    |
| Oldham     | 346N-2008 | Oldham County Sewer District          | SX21185017 | \$50,000    | \$0         | \$50,000    |
| Oldham     | 348N-2008 | Oldham County Water District          | WX21185044 | \$2,000,000 | \$0         | \$2,000,000 |
| Oldham     | 349N-2008 | City of Owenton                       | WX21187207 | \$400,000   | \$0         | \$400,000   |
| Owen       | 351N-2008 | Owen County Fiscal Court              | WX21187216 | \$400,000   | \$0         | \$400,000   |
| Owen       | 459N-2007 | City of Owenton                       | WX21187207 | \$1,000,000 | \$132,857   | \$867,143   |
| Owsley     | 127C-2008 | Owsley County Water District          | WX21189505 | \$579,000   | \$303,529   | \$275,471   |
| Owsley     | 128C-2008 | Owsley County Water District          | WX21189625 | \$821,000   | \$469,497   | \$351,503   |
| Owsley     | 161C-2007 | City of Booneville                    | WX21189503 | \$78,844    | \$63,900    | \$14,944    |
| Owsley     | 161C-2007 | City of Booneville                    | WX21189505 | \$147,156   | \$31,366    | \$115,790   |
| Owsley     | 161C-2007 | City of Booneville                    | WX21189605 | \$186,000   | \$185,227   | \$773       |
| Owsley     | 162C-2007 | City of Booneville                    | WX21189504 | \$1,200,000 | \$1,050,505 | \$149,495   |
| Owsley     | 16CS-2011 | City of Booneville                    | SX21189004 | \$195,303   | \$0         | \$195,303   |
| Owsley     | 253T-2005 | City of Falmouth                      | SX21191100 | \$645,000   | \$645,000   | \$0         |
| Pendleton  | 353N-2008 | Pendleton County Fiscal Court         | SX21191311 | \$1,025,000 | \$0         | \$1,025,000 |
| Pendleton  | 354N-2008 | Pendleton County Fiscal Court         | WX21191507 | \$450,000   | \$297,917   | \$152,083   |
| Perry      | 12CS-2010 | City of Buckhorn                      | WX21193005 | \$50,000    | \$0         | \$50,000    |
| Perry      | 130C-2008 | Perry County Fiscal Court             | WX21193013 | \$350,000   | \$337,023   | \$12,977    |
| Perry      | 132C-2008 | Perry County Fiscal Court             | WX21193200 | \$1,000,000 | \$997,250   | \$2,750     |
| Perry      | 163C-2007 | City of Vicco                         | SX21193001 | \$200,000   | \$34,904    | \$165,096   |
| Perry      | 29CS-2009 | City of Buckhorn                      | WX21193005 | \$100,000   | \$39,207    | \$60,793    |

IEDF Grants

12/7/2010

| County     | GrantID   | Grantee                        | WRIS       | Amount      | Draw Amount | Balance     |
|------------|-----------|--------------------------------|------------|-------------|-------------|-------------|
| Perry      | 30CS-2009 | City of Vicco                  | WX21193053 | \$150,000   | \$140,289   | \$9,711     |
| Perry      | 31CS-2009 | Perry County Fiscal Court      | WX21193028 | \$30,000    | \$0         | \$30,000    |
| Perry      | 32CS-2009 | Perry County Fiscal Court      | WX21193200 | \$400,000   | \$269,012   | \$130,988   |
| Perry      | 35CS-2011 | City of Hazard                 | WX21193196 | \$50,000    | \$0         | \$50,000    |
| Pike       | 134C-2008 | Mountain Water District        | SX21195688 | \$1,400,000 | \$751,978   | \$648,022   |
| Pike       | 135C-2008 | Mountain Water District        | WX21195737 | \$1,300,000 | \$1,236,641 | \$63,359    |
| Pike       | 136C-2008 | Mountain Water District        | WX21195736 | \$200,000   | \$140,957   | \$59,043    |
| Pike       | 14CS-2010 | Mountain Water District        | SX21195692 | \$850,000   | \$0         | \$850,000   |
| Pike       | 15CS-2010 | Mountain Water District        | WX21195699 | \$205,400   | \$187,090   | \$18,310    |
| Pike       | 167C-2007 | Mountain Water District        | WX21195717 | \$151,000   | \$150,989   | \$11        |
| Pike       | 168C-2005 | Mountain Water District        | WX21195700 | \$572,888   | \$569,119   | \$3,769     |
| Pike       | 16CS-2010 | Mountain Water District        | WX21195609 | \$400,000   | \$269,341   | \$130,659   |
| Pike       | 17CS-2010 | Mountain Water District        | WX21195737 | \$100,000   | \$0         | \$100,000   |
| Pike       | 35CS-2009 | City of Pikeville              | SX21195124 | \$220,000   | \$0         | \$220,000   |
| Pike       | 37CS-2009 | Mountain Water District        | SX21195692 | \$2,000,000 | \$278,207   | \$1,721,793 |
| Pike       | 39CS-2009 | Mountain Water District        | SX21195690 | \$800,000   | \$616,129   | \$183,871   |
| Pike       | 4CS-2008  | City of Elkhorn City           | WX21195008 | \$100,000   | \$46,623    | \$53,377    |
| Pike       | 7CS-2008  | City of Pikeville              | SX21195124 | \$880,000   | \$713,681   | \$166,319   |
| Powell     | 255T-2005 | City of Stanton                | SX21197007 | \$145,167   | \$3,263     | \$141,904   |
| Powell     | 256T-2005 | City of Clay City              | SX21197005 | \$162,593   | \$160,777   | \$1,816     |
| Powell     | 355N-2008 | City of Clay City              | SX21197012 | \$200,000   | \$97,648    | \$102,352   |
| Powell     | 358N-2008 | City of Stanton                | WX21197002 | \$200,000   | \$44,086    | \$155,914   |
| Powell     | 359N-2008 | Red River Wastewater Authority | SX21197007 | \$500,000   | \$443,626   | \$56,374    |
| Powell     | 360N-2008 | Powells Valley Water District  | WX21197005 | \$200,000   | \$174,441   | \$25,559    |
| Powell     | 463N-2007 | City of Clay City              | SX21197004 | \$225,000   | \$0         | \$225,000   |
| Powell     | 465N-2007 | City of Stanton                | WX21197002 | \$350,000   | \$170,736   | \$179,264   |
| Pulaski    | 259T-2005 | Eubank Water District          | WX21199041 | \$50,000    | \$38,106    | \$11,894    |
| Pulaski    | 365N-2008 | City of Eubank                 | WX21199028 | \$75,000    | \$44,849    | \$30,151    |
| Pulaski    | 367N-2008 | Western Pulaski Water District | WX21199089 | \$300,000   | \$83,325    | \$216,675   |
| Pulaski    | 372N-2008 | Western Pulaski Water District | WX21199079 | \$280,000   | \$189,387   | \$90,613    |
| Pulaski    | 374N-2007 | Eubank Water District          | WX21199094 | \$150,000   | \$18,475    | \$131,525   |
| Pulaski    | 3N-2010   | Southeastern Water Association | WX21199103 | \$297,859   | \$1,225     | \$296,634   |
| Pulaski    | 470N-2007 | City of Eubank                 | WX21137024 | \$50,000    | \$49,750    | \$250       |
| Pulaski    | 472N-2007 | City of Science Hill           | SX21199021 | \$105,000   | \$87,880    | \$17,120    |
| Robertson  | 375N-2008 | City of Mt. Olivet             | SX21201003 | \$200,000   | \$148,328   | \$51,672    |
| Rockcastle | 138C-2008 | City of Brodhead               | WX21203002 | \$225,000   | \$210,030   | \$14,970    |
| Rockcastle | 139C-2008 | City of Livingston             | WX21203537 | \$225,000   | \$224,983   | \$17        |
| Rockcastle | 140C-2008 | City of Mt. Vernon             | SX21203193 | \$913,700   | \$4,569     | \$909,131   |
| Rockcastle | 168C-2007 | City of Mt. Vernon             | SX21203193 | \$1,100,000 | \$86,750    | \$1,013,250 |
| Rowan      | 269T-2005 | Morehead Utility Plant Board   | SX21205018 | \$15,822    | \$15,821    | \$1         |
| Rowan      | 378N-2008 | Morehead Utility Plant Board   | SX21205028 | \$789,600   | \$638,069   | \$151,531   |
| Rowan      | 380N-2008 | Rowan Water, Inc.              | WX21205031 | \$1,381,800 | \$495,959   | \$885,841   |
| Russell    | 381N-2008 | City of Jamestown              | WX21207009 | \$300,000   | \$0         | \$300,000   |

IEDF Grants

12/7/2010

| County  | GrantID   | Grantee                               | WRIS       | Amount      | Draw Amount | Balance     |
|---------|-----------|---------------------------------------|------------|-------------|-------------|-------------|
| Russell | 382N-2008 | City of Russell Springs               | SX21207010 | \$200,000   | \$17,360    | \$182,640   |
| Russell | 383N-2008 | City of Russell Springs               | SX21207001 | \$700,000   | \$654,172   | \$45,828    |
| Scott   | 385N-2008 | Georgetown Municipal Water and Sewer  | SX21209003 | \$1,380,000 | \$1,091,822 | \$288,178   |
| Scott   | 386N-2008 | Georgetown Municipal Water and Sewer  | SX21209003 | \$345,000   | \$0         | \$345,000   |
| Scott   | 387N-2008 | Scott County Fiscal Court             | WX21209003 | \$1,075,000 | \$0         | \$1,075,000 |
| Shelby  | 277T-2005 | U.S. 60 Water District                | WX21211031 | \$44,000    | \$0         | \$44,000    |
| Shelby  | 389N-2008 | Shelbyville Municipal Water and Sewer | WX21211068 | \$500,000   | \$221,366   | \$278,634   |
| Shelby  | 390N-2008 | North Shelby Water District           | WX21211056 | \$100,000   | \$0         | \$100,000   |
| Shelby  | 392N-2008 | Shelbyville Municipal Water and Sewer | SX21211010 | \$100,000   | \$0         | \$100,000   |
| Shelby  | 393N-2008 | Shelbyville Municipal Water and Sewer | SX21211011 | \$250,000   | \$0         | \$250,000   |
| Shelby  | 395N-2008 | Shelbyville Municipal Water and Sewer | SX21211005 | \$140,000   | \$78,759    | \$61,241    |
| Shelby  | 396N-2008 | U.S. 60 Water District                | WX21211060 | \$37,500    | \$0         | \$37,500    |
| Simpson | 281T-2005 | City of Franklin                      | WX21213026 | \$35,000    | \$33,330    | \$1,670     |
| Simpson | 399N-2008 | City of Franklin                      | WX21213038 | \$510,100   | \$454,606   | \$55,494    |
| Spencer | 284T-2005 | City of Taylorsville                  | SX21215001 | \$100,000   | \$0         | \$100,000   |
| Spencer | 402N-2008 | City of Taylorsville                  | SX21215002 | \$300,000   | \$26,306    | \$273,694   |
| Spencer | 403N-2008 | Spencer County Fiscal Court           | SX21215003 | \$50,000    | \$20,250    | \$29,750    |
| Spencer | 405N-2008 | Spencer County Fiscal Court           | SX21215003 | \$200,000   | \$52,386    | \$147,614   |
| Spencer | 490N-2007 | City of Taylorsville                  | WX21215094 | \$705,000   | \$548,153   | \$156,847   |
| Taylor  | 287T-2005 | Taylor County Fiscal Court            | SX21215001 | \$500,000   | \$495,312   | \$4,688     |
| Taylor  | 407N-2008 | City of Campbellsville                | SX21217010 | \$250,000   | \$232,899   | \$17,101    |
| Taylor  | 408N-2008 | City of Campbellsville                | SX21217011 | \$500,000   | \$0         | \$500,000   |
| Taylor  | 410N-2008 | City of Campbellsville                | WX21217005 | \$250,000   | \$0         | \$250,000   |
| Taylor  | 411N-2008 | City of Campbellsville                | SX21217011 | \$250,000   | \$0         | \$250,000   |
| Taylor  | 412N-2008 | City of Campbellsville                | WX21217006 | \$250,000   | \$0         | \$250,000   |
| Todd    | 261N-2008 | Logan-Todd Regional Water Commission  | WX21219021 | \$650,000   | \$0         | \$650,000   |
| Todd    | 262N-2008 | Logan-Todd Regional Water Commission  | WX21219020 | \$600,000   | \$484,993   | \$115,007   |
| Todd    | 412N-2008 | City of Trenton                       | SX21219007 | \$150,000   | \$0         | \$150,000   |
| Todd    | 414N-2008 | Logan-Todd Regional Water Commission  | WX21219020 | \$600,000   | \$71,529    | \$528,471   |
| Trigg   | 292T-2005 | Barkley Lake Water District           | WX21221005 | \$300,000   | \$0         | \$300,000   |
| Trigg   | 415N-2008 | Barkley Lake Water District           | WX21221005 | \$300,000   | \$299,256   | \$6,744     |
| Trigg   | 416N-2008 | Barkley Lake Water District           | WX21221003 | \$500,000   | \$0         | \$500,000   |
| Trigg   | 417N-2008 | Barkley Lake Water District           | WX21221003 | \$500,000   | \$0         | \$500,000   |
| Trigg   | 295T-2005 | City of Cadiz                         | SX21221002 | \$550,000   | \$451,516   | \$98,484    |
| Trimble | 418N-2008 | Trimble County Water District         | WX21223020 | \$80,000    | \$73,470    | \$6,530     |
| Trimble | 503N-2007 | Trimble County Fiscal Court           | WX21223023 | \$50,000    | \$0         | \$50,000    |
| Trimble | 506N-2007 | City of Bedford                       | SX21223006 | \$200,000   | \$188,988   | \$11,012    |
| Trimble | 507N-2007 | City of Milton                        | SX21223005 | \$75,000    | \$7,319     | \$67,681    |
| Trimble | 508N-2007 | City of Milton                        | WX21223019 | \$200,000   | \$67,927    | \$132,073   |
| Union   | 144C-2008 | Trimble County Water District         | WX21223020 | \$300,000   | \$298,500   | \$1,500     |
| Union   | 145C-2008 | City of Morganfield                   | SX21225007 | \$300,000   | \$0         | \$300,000   |
| Union   | 146C-2008 | City of Sturgis                       | WX21225015 | \$300,000   | \$0         | \$300,000   |
| Union   | 147C-2008 | City of Uniontown                     | WX21225025 | \$250,000   | \$0         | \$250,000   |
| Union   | 149C-2008 | City of Waverly                       | SX21225013 | \$100,000   | \$93,268    | \$6,732     |
| Union   | 149C-2008 | Union County Fiscal Court             | WX21225024 | \$1,000,000 | \$523,383   | \$476,617   |

IEDF Grants

12/7/2010

| County     | GrantID    | Grantee                                | WRIS        | Amount      | Draw Amount | Balance     |
|------------|------------|--|-------------|-------------|-------------|-------------|
| Union      | 170C-2007  | City of Morganfield                    | SX21225007  | \$625,000   | \$122,185   | \$502,815   |
| Union      | 170C-2007  | City of Sturgis and Morganfield        | WX21225015  | \$625,000   | \$492,778   | \$132,222   |
| Union      | 171C-2005  | City of Morganfield                    | WX21225016  | \$100,000   | \$99,735    | \$265       |
| Union      | 172C-2005  | Union County Fiscal Court              | WX21225022  | \$240,000   | \$222,591   | \$17,409    |
| Warren     | 420N-2008  | Bowling Green Municipal Utilities      | WX212227050 | \$150,000   | \$0         | \$150,000   |
| Warren     | 423N-2008  | Bowling Green Municipal Utilities      | SX212227001 | \$450,000   | \$152,083   | \$297,917   |
| Washington | 298T-2005  | Springfield Water and Sewer Commission | WX212229003 | \$650,000   | \$637,266   | \$12,734    |
| Washington | 426N-2008  | Springfield Water and Sewer Commission | WX212229003 | \$950,000   | \$106,176   | \$843,824   |
| Washington | 427N-2008  | Springfield Water and Sewer Commission | WX212229003 | \$100,000   | \$0         | \$100,000   |
| Washington | 428N-2008  | Springfield Water and Sewer Commission | SX212229007 | \$400,000   | \$0         | \$400,000   |
| Washington | 429N-2008  | Springfield Water and Sewer Commission | WX212229003 | \$300,000   | \$0         | \$300,000   |
| Washington | 515N-2007  | Springfield Water and Sewer Commission | SX212229001 | \$500,000   | \$394,794   | \$105,206   |
| Washington | 516N-2007  | Springfield Water and Sewer Commission | WX212229003 | \$1,000,000 | \$301,721   | \$698,279   |
| Wayne      | 303T-2005  | Monticello Utility Commission          | BX21231001  | \$1,000,000 | \$692,036   | \$307,964   |
| Webster    | 151C-2008  | City of Providence                     | SX21233017  | \$350,000   | \$62,337    | \$287,663   |
| Webster    | 152C-2008  | City of Sebre                          | WX21233081  | \$360,000   | \$113,960   | \$246,040   |
| Webster    | 153C-2008  | City of Slaughters                     | WX21233085  | \$90,000    | \$57,713    | \$32,287    |
| Webster    | 153C-2008  | City of Slaughters                     | WX21233104  | \$40,000    | \$0         | \$40,000    |
| Webster    | 156C-2008  | Webster County Fiscal Court            | SX21233015  | \$790,066   | \$107,093   | \$682,973   |
| Webster    | 171C-2007  | City of Clay                           | SX21233002  | \$250,000   | \$232,908   | \$17,092    |
| Webster    | 175C-2007  | City of Slaughters                     | WX21233059  | \$38,550    | \$32,517    | \$6,033     |
| Webster    | 175C-2007  | City of Slaughters                     | WX21233061  | \$16,788    | \$0         | \$16,788    |
| Webster    | 18CS-2010  | City of Slaughters                     | WX21233081  | \$250,000   | \$0         | \$250,000   |
| Webster    | 29CS-2011  | City of Sebre                          | SX21233002  | \$125,000   | \$0         | \$125,000   |
| Webster    | 30CS-2011  | City of Clay                           | WX21233083  | \$25,000    | \$0         | \$25,000    |
| Webster    | 32CS-2011  | City of Sebre                          | WX21233081  | \$75,000    | \$0         | \$75,000    |
| Webster    | 42CS-2009  | City of Sebre                          | WX21233081  | \$250,000   | \$0         | \$250,000   |
| Webster    | 531CD-2007 | City of Providence                     | SX21233005  | \$950,000   | \$553,202   | \$396,798   |
| Whitley    | 101C-2007  | Corbin Utilities Commission            | WX21121726  | \$90,000    | \$84,590    | \$5,410     |
| Whitley    | 158C-2008  | Whitley County Water District          | WX21121250  | \$152,000   | \$0         | \$152,000   |
| Whitley    | 159C-2008  | City of Williamsburg                   | SX21235217  | \$475,000   | \$431,875   | \$43,125    |
| Whitley    | 159C-2008  | City of Williamsburg                   | SX21235231  | \$125,000   | \$0         | \$125,000   |
| Whitley    | 159C-2008  | Corbin Utilities Commission            | SX21235114  | \$165,000   | \$12,725    | \$152,275   |
| Whitley    | 159C-2008  | Corbin Utilities Commission            | SX21235115  | \$300,000   | \$0         | \$300,000   |
| Whitley    | 160C-2008  | Whitley County Water District          | WX21235432  | \$1,148,000 | \$899,966   | \$248,034   |
| Whitley    | 179C-2005  | Corbin Utilities Commission            | WX21235127  | \$100,000   | \$65,070    | \$34,930    |
| Wolfe      | 161C-2008  | City of Campton                        | WX21237050  | \$500,000   | \$0         | \$500,000   |
| Wolfe      | 162C-2008  | City of Campton                        | WX21237050  | \$675,000   | \$0         | \$675,000   |
| Wolfe      | 163C-2008  | City of Campton                        | WX21237050  | \$675,000   | \$0         | \$675,000   |
| Wolfe      | 520N-2007  | City of Campton                        | WX21237050  | \$360,000   | \$26,860    | \$333,140   |
| Wolfe      | 521N-2007  | City of Campton                        | WX21237050  | \$1,000,000 | \$0         | \$1,000,000 |
| Woodford   | 306T-2005  | Northeast Woodford Water District      | WX21239013  | \$67,135    | \$5,351     | \$61,784    |
| Woodford   | 433N-2008  | City of Midway                         | WX21239003  | \$500,000   | \$483,386   | \$16,614    |

**IEDF Grants**

12/7/2010

| County   | GrantID   | Grantee                           | WRIS       | Amount      | Draw Amount | Balance     |
|----------|-----------|-----------------------------------|------------|-------------|-------------|-------------|
| Woodford | 434N-2008 | City of Versailles                | SX21239008 | \$1,000,000 | \$0         | \$1,000,000 |
| Woodford | 435N-2008 | City of Versailles                | SX21239001 | \$300,000   | \$56,770    | \$243,230   |
| Woodford | 524N-2007 | City of Versailles                | WX21239011 | \$1,800,000 | \$716,892   | \$1,083,108 |
| Woodford | 525N-2007 | Northeast Woodford Water District | WX21239012 | \$60,000    | \$0         | \$60,000    |
| Woodford | 526N-2007 | Northeast Woodford Water District | WX21239013 | \$300,000   | \$0         | \$300,000   |
| Woodford | 527N-2007 | Woodford County Fiscal Court      | WX21239014 | \$950,000   | \$563,925   | \$386,075   |



**FUNDS A, A2, B, B1, C, F, F2**



**KENTUCKY INFRASTRUCTURE AUTHORITY  
FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND ---- (FUND A)**

**AVAILABLE FUNDS FFY 1989:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$33,237,382  |
| UNUSED TITLE II GRANT FUNDS  | \$5,873,998   |
| BOND PROCEEDS (20%)          | \$7,822,276   |
| ADMINISTRATION (4%)          | (\$1,564,455) |
| NET 89 SRF FUNDS             | \$45,369,201  |

**AVAILABLE FUNDS FFY 1990:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$17,798,449 |
| BOND PROCEEDS (20%)          | \$3,559,690  |
| ADMINISTRATION (4%)          | (\$711,938)  |
| NET 90 SRF FUNDS             | \$20,646,201 |

**AVAILABLE FUNDS FFY 1991:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$31,258,282  |
| BOND PROCEEDS (20%)          | \$6,251,656   |
| ADMINISTRATION (4%)          | (\$1,250,331) |
| NET 91 SRF FUNDS             | \$36,259,607  |

**AVAILABLE FUNDS FFY 1992:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$25,429,111  |
| BOND PROCEEDS (20%)          | \$5,085,822   |
| ADMINISTRATION (4%)          | (\$1,017,164) |
| NET 92 SRF FUNDS             | \$29,497,769  |

**AVAILABLE FUNDS FFY 1993:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$24,462,603 |
| BOND PROCEEDS (20%)          | \$4,892,521  |
| ADMINISTRATION (4%)          | (\$978,504)  |
| NET 93 SRF FUNDS             | \$28,376,620 |

**AVAILABLE FUNDS FFY 1994:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$15,178,779 |
| BOND PROCEEDS (20%)          | \$3,035,756  |
| ADMINISTRATION (4%)          | (\$607,151)  |
| NET 94 SRF FUNDS             | \$17,607,384 |

**AVAILABLE FUNDS FFY 1995:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$15,676,353 |
| BOND PROCEEDS (20%)          | \$3,135,271  |
| ADMINISTRATION (4%)          | (\$627,054)  |
| NET 95 SRF FUNDS             | \$18,184,570 |

**AVAILABLE FUNDS FFY 1996:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$25,678,432  |
| BOND PROCEEDS (20%)          | \$5,135,686   |
| ADMINISTRATION (4%)          | (\$1,027,137) |
| NET 96 SRF FUNDS             | \$29,786,981  |

**ADDITIONAL FUNDS FFY 1997:**

|                              |             |
|------------------------------|-------------|
| FEDERAL TITLE VI GRANT FUNDS | \$7,912,200 |
| BOND PROCEEDS (20%)          | \$1,582,440 |
| ADMINISTRATION (4%)          | (\$316,488) |
| NET ADD'L 97 SRF FUNDS       | \$9,178,152 |

**AVAILABLE FUNDS FFY 1998:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$17,138,187 |
| BOND PROCEEDS (20%)          | \$3,427,637  |
| ADMINISTRATION (4%)          | (\$685,527)  |
| NET 98 SRF FUNDS             | \$19,880,297 |

**AVAILABLE FUNDS FFY 1999:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$17,139,573 |
| BOND PROCEEDS (20%)          | \$3,427,914  |
| ADMINISTRATION (4%)          | (\$685,582)  |
| NET 98 SRF FUNDS             | \$19,881,905 |

**AVAILABLE FUNDS FFY 2000:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$17,081,460 |
| BOND PROCEEDS (20%)          | \$3,416,292  |
| ADMINISTRATION (4%)          | (\$683,258)  |
| NET 00 SRF FUNDS             | \$19,814,494 |

**AVAILABLE FUNDS FFY 2001:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$16,929,594 |
| BOND PROCEEDS (20%)          | \$3,385,919  |
| ADMINISTRATION (4%)          | (\$677,184)  |
| NET 01 SRF FUNDS             | \$19,638,329 |

**AVAILABLE FUNDS FFY 2002:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$16,967,313 |
| BOND PROCEEDS (20%)          | \$3,393,463  |
| ADMINISTRATION (4%)          | (\$678,692)  |
| NET 02 SRF FUNDS             | \$19,682,084 |

**AVAILABLE FUNDS FFY2003:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$16,857,027 |
| BOND PROCEEDS (20%)          | \$3,371,405  |
| ADMINISTRATION (4%)          | (\$674,281)  |
| NET 03 SRF FUNDS             | \$19,554,151 |

**AVAILABLE FUNDS FFY2004:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$16,867,224 |
| BOND PROCEEDS (20%)          | \$3,373,445  |
| ADMINISTRATION (4%)          | (\$674,688)  |
| NET 04 SRF FUNDS             | \$19,565,981 |

**AVAILABLE FUNDS FFY2005:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$13,714,668 |
| BOND PROCEEDS (20%)          | \$2,742,934  |
| ADMINISTRATION (4%)          | (\$548,586)  |
| NET 05 SRF FUNDS             | \$15,909,016 |

**AVAILABLE FUNDS FFY2006:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$11,145,123 |
| BOND PROCEEDS (20%)          | \$2,229,025  |
| ADMINISTRATION (4%)          | (\$445,804)  |
| NET 06 SRF FUNDS             | \$12,928,344 |

**AVAILABLE FUNDS FFY2007:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$13,621,905 |
| BOND PROCEEDS (20%)          | \$2,724,381  |
| ADMINISTRATION (4%)          | (\$544,876)  |
| NET 07 SRF FUNDS             | \$15,801,410 |

**AVAILABLE FUNDS FFY2008:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$8,648,100  |
| BOND PROCEEDS (20%)          | \$1,729,620  |
| ADMINISTRATION (4%)          | (\$345,924)  |
| NET 08 SRF FUNDS             | \$10,031,796 |

**AVAILABLE FUNDS FFY2009:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$8,648,100  |
| BOND PROCEEDS (20%)          | \$1,729,620  |
| ADMINISTRATION (4%)          | (\$345,924)  |
| NET 09 SRF FUNDS             | \$10,031,796 |

**NET FY 1989-2009 SRF FUNDS** **\$437,626,088**

**CURRENT REVOLVING FUND BALANCE** **\$294,930,017**

**2010 A - Leverage - Balance** **\$41,298,539**

**Balance Available for Loan** **\$50,669,765**

|                                       | TOTAL PROJECT<br>AMOUNT | KIA LOAN<br>AMOUNT  | DATE<br>APPROVED   |                                    |
|---------------------------------------|-------------------------|---------------------|--------------------|------------------------------------|
| <b>PROJECTS APPROVED IN SFY 1989:</b> |                         |                     |                    |                                    |
| 1                                     | PIKEVILLE, CITY OF (1)  | \$3,047,285         | \$3,199,217 (c)    | 05-03-89 (AMD. 11-19-90 & 9-16-91) |
| 2                                     | MANCHESTER, CITY OF     | \$4,451,803         | \$2,209,119 (c)    | 5-03-89                            |
| 3                                     | JENKINS, CITY OF        | \$2,724,307         | \$1,654,780 (c)    | 5-03-89                            |
| <b>TOTALS</b>                         |                         | <b>\$10,223,395</b> | <b>\$7,063,116</b> |                                    |

|                                       |                         |                     |                    |  |
|---------------------------------------|-------------------------|---------------------|--------------------|--|
| <b>PROJECTS APPROVED IN SFY 1990:</b> |                         |                     |                    |  |
| 4                                     | MT. WASHINGTON, CITY OF | \$1,957,322         | \$908,187 (c)      | 8-07-89                                  |
| 5                                     | MAYFIELD, CITY OF       | \$4,067,194         | \$3,425,343 (c)    | 8-07-89 (AMD. 8-16-90)                   |
| 6                                     | DANVILLE, CITY OF       | \$634,900           | \$418,055 (c)      | 8-07-89; 7/07/04 Assumed from Perryville |
| 7                                     | JACKSON, CITY OF (1)    | \$3,241,350         | \$1,606,068 (c)    | 9-27-89 (AMD. 11-12-92)                  |
| 8                                     | SOUTH SHORE, CITY OF    | \$2,982,085         | \$2,031,315 (c)    | 12-13-89 (AMD. 6-20-91)                  |
| <b>TOTALS</b>                         |                         | <b>\$12,882,851</b> | <b>\$8,388,968</b> |  |

|                                       |                            |                     |                     |                                   |
|---------------------------------------|----------------------------|---------------------|---------------------|-----------------------------------|
| <b>PROJECTS APPROVED IN SFY 1991:</b> |                            |                     |                     |                                   |
| 9                                     | LEWISBURG, CITY OF         | \$751,974           | \$667,388 (c)       | 8-16-90                           |
| 10                                    | PROVIDENCE, CITY OF (1)    | \$3,803,625         | \$2,828,680 (c)     | 8-16-90                           |
| 11                                    | PROVIDENCE, CITY OF (2)    | \$820,069           | \$820,069 (c)       | 8-16-90                           |
| 12                                    | CAMPTON, CITY OF           | \$669,615           | \$367,641 (c)       | 8-16-90 (AMD. 11-19-90)           |
| 13                                    | BOWLING GREEN, CITY OF (1) | \$9,459,163         | \$6,570,011 (c)     | 11-19-90                          |
| 14                                    | BOWLING GREEN, CITY OF (2) | \$2,616,756         | \$2,616,756 (c)     | 11-19-90                          |
| 15                                    | ELIZABETHTOWN, CITY OF     | \$9,851,000         | \$9,226,158 (c)     | 1-31-91                           |
| 16                                    | PINEVILLE, CITY OF (1)     | \$3,169,900         | \$2,293,544 (c)     | 3-28-91 (AMD. 11-12-92 & 12-1-93) |
| 17                                    | BUTLER, CITY OF            | \$373,850           | \$187,950 (c)       | 3-28-91                           |
| 18                                    | LONDON, CITY OF            | \$7,148,495         | \$6,305,753 (c)     | 6-20-91                           |
| <b>TOTALS</b>                         |                            | <b>\$38,664,447</b> | <b>\$31,883,950</b> |                                   |

|                                       |                                      |                     |                     |                                 |
|---------------------------------------|--------------------------------------|---------------------|---------------------|---------------------------------|
| <b>PROJECTS APPROVED IN SFY 1992:</b> |                                      |                     |                     |                                 |
| 19                                    | BOYD COUNTY FISCAL COURT             | \$3,789,000         | \$2,237,342 (c)     | 7-24-91                         |
| 20                                    | WILLIAMSBURG, CITY OF                | \$1,024,110         | \$931,344 (c)       | 9-16-91                         |
| 21                                    | GREENUP, CITY OF                     | \$453,800           | \$442,739 (c)       | 9-16-91 (AMD. 1-23-93)          |
| 22                                    | GEORGETOWN, CITY OF                  | \$6,009,300         | \$6,119,705 (c)     | 9-16-91                         |
| 23                                    | STANFORD, CITY OF                    | \$1,177,312         | \$685,289 (c)       | 9-16-91                         |
| 24                                    | HICKMAN, CITY OF                     | \$2,641,171         | \$1,779,494 (c)     | 9-18-91 (AMD. 11-12-92)         |
| 25                                    | BRANDENBURG, CITY OF                 | \$2,091,294         | \$1,802,290 (c)     | 11-01-91 (AMD. 5-13-92)         |
| 26                                    | MIDDLESBORO, CITY OF                 | \$832,085           | \$175,785 (c)       | 11-01-91                        |
| 27                                    | CAMPBELL/KENTON S.D. (MELBOURNE)     | \$1,196,365         | \$773,156 (c)       | 11-01-91 (AMD. 9-10-92)         |
| 28                                    | MURRAY, CITY OF                      | \$5,121,690         | \$5,161,272 (c)     | 11-01-91                        |
| 29                                    | CUMBERLAND, CITY OF                  | \$1,366,700         | \$680,417 (c)       | 12-04-91                        |
| 30                                    | WHEELWRIGHT, CITY OF                 | \$971,000           | \$361,675 (c)       | 12-04-91                        |
| 31                                    | EMINENCE, CITY OF                    | \$4,071,300         | \$1,328,600 (c)     | 2-25-92 (REAP. 2-16-94)         |
| 32                                    | PADUCAH-MCCRACKEN JOINT SEWER AGENCY | \$1,889,950         | \$1,495,501 (c)     | 5-13-92 (ASSUMED FROM REIDLAND) |
| 33                                    | FLEMINGSBURG, CITY OF                | \$1,128,194         | \$1,142,183 (c)     | 5-13-92                         |
| 34                                    | WEBSTER COUNTY FISCAL COURT          | \$3,211,937         | \$2,378,237 (c)     | 5-13-92 (REAP. 9-27-94)         |
| <b>TOTALS</b>                         |                                      | <b>\$36,975,208</b> | <b>\$27,495,029</b> |                                 |

|                                       |                                |                     |                     |  |
|---------------------------------------|--------------------------------|---------------------|---------------------|--|
| <b>PROJECTS APPROVED IN SFY 1993:</b> |                                |                     |                     |  |
| 35                                    | FRANKLIN, CITY OF (1)          | \$497,979           | \$497,979 (c)       | 9-10-92 AMD.                           |
| 36                                    | CORINTH, CITY OF               | \$1,089,866         | \$200,766 (c)       | 11-12-92                               |
| 37                                    | PLEASUREVILLE, CITY OF         | \$2,976,200         | \$785,200 (c)       | 11-12-92 (AMD. 3-31-95)                |
| 38                                    | HOPKINSVILLE, CITY OF (1)      | \$9,845,968         | \$9,693,741 (c)     | 12-17-92 (AMD. 9-1-94)                 |
| 39                                    | MARTIN, CITY OF                | \$2,295,847         | \$579,212 (c)       | 12-17-92                               |
| 40                                    | OLIVE HILL, CITY OF            | \$3,245,120         | \$2,426,003 (c)     | 01-29-93 (AMD 10/6/05)                 |
| 41                                    | NICHOLASVILLE PUBLIC UTILITIES | \$16,340,413        | \$15,740,449 (c)    | 05-05-93 (REAP. 3-31-95)(AMD.12-18-98) |
| <b>TOTALS</b>                         |                                | <b>\$36,291,393</b> | <b>\$29,923,350</b> |  |

|                                       |                                      |                     |                     |   |
|---------------------------------------|--------------------------------------|---------------------|---------------------|---|
| <b>PROJECTS APPROVED IN SFY 1994:</b> |                                      |                     |                     |   |
| 42                                    | PINEVILLE, CITY OF (2)               | \$940,000           | \$418,542 (c)       | 07-07-93 (REAP. 3-31-95)                |
| 43                                    | IRVINE, CITY OF                      | \$2,883,563         | \$1,658,248 (c)     | 08-31-93 (REAP. 3-31-95 & AMD. 8-29-96) |
| 44                                    | BENHAM, CITY OF                      | \$1,916,066         | \$853,191 (c)       | 08-31-93 (REAP. 3-31-95)                |
| 45                                    | PRINCETON, CITY OF (Part 1)          | \$3,722,362         | \$2,365,520 (c)     | 12-01-93 (REAP. 5-30-95)                |
| 46                                    | PRINCETON, CITY OF (Part 2)          | \$1,045,618         | \$597,712 (c)       | 12-01-93 (REAP. 5-30-95)                |
| 47                                    | CROFTON, CITY OF                     | \$885,720           | \$646,748 (c)       | 02-16-94 (REAP. 8-30-95)                |
| 48                                    | LEDBETTER SANITATION DISTRICT #1     | \$4,767,980         | \$3,624,359 (c)     | 05-11-94 (AMD.5-30-95)(AMD.7-13-98)     |
| 49                                    | HAZARD, CITY OF                      | \$7,746,540         | \$6,511,067 (c)     | 05-11-94                                |
| 50                                    | SHELBY COUNTY SANITATION DISTRICT #1 | \$2,100,000         | \$1,402,737 (c)     | 05-11-94 (Assumed from Shelby Co SD #1) |
| 51                                    | LAGRANGE, CITY OF                    | \$898,515           | \$832,777 (c)       | 06-29-94 (AMD. 7-17-95)                 |
| 52                                    | MADISONVILLE, CITY OF                | \$15,713,000        | \$15,552,994 (c)    | 06-29-94                                |
| 53                                    | DAWSON SPRINGS, CITY OF              | \$846,480           | \$816,170 (c)       | 06-29-94                                |
| 54                                    | CATLETTSBURG, CITY OF                | \$5,678,656         | \$3,200,000 (s)     | 06-29-94 (REAP. 12-5-95)(AMD.12-4-96)   |
| <b>TOTALS</b>                         |                                      | <b>\$49,144,500</b> | <b>\$38,480,065</b> |   |

| TOTAL PROJECT<br>AMOUNT | KIA<br>AMOUNT | DATE<br>APPROVED |
|-------------------------|---------------|------------------|
|-------------------------|---------------|------------------|

**PROJECTS APPROVED IN SFY 1995:**

|               |   |                     |                     |                 |   |
|---------------|---|---------------------|---------------------|-----------------|---|
| 55            | PEMBROKE, CITY OF                       | \$401,000           | \$240,264 (c)       | 08-30-94        |   |
| 56            | MT. STERLING, CITY OF                   | \$1,110,540         | \$1,055,969 (c)     | 08-30-94        |   |
| 57            | WEST LIBERTY, CITY OF                   | \$737,972           | \$329,764 (c)       | 08-30-94        | (AMD. 2-26-96)  |
| 58            | MT. VERNON, CITY OF                     | \$998,650           | \$652,162 (c)       | 08-30-94        | (REAP. 2-26-96) (REAP.3-6-97)                             |
| 59            | WORTHINGTON, CITY OF                    | \$790,000           | \$388,332 (c)       | 08-30-94        |   |
| 60            | SOMERSET, CITY OF                       | \$2,759,200         | \$2,631,067 (c)     | 08-30-94        |   |
| 61            | PERRY COUNTY S.D. #1                    | \$845,790           | \$601,673 (c)       | 08-30-94        | (AMD. 6/1/97)   |
| 62            | BOYD COUNTY (PHASE II)                  | \$6,990,000         | \$6,270,000 (s)     | 09-27-94        | (AMD. 2-2-95)(AMD 12-10-99)                               |
| 63            | FRANKLIN, CITY OF (2)                   | \$2,600,080         | \$2,572,240 (c)     | 09-27-94        |   |
| 64            | BRODHEAD, CITY OF                       | \$899,411           | \$502,650 (c)       | 11-29-94        |   |
| 65            | NEWPORT, CITY OF                        | \$1,759,645         | \$1,596,327 (c)     | 11-29-94        | (AMD. 8-29-96)  |
| 66            | PIKEVILLE, CITY OF (2)                  | \$3,466,413         | \$2,134,015 (c)     | 11-29-94        | (AMD. 8-30-95)<br>(AMD. 6-19-97)(ASSUMED<br>FROM REILAND) |
| 67            | PADUCAH-MCCRACKEN JOINT SEWER AGENCY    | \$3,798,069         | \$3,516,117 (c)     | 11-29-94        |   |
| 68            | HOPKINSVILLE, CITY OF (2)               | \$3,715,533         | \$3,191,098 (c)     | 02-02-95        |   |
| 69            | JENKINS, CITY OF (2)                    | \$719,755           | \$719,755 (c)       | 02-02-95        |   |
| 70            | RUSSELL, CITY OF                        | \$244,730           | \$71,666 (c)        | 02-02-95        |   |
| 71            | LEBANON, CITY OF                        | \$6,491,336         | \$5,805,838 (c)     | 03-31-95        |   |
| 72            | REGIONAL WATER RESOURCE AGENCY (O'BORO) | \$11,885,276        | \$7,160,493 (c)     | 03-31-95        |   |
| 73            | MOREHEAD, CITY OF (RCSD)                | \$3,347,424         | \$3,130,152 (c)     | 03-31-95        | (Assumed from RCSD)                                       |
| 74            | GREENUP CO. ENVIRONMENTAL COMMISSION    | \$3,798,920         | \$3,370,168 (c)     | 5-30-95         | (AMD. 3/16/99)  |
| 75            | BOYD / GREENUP SANITATION DISTRICT #1   | \$391,116           | \$371,573 (c)       | 5-30-95         |   |
| 76            | PIKEVILLE, CITY OF                      | \$1,953,260         | \$462,584 (c)       | 5-30-95; 3/2/06 | Assumed from Mtn WD                                       |
| <b>TOTALS</b> |   | <b>\$59,704,120</b> | <b>\$46,773,907</b> |                 |   |

**PROJECTS APPROVED IN SFY 1996:**

|               |  |            |            |  |  |
|---------------|--|------------|------------|--|--|
| NONE          |  | \$0        | \$0        |  |  |
| <b>TOTALS</b> |  | <b>\$0</b> | <b>\$0</b> |  |  |

**PROJECTS APPROVED IN SFY 1997:**

|               |                                      |                     |                     |                 |                       |
|---------------|--------------------------------------|---------------------|---------------------|-----------------|-----------------------|
| 77            | HARLAN, CITY OF                      | \$6,053,575         | \$2,546,299 (c)     | 7-18-96         | (REAP. 4-27-98)       |
| 78            | HAWESVILLE, CITY OF                  | \$871,000           | \$435,000 (c)       | 7-18-96         |                       |
| 79            | EMINENCE, CITY OF                    | \$1,381,339         | \$945,408 (c)       | 7-18-96         |                       |
| 80            | SCOTTSVILLE, CITY OF                 | \$4,608,815         | \$3,959,472 (c)     | 7-18-96         |                       |
| 81            | ELKHORN CITY, CITY OF                | \$926,726           | \$926,726 (c)       | 7-18-96         | (AMD 4-1-98)          |
| 82            | GRAYSON, CITY OF                     | \$3,635,970         | \$3,424,567 (s)     | 7-18-96         | (AMD. 9-1-98)         |
| 83            | MOREHEAD, CITY OF                    | \$2,357,176         | \$781,381 (c)       | 7-18-96         |                       |
| 84            | JACKSON, CITY OF                     | \$719,287           | \$681,983 (c)       | 8-29-96         |                       |
| 85            | LAWRENCE, COUNTY OF                  | \$1,566,000         | \$868,219 (c)       | 3-6-97          | (AMD 11/1/01)         |
| 86            | GREENUP CO. ENVIRONMENTAL COMMISSION | \$2,368,793         | \$2,331,195 (c)     | 3-6-97          |                       |
| 87            | HARDIN CO WATER DISTRICT 1           | \$4,846,450         | \$4,809,652 (c)     | 6-19-97; 3/6/08 | Assumed from Radcliff |
| 88            | WARREN COUNTY WATER DISTRICT (1)     | \$1,082,400         | \$980,781 (c)       | 6-19-97         |                       |
| <b>TOTALS</b> |                                      | <b>\$30,417,531</b> | <b>\$22,690,683</b> |                 |                       |

**PROJECTS APPROVED IN SFY 1998:**

|               |                                  |                     |                     |                 |                           |
|---------------|----------------------------------|---------------------|---------------------|-----------------|---------------------------|
| 89            | CRESTWOOD, CITY OF               | \$351,516           | \$351,516 (c)       | 8-14-97; 3/2/06 | (A1) Assump. fell through |
| 90            | PARIS, CITY OF                   | \$723,734           | \$402,667 (c)       | 11-10-97        | (A1)                      |
| 91            | LEWISPORT, CITY OF               | \$2,279,000         | \$1,074,308 (c)     | 11-10-97        |                           |
| 92            | MAYSVILLE, CITY OF               | \$12,538,828        | \$11,722,252 (c)    | 2-26-98         |                           |
| 93            | WARREN COUNTY WATER DISTRICT (2) | \$265,000           | \$253,057 (c)       | 2-26-98         |                           |
| 94            | PRESTONSBURG, CITY OF            | \$4,392,500         | \$919,183 (s)       | 2-26-98         |                           |
| 95            | CRESTWOOD, CITY OF               | \$10,358,404        | \$6,146,750 (+)     | 4-27-98; 3/2/06 | Assump. fell through      |
| <b>TOTALS</b> |                                  | <b>\$30,908,982</b> | <b>\$20,869,733</b> |                 |                           |

**PROJECTS APPROVED IN SFY 1999:**

|               |                                    |                     |                     |          |               |
|---------------|------------------------------------|---------------------|---------------------|----------|---------------|
| 96            | PARIS, CITY OF                     | \$7,528,385         | \$5,943,287 (c)     | 9-1-98   |               |
| 97            | MIDWAY, CITY OF                    | \$282,250           | \$141,125 (c)       | 10-13-98 | (A1)          |
| 98            | MAYFIELD, CITY OF                  | \$1,401,962         | \$1,160,472 (c)     | 10-13-98 |               |
| 99            | WURLAND, CITY OF                   | \$125,900           | \$103,950 (c)       | 12-18-98 | (A1)          |
| 100           | DANVILLE, CITY OF                  | \$7,712,132         | \$7,615,106 (c)     | 12-18-98 | (AMD 01/8/04) |
| 101           | LEWIS COUNTY SANITATION DIST NO. 1 | \$2,924,800         | \$620,001 (c)       | 04-27-99 | AMD 10/7/99   |
| <b>TOTALS</b> |                                    | <b>\$19,975,429</b> | <b>\$15,583,941</b> |          |               |

**PROJECTS APPROVED IN SFY 2000:**

|               |                       |                     |                     |          |            |
|---------------|-----------------------|---------------------|---------------------|----------|------------|
| 102           | MOREHEAD, CITY OF     | \$1,100,372         | \$279,000 (c)       | 09-01-99 |            |
| 103           | HOPKINSVILLE, CITY OF | \$889,478           | \$834,891 (c)       | 09-01-99 | AMD 6/8/00 |
| 104           | RWRA-OWENSBORO        | \$26,264,248        | \$25,963,257 (c)    | 12/10/99 | AMD 6/2/05 |
| 105           | SOUTH SHORE, CITY OF  | \$502,790           | \$188,849 (c)       | 12/10/99 |            |
| 106           | MOREHEAD, CITY OF     | \$592,695           | \$257,300 (c)       | 4/4/00   |            |
| 107           | MIDWAY, CITY OF       | \$4,337,596         | \$702,589 (c)       | 6/6/2000 |            |
| <b>TOTALS</b> |                       | <b>\$33,687,179</b> | <b>\$28,225,886</b> |          |            |

| TOTAL PROJECT<br>AMOUNT | KIA<br>AMOUNT | DATE<br>APPROVED |
|-------------------------|---------------|------------------|
|-------------------------|---------------|------------------|

**PROJECTS APPROVED IN SFY 2001:**

|               |                       |                     |                    |                                    |                     |
|---------------|-----------------------|---------------------|--------------------|------------------------------------|---------------------|
| 108           | PIKEVILLE, CITY OF    | \$1,205,484         | \$1,116,574 (c)    | 07/18/2000, 5/16/01 9/6/01, 3/2/06 | Assumed from Mtn WD |
| 109           | WURLAND, CITY OF      | \$1,717,540         | \$1,561,400 (c)    | 07/18/00                           | AMD 9/29/00         |
| 110           | LEITCHFIELD, CITY OF  | \$6,146,196         | \$5,355,560 (c)    | 8/29/00                            |                     |
| 111           | CLOVERPORT, CITY OF   | \$57,500            | \$57,500 (c)       | 11/22/00                           | (A1)                |
| 112           | WHITE PLAINS, CITY OF | \$2,250,400         | \$669,700 (c)      | 12/21/00                           |                     |
| 113           | MANCHESTER, CITY OF   | \$5,060,376         | \$1,053,589 (c)    | 1/25/01                            |                     |
| 114           | ARLINGTON, CITY OF    | \$677,333           | \$167,567 (c)      | 6/7/01                             |                     |
| <b>TOTALS</b> |                       | <b>\$17,114,829</b> | <b>\$9,981,890</b> |                                    |                     |

**PROJECTS APPROVED IN SFY2002:**

|               |                                   |                     |                     |        |                 |
|---------------|-----------------------------------|---------------------|---------------------|--------|-----------------|
| 115           | CARROLLTON, CITY OF               | \$6,997,101         | \$2,518,301 (c)     | 8/9/01 | AMD 9/6/01      |
| 116           | MT. STERLING WAT & SEW COMMISSION | \$13,908,185        | \$11,936,783 (c)    | 2/7/02 |                 |
| 117           | SHEPHERDSVILLE, CITY OF           | \$9,976,728         | \$7,581,466 (c)     | 2/7/02 |                 |
| 118           | MARION, CITY OF                   | \$312,715           | \$312,715 (c)       | 3/7/02 | (A1) AMD 1/9/03 |
| 119           | GREENVILLE, CITY OF               | \$2,242,571         | \$2,223,347 (c)     | 3/7/02 |                 |
| 120           | LEBANON JUNCTION, CITY OF         | \$2,898,419         | \$1,813,385 (c)     | 4/4/02 | AMD 7/1/05      |
| 121           | HARRODSBURG, CITY OF              | \$4,418,916         | \$3,314,760 (c)     | 5/2/02 |                 |
| 122           | WURLAND, CITY OF                  | \$1,782,900         | \$1,782,872 (c)     | 6/6/02 |                 |
| <b>TOTALS</b> |                                   | <b>\$42,537,535</b> | <b>\$31,483,629</b> |        |                 |

**PROJECTS APPROVED IN SFY 2003**

|               |                                      |                     |                     |         |             |
|---------------|--------------------------------------|---------------------|---------------------|---------|-------------|
| 123           | SALYERSVILLE, CITY OF                | \$7,662,832         | \$2,035,486 (c)     | 8/15/02 | AMD 9/19/03 |
| 124           | LONDON, CITY OF                      | \$15,262,069        | \$9,864,503 (c)     | 10/3/02 |             |
| 125           | Paducah McCracken Joint Sewer Agency | \$1,497,900         | \$1,382,413 (c)     | 2/6/03  |             |
| 126           | Boyd & Greenup Co Sanitation Dist #1 | \$849,503           | \$694,844 (c)       | 5/1/03  |             |
| <b>TOTALS</b> |                                      | <b>\$25,272,304</b> | <b>\$13,977,246</b> |         |             |

**PROJECTS APPROVED IN SFY 2004**

|               |                                  |                     |                     |                   |      |
|---------------|----------------------------------|---------------------|---------------------|-------------------|------|
| 127           | HOPKINSVILLE, CITY OF            | \$4,979,920         | \$4,682,517 (c)     | 8/7/03            |      |
| 128           | MOUNTAIN WATER DISTRICT          | \$729,158           | \$184,695 (c)       | 9/4/03            |      |
| 129           | BENTON, CITY OF                  | \$1,823,194         | \$293,902 (c)       | 12/4/03; 10/7/04  |      |
| 130           | PADUCAH-MCCRACKEN JSA            | \$1,401,000         | \$1,229,425 (c)     | 12/4/03           |      |
| 131           | MARION, CITY OF                  | \$1,775,704         | \$515,296 (c)       | 3/4/04            |      |
| 132           | MOREHEAD, CITY OF                | \$11,233,204        | \$7,189,123 (c)     | 3/4/04; AMD 11/05 |      |
| 133           | PADUCAH-MCCRACKEN JSA            | \$1,040,275         | \$908,403 (c)       | 3/4/04            |      |
| 134           | JESSAMINE-SOUTH ELKHORN WAT DIST | \$298,200           | \$196,861 (c)       | 4/1/04            | (A1) |
| 135           | BEREA, CITY OF                   | \$9,011,045         | \$5,000,000 (c)     | 4/1/04; 1/6/05    |      |
| 136           | HOPKINSVILLE WATER ENV AUTH      | \$2,469,924         | \$2,469,924         | 05/06/04; 3/2/06  |      |
| 137           | SOUTHERN WAT & SEW DIST          | \$3,750,000         | \$68,037 (c)        | 05/06/04          |      |
| <b>TOTALS</b> |                                  | <b>\$38,511,624</b> | <b>\$22,738,183</b> |                   |      |

**PROJECTS APPROVED IN SFY 2005**

|               |                                |                     |                     |                 |  |
|---------------|--------------------------------|---------------------|---------------------|-----------------|--|
| 138           | LAWRENCEBURG, CITY OF          | \$8,319,703         | \$7,889,974 (c)     | 7/1/04          |  |
| 139           | LORETTO, CITY OF               | \$5,563,468         | \$2,245,865 (c)     | 7/1/04; 9/14/05 |  |
| 140           | SANITATION DISTRICT #1         | \$39,028,077        | \$32,401,491 (c)    | 8/5/04; 10/1/06 |  |
| 141           | HODGENVILLE, CITY OF           | \$2,639,104         | \$968,539 (c)       | 10/7/04         |  |
| 142           | CARROLLTON, CITY OF            | \$10,870,148        | \$4,288,600 (c)     | 5/5/05          |  |
| 143           | WINCHESTER MUNICIPAL UTILITIES | \$23,212,000        | \$21,000,000        | 6/23/05         |  |
| <b>TOTALS</b> |                                | <b>\$89,632,500</b> | <b>\$68,794,469</b> |                 |  |

**PROJECTS APPROVED IN SFY 2006**

|               |                          |                     |                     |         |  |
|---------------|--------------------------|---------------------|---------------------|---------|--|
| 144           | ALEXANDRIA, CITY OF      | \$2,535,785         | \$426,220 (c)       | 7/7/05  |  |
| 145           | PAINTSVILLE, CITY OF     | \$954,415           | \$429,715 (c)       | 10/6/05 |  |
| 146           | CYNTHIANA, CITY OF       | \$10,902,650        | \$5,671,622 (c)     | 12/1/05 |  |
| 147           | WESTERN MASON SD         | \$4,644,000         | \$802,000 (c)       | 12/1/05 |  |
| 148           | LEDBETTER WATER DISTRICT | \$3,326,078         | \$2,326,078         | 3/2/06  |  |
| 149           | RICHMOND, CITY OF        | \$2,152,200         | \$2,152,200         | 6/1/06  |  |
| <b>TOTALS</b> |                          | <b>\$24,515,128</b> | <b>\$11,807,835</b> |         |  |

| TOTAL PROJECT<br>AMOUNT | KIA<br>AMOUNT | DATE<br>APPROVED |
|-------------------------|---------------|------------------|
|-------------------------|---------------|------------------|

**PROJECTS APPROVED IN SFY 2007**

|                                 |                     |                     |                  |
|---------------------------------|---------------------|---------------------|------------------|
| 150 REGIONAL WAT RES AGENCY     | \$9,405,000         | \$7,196,879 (c)     | 7/13/06          |
| 151 N MADISON CO SD             | \$1,925,000         | \$307,952 (c)       | 8/3/06           |
| 152 BOYD CO SANITATION DIST #2  | \$1,918,000         | \$666,811 (c)       | 10/5/06          |
| 153 N MADISON CO SD             | \$12,736,123        | \$8,104,622 (c)     | 10/5/06; 12/7/06 |
| 154 OHIO CO REG WASTEWATER DIST | \$15,940,000        | \$6,607,612         | 11/2/06          |
| 155 CITY OF NICHOLASVILLE       | \$12,459,352        | \$12,053,913 (c)    | 12/7/06; 4/1/09  |
| 156 CITY OF BOWLING GREEN       | \$5,155,190         | \$5,130,100 (c)     | 12/7/06          |
| 157 CITY OF BEAVER DAM          | \$1,311,900         | \$597,921 (c)       | 6/21/07          |
| 158 CITY OF FALMOUTH            | \$5,619,316         | \$2,812,236 (c)     | 6/21/07          |
| <b>TOTAL</b>                    | <b>\$66,469,881</b> | <b>\$43,478,046</b> |                  |

**PROJECTS APPROVED IN SFY 2008**

|                                    |                      |                      |                |      |
|------------------------------------|----------------------|----------------------|----------------|------|
| 159 CITY OF BARLOW                 | \$169,500            | \$168,954 (c)        | 9/6/07         | (A1) |
| 160 CITY OF WHITESBURG             | \$7,474,000          | \$1,040,900          | 9/6/07         |      |
| 161 CITY OF OWENSBORO              | \$24,531,634         | \$22,900,578         | 10/4/07        |      |
| 162 CITY OF ALEXANDRIA             | \$316,441            | \$186,073 (c)        | 11/1/07        |      |
| 163 CITY OF MURRAY                 | \$1,469,778          | \$1,227,741 (c)      | 11/1/07        |      |
| 164 CITY OF RICHMOND               | \$57,843,022         | \$54,690,822         | 11/1/07        |      |
| 165 REGIONAL WATER RESOURCE AGENCY | \$1,709,375          | \$1,425,488 (c)      | 11/1/07        |      |
| 166 Paducah McCracken JSA          | \$4,146,560          | \$1,600,000          | 2/7/08         |      |
| 167 Bowling Green, City of         | \$43,307,280         | \$43,307,280         | 4/3/08         |      |
| 168 Sanitation District #1         | \$83,147,554         | \$70,000,000         | 4/3/08; 6/4/09 |      |
| 169 Elizabethtown, City of         | \$21,192,000         | \$21,192,000         | 4/3/08         |      |
| 170 Nicholasville, City of         | \$9,554,625          | \$7,494,225          | 4/3/08         |      |
| 171 Somerset, City of              | \$14,897,000         | \$8,477,690          | 4/3/08         |      |
| 172 Williamstown, City of          | \$18,748,000         | \$17,848,000         | 6/2/08         |      |
| <b>TOTAL</b>                       | <b>\$288,506,769</b> | <b>\$251,559,750</b> |                |      |

**PROJECTS APPROVED IN SFY 2009**

|   |                      |                     |                           |
|---|----------------------|---------------------|---------------------------|
| 173 Hopkinsville, City of               | \$4,916,100          |                     | 9/4/08; withdrawn 5/11/10 |
| 174 Lexington-Fayette Urban County Govt | \$18,354,000         | \$17,208,000        | 1/8/09                    |
| 175 Paducah McCracken JSA               | \$14,323,800         | \$10,000,000        | 4/9/09                    |
| 176 Mt Washington, City of              | \$15,000,000         | \$9,500,000         | 5/7/09; 9/1/10            |
| 177 Sanitation District #1              | \$5,355,000          | \$4,473,000         | 6/4/09                    |
| 178 Sanitation District #1              | \$7,062,000          | \$5,592,000         | 6/4/09                    |
| 179 Sanitation District #1              | \$20,108,000         | \$15,230,000        | 6/4/09                    |
| 180 Sanitation District #1              | \$6,968,000          | \$5,768,000         | 6/4/09                    |
| 181 Sanitation District #1              | \$3,287,000          | \$2,470,000         | 6/4/09                    |
| 182 Sanitation District #1              | \$12,065,000         | \$9,900,000         | 6/4/09                    |
| <b>TOTAL</b>                            | <b>\$107,438,900</b> | <b>\$80,141,000</b> |                           |

**PROJECTS APPROVED IN SFY 2010**

|   |                      |                     |                  |                    |
|---|----------------------|---------------------|------------------|--------------------|
| 183 Kentucky Horse Park                           | \$1,950,000          | \$1,000,000         | 8/6/09           |                    |
| 184 Maysville, City of                            | \$11,000,000         | \$11,000,000        | 9/3/09           |                    |
| 185 Prestonsburg, City of                         | \$272,000            | \$272,000           | 10/1/09; 2/4/10  |                    |
| 186 Prestonsburg, City of                         | \$786,000            | \$786,000           | 10/1/09; 2/4/10  |                    |
| 187 Louisville & Jefferson Co. Metro. Sewer Dist. | \$4,847,095          | \$0                 | 10/1/09          | withdrawn 10/12/10 |
| 188 Bowling Green, City of                        | \$8,428,680          | \$8,428,680         | 11/12/09         |                    |
| 189 Hopkinsville, City of                         | \$7,500,000          | \$7,500,000         | 11/12/09         |                    |
| 190 Hardinsburg, City of                          | \$550,000            | \$550,000           | 11/12/09         |                    |
| 191 Princeton, City of                            | \$2,475,000          | \$1,149,256         | 12/3/09; 2/4/10  |                    |
| 192 Ashland, City of                              | \$6,000,000          | \$6,000,000         | 1/7/10           |                    |
| 193 Winchester, City of                           | \$37,000,000         | \$36,600,000        | 2/4/10           |                    |
| 194 Prestonsburg, City of                         | \$4,530,405          | \$1,860,405         | 2/4/10           |                    |
| 195 Oldham Co San Dist - SX21185017               | \$1,500,000          | \$1,500,000         | 5/6/10           |                    |
| 196 Oldham Co San Dist - SX21185029               | \$1,000,000          | \$1,000,000         | 5/6/10           |                    |
| 197 Oldham Co San Dist - SX21185024               | \$1,930,000          | \$1,930,000         | 5/6/10           |                    |
| 198 Lexington Fayette Urban County Government     | \$10,500,000         | \$10,500,000        | 6/3/10; 10/14/10 |                    |
| 199 Lexington Fayette Urban County Government     | \$7,028,375          | \$3,928,375         | 6/3/10; 10/14/10 |                    |
| <b>Total</b>                                      | <b>\$107,297,555</b> | <b>\$94,004,716</b> |                  |                    |

| TOTAL PROJECT<br>AMOUNT | KIA<br>AMOUNT | DATE<br>APPROVED |
|-------------------------|---------------|------------------|
|-------------------------|---------------|------------------|

**PROJECTS APPROVED IN SFY 2011**

|     |                                       |                    |                    |         |
|-----|---------------------------------------|--------------------|--------------------|---------|
| 200 | Oldham Co San Dist - SX21185028       | \$500,000          | \$250,000          | 7/1/10  |
| 201 | Sanitation District #1 SX21117126     | \$19,935,700       | \$17,146,500       | 7/1/10  |
| 202 | <i>Bardstown, City of SX21179019</i>  | <b>\$1,800,000</b> | <b>\$1,800,000</b> | 12/9/10 |
| 203 | <i>LaCenter, City of SX21007015</i>   | <b>\$895,000</b>   | <b>\$895,000</b>   | 12/9/10 |
| 204 | <i>Livermore, City of SX21049008</i>  | <b>\$2,105,000</b> | <b>\$1,105,000</b> | 12/9/10 |
| 205 | <i>Morehead, City of SX21205034</i>   | <b>\$3,000,000</b> | <b>\$3,000,000</b> | 12/9/10 |
| 206 | <i>Regional Water Resource Agency</i> | <b>\$4,005,000</b> | <b>\$4,005,000</b> | 12/9/10 |

|       |  |                     |                     |  |
|-------|--|---------------------|---------------------|--|
| Total |  | <b>\$32,240,700</b> | <b>\$28,201,500</b> |  |
|-------|--|---------------------|---------------------|--|

|                            |  |                        |                      |  |
|----------------------------|--|------------------------|----------------------|--|
| GRAND TOTALS - COMMITMENTS |  | <b>\$1,198,412,760</b> | <b>\$933,546,893</b> |  |
|----------------------------|--|------------------------|----------------------|--|

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(A1) - Planning and Design Loan

(+)-Const Amt; AA amnt represents Const + Plan & Design

**KENTUCKY INFRASTRUCTURE AUTHORITY  
FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND ---- (FUND A2)  
AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

**AVAILABLE FUNDS FFY 2009:**

|                          |                     |
|--------------------------|---------------------|
| FEDERAL ARRA GRANT FUNDS | \$49,878,100        |
| ADMINISTRATION (4%)      | (\$1,995,124)       |
| NET ARRA FUNDS           | <u>\$47,882,976</u> |

|  | TOTAL PROJECT<br>AMOUNT    | KIA<br>AMOUNT              | FIRST USE<br>FUNDS         | DATE<br>APPROVED        |
|--|----------------------------|----------------------------|----------------------------|-------------------------|
| <b>PROJECTS APPROVED IN SFY 2009:</b>            |                            |                            |                            |                         |
| 1 Sanitation District #1                         | \$395,000                  | \$395,000                  | \$395,000                  | 6/4/09                  |
| 2 Sanitation District #1                         | \$1,755,545                | \$1,371,545                | \$1,371,545                | 6/4/09; 1/7/10; 1/25/10 |
| 3 Sanitation District #1                         | \$1,578,539                | \$1,578,539                | \$1,578,539                | 6/4/09                  |
| 4 Sanitation District #1                         | \$834,241                  | \$834,241                  | \$834,241                  | 6/4/09                  |
| 5 Lexington Fayette Urban Co Govt                | \$2,620,000                | \$2,620,000                | \$2,620,000                | 6/25/09                 |
| 6 Lexington Fayette Urban Co Govt                | \$537,000                  | \$237,000                  | \$237,000                  | 6/25/09                 |
| 7 Louisa, City of                                | \$1,150,000                | \$1,150,000                | \$1,150,000                | 6/25/09                 |
| 8 Pineville, City of                             | \$2,193,000                | \$2,193,000                | \$2,193,000                | 6/25/09; 1/7/10         |
| 9 Shepherdsville, City of                        | \$8,500,000                | \$3,000,000                | \$3,000,000                | 6/25/09                 |
| <b>TOTALS</b>                                    | <u><b>\$19,563,325</b></u> | <u><b>\$13,379,325</b></u> | <u><b>\$13,379,325</b></u> |                         |
| <b>PROJECTS APPROVED IN SFY 2010:</b>            |                            |                            |                            |                         |
| 10 Calvert City, City of                         | \$1,083,128                | \$1,046,065                | \$1,046,065                | 7/9/09; 1/7/10          |
| 11 Princeton, City of                            | \$2,475,000                | \$1,103,744                | \$1,103,744                | 7/9/09; 2/4/10          |
| 12 Northern Madison Co Sanitation District       | \$510,000                  | \$510,000 (c)              | \$510,000                  | 8/6/09                  |
| 13 Kentucky Horse Park                           | \$1,950,000                | \$950,000                  | \$950,000                  | 8/6/09                  |
| 14 Sanitation District #4 of Boyd County         | \$475,000                  | \$400,000 (c)              | \$400,000                  | 8/6/09                  |
| 15 Ashland, City of                              | \$250,252                  | \$246,646 (c)              | \$246,646                  | 8/20/09; 1/25/10        |
| 16 Covington, City of                            | \$1,200,000                | \$1,197,390 (c)            | \$1,197,390                | 8/20/09                 |
| 17 Bowling Green, City of                        | \$135,000                  | \$135,000                  | \$135,000                  | 8/20/09                 |
| 18 Frankfort, City of                            | \$962,035                  | \$800,000 (c)              | \$800,000                  | 8/20/09                 |
| 19 Wilder, City of                               | \$215,889                  | \$114,302                  | \$114,302                  | 9/3/09; 1/25/10         |
| 20 Richmond, City of                             | \$125,000                  | \$125,000                  | \$125,000                  | 9/3/09                  |
| 21 Maysville, City of                            | \$2,000,000                | \$500,000                  | \$500,000                  | 9/3/09                  |
| 22 Prestonsburg, City of                         | \$4,530,405                | \$2,670,000                | \$2,670,000                | 10/1/09                 |
| 23 Kentucky Department of Parks                  | \$500,000                  | \$500,000                  | \$500,000                  | 10/1/09                 |
| 24 Kentucky Department of Parks                  | \$358,008                  | \$358,008                  | \$358,008                  | 10/1/09; 1/25/10        |
| 25 Kentucky Department of Parks                  | \$1,457,402                | \$1,366,291                | \$1,366,291                | 10/1/09; 1/25/10        |
| 26 Morehead, City of                             | \$801,203                  | \$801,203                  | \$801,203                  | 10/1/09                 |
| 27 Morehead, City of                             | \$1,293,013                | \$1,293,013                | \$1,293,013                | 10/1/09                 |
| 28 Winchester, City of                           | \$693,000                  | \$600,000 (c)              | \$600,000                  | 10/1/09                 |
| 29 Russellville, City of                         | \$952,300                  | \$799,967 (c)              | \$799,967                  | 10/1/09                 |
| 30 Kuttawa, City of                              | \$530,000                  | \$300,000 (c)              | \$300,000                  | 10/1/09                 |
| 31 Paintsville, City of                          | \$1,400,000                | \$1,150,000                | \$1,150,000                | 10/1/09                 |
| 32 Louisville & Jefferson Co. Metro. Sewer Dist. | \$17,500,000               | \$5,000,000                | \$5,000,000                | 10/1/09                 |
| 33 Falmouth, City of                             | \$611,898                  | \$611,898                  | \$611,898                  | 10/1/09; 11/12/09       |
| 34 Calvert City, City of                         | \$850,000                  | \$850,000                  | \$850,000                  | 10/1/09; 12/16/09       |
| 35 Sacramento, City of                           | \$750,000                  | \$750,000                  | \$750,000                  | 10/1/09                 |
| 36 Grant Co. Sanitary Sewer Dist.                | \$1,925,000                | \$300,000                  | \$300,000                  | 10/1/09                 |
| 37 Mayfield, City of                             | \$975,000                  | \$975,000                  | \$975,000                  | 10/1/09                 |
| 38 Warsaw, City of                               | \$3,841,156                | \$2,060,156                | \$2,060,156                | 11/12/09                |
| 39 Madisonville, City of                         | \$3,800,000                | \$3,800,000                | \$3,800,000                | 11/12/09                |
| 40 Meade Co Riverport Authority                  | \$482,642                  | \$482,642                  | \$482,642                  | 12/3/09; 1/25/10        |
| 41 Troublesome Creek Env Authority               | \$3,425,000                | \$1,500,000                | \$1,500,000                | 12/3/09                 |
| 42 Ohio Co Regional Waste Water District         | \$451,077                  | \$451,077                  | \$451,077                  | 12/3/09; 1/25/10        |
| 43 Mountain Water District                       | \$750,000                  | \$750,000                  | \$750,000                  | 12/3/09; 2/4/10         |
| <b>TOTALS</b>                                    | <u><b>\$59,258,408</b></u> | <u><b>\$34,497,402</b></u> | <u><b>\$34,497,402</b></u> |                         |
| <b>GRAND TOTALS - COMMITMENTS</b>                | <u><b>\$78,821,733</b></u> | <u><b>\$47,876,727</b></u> | <u><b>\$47,876,727</b></u> |                         |
| <b>BALANCE AVAILABLE FOR LOAN</b>                |                            |                            | <u><b>\$6,249</b></u>      |                         |

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

**KENTUCKY INFRASTRUCTURE AUTHORITY  
INFRASTRUCTURE REVOLVING LOAN FUND ---- (FUND B)**

|                                    |               |
|------------------------------------|---------------|
| TOTAL AUTHORIZATIONS FYS 1989-90:  | \$20,000,000  |
| TOTAL AUTHORIZATIONS FYS 1991-92:  | \$14,000,000  |
| TOTAL AUTHORIZATIONS FYS 1993-94:  | \$15,000,000  |
| TOTAL DEAUTHORIZATION FYS 1995-96: | (\$3,504,592) |
| TOTAL AUTHORIZATION FYS 1996-98:   | \$0           |
| TOTAL AUTHORIZATION FYS 2000-2002: | \$0           |
| TOTAL AUTHORIZATION FYS 2002-2004: | \$0           |
| TOTAL AUTHORIZATION FYS 2004-2006: | \$0           |
| TOTAL AUTHORIZATION FYS 2006-2008: | \$0           |

TOTAL 1989-2008: \$45,495,408 80% loan/ 20%grant set aside

Revolving Available to Loan/Grant Before  
Current Meeting \$476,387 \$4,000,000

|                                      | TOTAL<br>INFRASTRUCTURE<br>AMOUNT   | KIA<br>GRANT<br>AMOUNT | KIA<br>Loan<br>AMOUNT | GENERATED<br>PRIVATE<br>INVESTMENT | JOBS<br>CREATED      | DATE<br>APPROVED | COMMENTS                                  |
|--------------------------------------|-------------------------------------|------------------------|-----------------------|------------------------------------|----------------------|------------------|---|
| <b>PROJECTS APPROVED IN FY 1989:</b> |                                     |                        |                       |                                    |                      |                  |   |
| 1                                    | WILMORE, CITY OF                    | \$1,059,938            |                       | \$407,770 (c)                      | \$13,700,000         | 257              | 12-21-88                                  |
| 2                                    | AUBURN, CITY OF                     | \$2,175,540            |                       | \$1,475,540 (c)                    | \$2,225,000          | 96               | 12-21-88                                  |
| 3                                    | SOMERSET, CITY OF                   | \$2,402,764            |                       | \$1,500,000 (c)                    | \$75,000,000         | 326              | 12-21-88                                  |
| 4                                    | HENRY COUNTY                        | \$775,627              |                       | \$287,984 (c)                      | \$4,380,000          | 210              | 03-22-89 (REAP. 1-31-91 & AMD. 6-20-91)   |
| 5                                    | GRAVES COUNTY                       | \$3,717,000            |                       | \$3,717,000 (c)                    | \$31,037,070         | 600              | 05-03-89                                  |
|                                      | <b>TOTALS</b>                       | <b>\$10,130,869</b>    |                       | <b>\$7,388,294</b>                 | <b>\$126,342,070</b> | <b>1,489</b>     |   |
| <b>PROJECTS APPROVED IN FY 1990:</b> |                                     |                        |                       |                                    |                      |                  |   |
| 6                                    | LAWRENCEBURG, CITY OF               | \$301,000              |                       | \$86,114 (c)                       | \$426,187            | 30               | 08-07-89                                  |
| 7                                    | LEITCHFIELD, CITY OF                | \$1,296,200            |                       | \$699,674 (c)                      | \$2,470,000          | 200              | 08-07-89                                  |
| 8                                    | LIBERTY, CITY OF                    | \$319,573              |                       | \$163,822 (c)                      | \$1,533,133          | 140              | 08-07-89                                  |
| 9                                    | BEREA, CITY OF                      | \$1,200,000            |                       | \$340,000 (c)                      | \$0                  | 750              | 08-07-89                                  |
| 10                                   | GAMALIEL, CITY OF                   | \$2,040,263            |                       | \$490,425 (c)                      | \$2,000,000          | 125              | 09-27-89 (REAP. 3-28-91 & AMD. 6-26-92)   |
| 11                                   | GRAYSON, CITY OF (1)                | \$1,875,000            |                       | \$1,000,000 (c)                    | \$10,000,000         | 300              | 12-13-89                                  |
| 12                                   | LEBANON JUNCTION, CITY OF           | \$701,900              |                       | \$148,649 (c)                      | \$7,500,000          | 200              | 04-25-90                                  |
| 13                                   | MT. VERNON, CITY OF                 | \$864,347              |                       | \$456,480 (c)                      | \$20,000,000         | 154              | 04-25-90 (AMD. 3-28-91)                   |
| 14                                   | RUSSELLVILLE, CITY OF               | \$1,591,673            |                       | \$1,434,750 (c)                    | \$0                  | 0                | 04-25-90                                  |
|                                      | <b>TOTALS</b>                       | <b>\$10,189,956</b>    |                       | <b>\$4,819,914</b>                 | <b>\$43,929,320</b>  | <b>1,899</b>     |   |
| <b>PROJECTS APPROVED IN FY 1991:</b> |                                     |                        |                       |                                    |                      |                  |   |
| 15                                   | RICHMOND, CITY OF                   | \$1,508,300            |                       | \$250,000 (c)                      | \$1,500,000          | 100              | 09-26-90                                  |
| 16                                   | WARREN COUNTY W.D. (Chg)            | \$638,035              |                       | \$229,035 (c)                      | \$14,000,000         | 280              | 09-26-90                                  |
| 17                                   | LAUREL COUNTY FISCAL COURT          | \$964,742              |                       | \$319,969 (c)                      | \$2,900,000          | 74               | 09-26-90                                  |
| 18                                   | MOUNTAIN WATER DISTRICT (Mtn. Top f | \$890,977              |                       | \$186,711 (c)                      | \$2,250,000          | 500              | 11-19-90                                  |
| 19                                   | MONTICELLO, CITY OF (1)             | \$336,450              |                       | \$366,293 (c)                      | \$2,300,000          | 432              | 06-20-91                                  |
| 20                                   | JEFFERSON COUNTY / KROGER           | \$1,425,575            |                       | \$1,310,251 (c)                    | \$23,950,000         | 101              | 06-20-91 (AMD. 3-17-93)                   |
|                                      | <b>TOTALS</b>                       | <b>\$5,764,079</b>     |                       | <b>\$2,662,259</b>                 | <b>\$46,900,000</b>  | <b>1,487</b>     |   |
| <b>PROJECTS APPROVED IN FY 1992:</b> |                                     |                        |                       |                                    |                      |                  |   |
| 21                                   | NEWPORT, CITY OF                    | \$4,017,704            |                       | \$2,931,899 (c)                    | \$2,931,899          | 220              | 09-16-91 (AMD. 7-23-92; 8-29-94; 12/9/04) |
| 22                                   | HODGENVILLE, CITY OF                | \$125,900              |                       | \$114,931 (c)                      | \$400,000            | 16               | 11-01-91                                  |
| 23                                   | SCOTTSVILLE, CITY OF                | \$4,252,173            |                       | \$2,660,800 (c)                    | \$0                  | 260              | 12-04-91                                  |
| 24                                   | MONTICELLO, CITY OF (2)             | \$2,610,040            |                       | \$1,495,628 (c)                    | \$0                  |                  | 12-04-91                                  |
| 25                                   | WARREN COUNTY WATER DISTRICT (W     | \$121,000              |                       | \$92,809 (c)                       | \$32,000,000         | 200              | 02-25-92                                  |
| 26                                   | WARREN COUNTY WATER DISTRICT (S     | \$297,000              |                       | \$203,233 (c)                      | \$0                  |                  | 02-25-92                                  |
| 27                                   | LIVERMORE, CITY OF                  | \$86,039               |                       | \$86,039 (c)                       | \$0                  | 12               | 06-26-92                                  |
|                                      | <b>TOTALS</b>                       | <b>\$11,509,856</b>    |                       | <b>\$7,585,339</b>                 | <b>\$35,331,899</b>  | <b>708</b>       |   |
| <b>PROJECTS APPROVED IN FY 1993:</b> |                                     |                        |                       |                                    |                      |                  |   |
| 28                                   | MARION, CITY OF                     | \$1,218,460            |                       | \$379,510 (c)                      | \$1,412,000          | 40               | 12-17-92                                  |
| 29                                   | DAVISS COUNTY FISCAL COURT          | \$1,765,510            |                       | \$1,634,610 (c)                    | \$340,000,000        | 280              | 01-29-93                                  |
| 30                                   | COVINGTON, CITY OF                  | \$516,140              |                       | \$460,327 (c)                      | \$18,000,000         | 500              | 01-29-93                                  |
| 31                                   | HOPKINSVILLE, CITY OF               | \$8,688,679            |                       | \$5,000,000 (c)                    | \$0                  | 500              | 05-05-93 (REAP. 3-31-95)                  |
|                                      | <b>TOTALS</b>                       | <b>\$12,188,789</b>    |                       | <b>\$7,474,447</b>                 | <b>\$359,412,000</b> | <b>1,320</b>     |   |
| <b>PROJECTS APPROVED IN FY 1994:</b> |                                     |                        |                       |                                    |                      |                  |   |
| 32                                   | GRAYSON, CITY OF (2)                | \$1,712,759            |                       | \$1,412,759 (c)                    | \$0                  | 155              | 08-31-93                                  |
| 33                                   | PIKEVILLE, CITY OF                  | \$5,037,889            |                       | \$611,397 (c)                      | \$4,396,000          | 93               | 08-31-93                                  |
| 34                                   | LANCASTER, CITY OF                  | \$1,710,420            |                       | \$781,462 (c)                      | \$0                  | 100              | 09-29-93                                  |

|                                      | TOTAL<br>INFRASTRUCTURE<br>AMOUNT | KIA<br>GRANT<br>AMOUNT | KIA<br>Loan<br>AMOUNT | GENERATED<br>PRIVATE<br>INVESTMENT | JOB<br>CREATED | DATE<br>APPROVED       | COMMENTS                      |
|--------------------------------------|-----------------------------------|------------------------|-----------------------|------------------------------------|----------------|------------------------|-------------------------------|
| 35 GALLATIN COUNTY                   | \$4,089,434                       |                        | \$4,000,000 (c)       | \$400,089,434                      | 400            | 09-29-93               | (AMD. 6-29-94, REAP. 3-31-95) |
| 36 CAMPBELLSVILLE, CITY OF           | \$4,905,000                       |                        | \$1,905,000 (s)       | \$0                                | 295            | 12-05-95               | (REAP. XAMD. 7-13-98)         |
| TOTALS                               | \$17,455,502                      |                        | \$8,710,618           | \$404,485,434                      | 1,043          |                        |                               |
| <u>PROJECTS APPROVED IN FY 1995:</u> |                                   |                        |                       |                                    |                |                        |                               |
| 37 HENDERSON, CITY OF (phase 1)      | \$7,445,372                       |                        | \$3,188,731 (c)       | \$0                                | 1,500          | 08-30-94               | (AMD. 7-5-96)                 |
| (phase 2)                            |                                   |                        | \$581,512 (c)         | \$0                                |                | 08-30-94               |                               |
| 38 WEBSTER COUNTY WATER DISTRICT     | \$1,268,460                       |                        | \$638,000 (c)         | \$0                                | 58             | 05-30-95               |                               |
| TOTALS                               | \$8,713,832                       |                        | \$4,408,243           | \$0                                | 1,558          |                        |                               |
| <u>PROJECTS APPROVED IN FY 1996:</u> |                                   |                        |                       |                                    |                |                        |                               |
| 39 OAK GROVE, CITY OF                | \$787,990                         |                        | \$498,295 (c)         | \$0                                | 134            | 05-14-96               |                               |
| 40 MOUNT STERLING, CITY OF           | \$2,467,009                       |                        | \$2,467,009 (c)       | \$0                                | 400            | 05-14-96               |                               |
| TOTALS                               | \$3,254,999                       |                        | \$2,965,304           | \$0                                | 534            |                        |                               |
| <u>PROJECTS APPROVED IN FY 1997:</u> |                                   |                        |                       |                                    |                |                        |                               |
| 41 CORBIN, CITY OF                   | \$583,878                         |                        | \$300,000 (c)         | \$0                                | 30             | 8-29-96                |                               |
| 42 HICKORY WATER DISTRICT            | \$1,028,000                       |                        | \$528,000 (c)         | \$0                                | 95             | 12-4-96                | (REAP. 9-1-98)                |
| TOTALS                               | \$1,611,878                       |                        | \$828,000             | \$0                                | 125            |                        |                               |
| <u>PROJECTS APPROVED IN FY 1998:</u> |                                   |                        |                       |                                    |                |                        |                               |
| 42 PRESTONSBURG, CITY OF             | \$4,392,500                       |                        | \$600,000 (c)         | \$0                                | 77             | 2-26-98                | \$50M inc. app. 2-5-99        |
| 43 PAINTSVILLE, CITY OF              | \$8,070,950                       |                        | \$1,772,800 (c)       | \$0                                | 400            | 2-26-98                | (REAP. 12-10-99)              |
| TOTALS                               | \$12,463,450                      |                        | \$2,372,800           | \$0                                | 477            |                        |                               |
| <u>PROJECTS APPROVED IN FY 1999:</u> |                                   |                        |                       |                                    |                |                        |                               |
| 44 HARDINSBURG, CITY OF              | \$5,239,680                       |                        | \$131,231 (c)         | \$0                                | 14             | 7-13-98                |                               |
| 45 PRESTONSBURG, CITY OF             | \$1,591,200                       |                        | \$795,600 (c)         | \$0                                | 400            | 4-27-99                |                               |
| TOTALS                               | \$6,830,880                       |                        | \$926,831             | \$0                                | 414            |                        |                               |
| <u>PROJECTS APPROVED IN FY 2000:</u> |                                   |                        |                       |                                    |                |                        |                               |
| 46 GALLATIN CO WATER DISTRICT        | \$1,100,000                       |                        | \$744,796 (c)         | \$95,000,000                       | 130            | 09/01/1999;            | AMD 4/4/00                    |
| 47 CARROLTON, CITY OF (CELOTX)       | \$184,300                         |                        | \$112,200 (c)         | \$75,000,000                       | 122            | 12/10/1999;            | AMD 9/1/01                    |
| TOTALS                               | \$1,284,300                       |                        | \$856,996             | \$170,000,000                      | 122            |                        |                               |
| <u>PROJECTS APPROVED IN FY2005:</u>  |                                   |                        |                       |                                    |                |                        |                               |
| 48 UNION COUNTY FISCAL COURT         | \$1,550,000                       |                        | \$0                   | \$0                                | NA             | 11/04/2004             | commitment expired            |
| 40 OWENTON, CITY OF                  | \$736,890                         |                        | \$0                   | \$0                                | NA             | 11/04/2004             | commitment expired            |
| 41 HART CO FISCAL COURT              | \$3,192,000                       |                        | \$2,170,999           | \$0                                | NA             | 03/03/2005             |                               |
| 42 BOONE COUNTY WATER DISTRICT       | \$3,548,148                       |                        | \$2,506,118 (c)       | \$0                                | NA             | 6/2/05; 7/1/10         | assumed from Boone Co FC      |
| TOTALS                               | \$9,027,038                       |                        | \$4,677,117           | \$0                                |                |                        |                               |
| <u>PROJECTS APPROVED IN FY2006:</u>  |                                   |                        |                       |                                    |                |                        |                               |
| 43 GRAVES CO WATER DISTRICT          | \$596,776                         |                        | \$596,776 (c)         | \$0                                | NA             | 2005, 7/26/06; 10/2/08 | Assumed from Fancy Farm WD    |
| 44 GRAVES CO WATER DISTRICT          | \$152,176                         |                        | \$152,176 (c)         | \$0                                | NA             | 9/1/2005; 10/2/08      | Assumed from Fancy Farm WD    |
| 45 WESTERN MASON SANITATION DIST     | \$4,644,000                       |                        | \$560,272 (c)         | \$0                                | NA             | 12/01/2005             |                               |
| 46 BONNIEVILLE, CITY OF              | \$3,160,000                       |                        | \$0                   | \$0                                | NA             | 12/01/2005             | commitment expired            |
| 47 Elkton, City of                   | \$808,000                         |                        | \$808,000             | \$0                                | NA             | 03/02/2006             |                               |
| 48 MT VERNON, CITY OF                | \$2,055,000                       |                        | \$945,000 (c)         | \$0                                | NA             | 05/04/2006             |                               |
| TOTALS                               | \$11,415,953                      |                        | \$3,062,225           | \$0                                |                |                        |                               |
| <u>PROJECTS APPROVED IN FY2007:</u>  |                                   |                        |                       |                                    |                |                        |                               |
| 49 GUTHRIE, CITY OF                  | \$640,000                         |                        | \$0                   | \$0                                | NA             | 08/03/2006             | Withdrawn                     |
| 50 OWINGSVILLE, CITY OF              | \$4,367,250                       |                        | \$797,250 (c)         | \$0                                | NA             | 06/10/01/2009          | 338,997 In; 50,000 grant      |
| 51 JAMESTOWN, CITY OF                | \$13,065,000                      |                        | \$3,588,700 (c)       | \$0                                | NA             | 12/07/2006             | 3,038,700 In; 550,000 grant   |
| 52 CONNECTGRADD                      | \$2,400,000                       |                        | \$1,200,000           | \$0                                | NA             | 02/08/2007             | broadband                     |
| 53 ALBANY, CITY OF                   | \$7,366,000                       |                        | \$750,000             | \$0                                | NA             | 05/10/2007             | EO 2007-298 GF                |
| 54 GRAVES CO WATER DISTRICT          | \$849,154                         |                        | \$849,154 (c)         | \$0                                | NA             | 5/10/2007; 10/2/08     | S Graves WD                   |
| TOTALS                               | \$28,687,403                      |                        | \$7,185,103           | \$0                                |                |                        |                               |

|                                     | TOTAL<br>INFRASTRUCTURE<br>AMOUNT | KIA<br>GRANT<br>AMOUNT | KIA<br>Loan<br>AMOUNT | GENERATED<br>PRIVATE<br>INVESTMENT | JOB<br>CREATED         | DATE<br>APPROVED  | COMMENTS                       |
|-------------------------------------|-----------------------------------|------------------------|-----------------------|------------------------------------|------------------------|-------------------|--------------------------------|
| <b>PROJECTS APPROVED IN FY2008:</b> |                                   |                        |                       |                                    |                        |                   |                                |
| * 55                                | CAVELAND ENVIRONMENTAL            | \$2,910,000            |                       | \$125,000                          | \$0 NA                 | 09/06/2007        | sewer                          |
| * 56                                | HOPKINSVILLE ELECT & EN NET       | \$3,000,000            |                       | \$3,000,000                        | \$0 NA                 | 10/04/2007        | fiber optic communications     |
| * 57                                | MARION CO WATER DISTRICT          | \$750,000              |                       | \$340,000                          | \$0 NA                 | 10/04/2007        | water                          |
| * 58                                | WILLIAMSBURG, CITY OF             | \$3,237,440            |                       | \$400,000 (c)                      | \$0 NA                 | 10/04/2007        | water                          |
| * 59                                | LOGAN TODD REG WAT COMM           | \$1,500,000            |                       | \$400,000 (c)                      | \$0 NA                 | 11/01/2007        | water                          |
| * 60                                | BURGIN, CITY OF                   | \$50,000               |                       | \$50,000 (c)                       | \$0 NA                 | 11/01/2007        | water                          |
| 61                                  | PRESTONSBURG, CITY OF             | \$2,700,000            |                       | \$2,700,000 (c)                    | \$0 NA                 | 12/06/2007        | purchase Auxier Water          |
| 62                                  | GLASGOW, CITY OF                  | \$1,200,000            |                       | \$1,200,000                        | \$0 NA                 | 2/7/2008; 10/9/08 | broadband                      |
| 63                                  | LANCASTER, CITY OF                | \$690,000              |                       | \$490,000 (c)                      | \$0 NA                 | 03/06/2008        | sewer                          |
| 64                                  | WHITLEY CO WATER DISTRICT         | \$2,708,000            |                       | \$848,000                          | \$0 NA                 | 03/06/2008        | water                          |
| 65                                  | HINDMAN, CITY OF                  | \$500,000              |                       | \$500,000                          | \$0 NA                 | 04/03/2008        | water                          |
| 66                                  | WALTON, CITY OF                   | \$4,000,000            |                       | \$1,000,000 (c)                    | \$0 NA                 | 06/05/2008        | sewer                          |
| <b>TOTALS</b>                       |                                   | <b>\$23,245,440</b>    |                       | <b>\$11,053,000</b>                | <b>\$0</b>             |                   |                                |
| <b>PROJECTS APPROVED IN FY2009:</b> |                                   |                        |                       |                                    |                        |                   |                                |
| 67                                  | CARROLLTON, CITY OF               | \$2,350,000            |                       | \$750,000                          | \$0 NA                 | 08/07/2008        | sewer                          |
| 68                                  | LOUISA, CITY OF                   | \$1,075,000            |                       | \$1,000,000                        | \$0 NA                 | 08/07/2008        | sewer                          |
| 69                                  | PRESTONSBURG, CITY OF             | \$841,000              |                       | \$841,000 (c)                      | \$0 NA                 | 10/02/2008        | water meters                   |
| 70                                  | LEBANON, CITY OF                  | \$1,119,707            |                       | \$582,883 (c)                      | \$0 NA                 | 12/04/2008        | water                          |
| 71                                  | MURRAY, CITY OF                   | \$2,500,000            |                       | \$2,500,000                        | \$0 NA                 | 06/25/2009        | broadband                      |
| 72                                  | PINEVILLE, CITY OF                | \$350,000              |                       | \$0                                | \$0 NA                 | 06/25/2009        | sewer - withdrawn 9/24/09      |
| <b>TOTALS</b>                       |                                   | <b>\$8,235,707</b>     |                       | <b>\$5,673,883</b>                 | <b>\$0</b>             |                   |                                |
| <b>PROJECTS APPROVED IN FY2010:</b> |                                   |                        |                       |                                    |                        |                   |                                |
| 73                                  | Prestonsburg, City of             | \$2,670,000            |                       | \$0                                | \$0 NA                 | 10/01/2009        | sewer                          |
| 74                                  | Falmouth, City of                 | \$564,835              |                       | \$564,835                          | \$0 NA                 | 10/01/2009        | sewer                          |
| 75                                  | Bullitt Co Sanitation District    | \$500,000              |                       | \$500,000                          | \$0 NA                 | 02/04/2010        | sewer                          |
| 76                                  | Hart Co Industrial Authority      | \$2,300,000            |                       | \$1,000,000                        | \$3,000,000            | 40                | 02/04/2010 sewer               |
| 77                                  | Marshall Co. Fiscal Court         | \$1,000,000            | \$800,000             | \$200,000                          | \$0 NA                 |                   | 06/03/2010 80% grant/ 20% loan |
| <b>TOTALS</b>                       |                                   | <b>\$7,034,835</b>     | <b>\$800,000</b>      | <b>\$2,264,835</b>                 | <b>\$3,000,000</b>     | <b>40</b>         |                                |
| <b>PROJECTS APPROVED IN FY2011:</b> |                                   |                        |                       |                                    |                        |                   |                                |
| 78                                  | Bullitt Co Sanitation District    | \$500,000              | \$0                   | \$500,000                          | \$0 NA                 | 08/05/2010        | sewer                          |
| 79                                  | Greenville, City of               | \$1,115,000            | \$0                   | \$1,115,000                        | \$0 NA                 | 10/14/2010        | sewer                          |
| 80                                  | Marion, City of                   | \$2,100,000            | \$0                   | \$1,246,754                        | \$0 NA                 | 10/14/2010        | water                          |
| 81                                  | Princeton, City of                | \$394,000              | \$0                   | \$394,000                          | \$0 NA                 | 12/09/2010        | sewer                          |
| 82                                  | <i>Bracken Co Water District</i>  | <i>\$475,000</i>       | <i>\$0</i>            | <i>\$475,000</i>                   | <i>\$0 NA</i>          | 12/09/2010        | water                          |
| 83                                  | <i>Caneyville, City of</i>        | <i>\$445,000</i>       | <i>\$0</i>            | <i>\$110,000</i>                   | <i>\$0 NA</i>          | 12/09/2010        | sewer                          |
| 84                                  | <i>Crab Orchard, City of</i>      | <i>\$1,660,000</i>     | <i>\$0</i>            | <i>\$810,000</i>                   | <i>\$0 NA</i>          | 12/09/2010        | water                          |
| <b>TOTALS</b>                       |                                   | <b>\$6,689,000</b>     | <b>\$0</b>            | <b>\$4,650,754</b>                 | <b>\$0</b>             | <b>0</b>          |                                |
| <b>GRAND TOTALS</b>                 |                                   | <b>\$195,733,766</b>   | <b>\$800,000</b>      | <b>\$89,565,963</b>                | <b>\$1,189,400,723</b> | <b>11,216</b>     |                                |

*bold, italics - pending board approval*

\* Bonds have not been sold for these projects

+ Projects were funded under the master note

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WATER RESOURCES GRANT----- (FUND B1)**

| TOTAL<br>INFRASTRUCTURE<br>AMOUNT | KIA<br>AMOUNT | DATE<br>APPROVED | COMMENTS |
|-----------------------------------|---------------|------------------|----------|
|-----------------------------------|---------------|------------------|----------|

**PROJECTS APPROVED JULY 1, 1991 THROUGH JUNE 30, 1992:**

|               |  |                     |                    |         |                |
|---------------|--|---------------------|--------------------|---------|----------------|
| 1             | ELKHORN WATER DISTRICT                 | \$383,000           | \$151,233 (c)      | 9-16-91 |                |
| 2             | BEAVER-ELKHORN WATER DISTRICT (PH II)  | \$2,262,200         | \$1,383,547 (c)    | 9-16-91 | (REAP. 5-5-93) |
| 3             | BEAVER-ELKHORN WATER DISTRICT (PH III) | \$3,386,325         | \$616,453 (c)      | 9-16-91 | (REAP. 5-5-93) |
| 4             | WACO WATER DISTRICT                    | \$304,525           | \$300,000 (c)      | 9-16-91 |                |
| 5             | NORTH MERCER WATER DISTRICT            | \$1,833,000         | \$500,000 (c)      | 9-16-91 |                |
| 6             | WEBSTER COUNTY WATER DISTRICT          | \$2,269,500         | \$1,500,000 (c)    | 9-16-91 |                |
| 7             | ANDERSON COUNTY                        | \$361,638           | \$270,000 (c)      | 9-16-91 |                |
| 8             | GEORGETOWN, CITY OF                    | \$3,474,350         | \$400,000 (c)      | 9-16-91 |                |
| 9             | LYNCH, CITY OF                         | \$502,500           | \$499,945 (c)      | 9-16-91 |                |
| <b>TOTALS</b> |  | <b>\$14,777,038</b> | <b>\$5,621,178</b> |         |                |

**PROJECTS APPROVED JULY 1, 1992 THROUGH JUNE 30, 1994:**

|               |  |                  |                  |          |                |
|---------------|--|------------------|------------------|----------|----------------|
| 10            | DAVIESS COUNTY FISCAL COURT<br>(East Daviess County Water Association) | \$300,000        | \$300,000 (c)    | 11-12-92 | (AMD. 9-29-93) |
| <b>TOTALS</b> |  | <b>\$300,000</b> | <b>\$300,000</b> |          |                |

**PROJECTS PER SPECIAL PROVISIONS DURING 1998 GENERAL SESSION**

|               |                           |                     |                     |            |      |
|---------------|---------------------------|---------------------|---------------------|------------|------|
| 11            | MEADE COUNTY FISCAL COURT | \$4,204,225         | \$2,500,000         | 12/18/1998 |      |
| 12            | CITY OF RICHMOND          | \$8,400,000         | \$4,000,000         | 09/01/1998 |      |
| 13            | CITY OF MIDWAY            | \$4,760,971         | \$3,500,000         | 06/06/2000 |      |
| 14            | CITY OF HINDMAN           | \$3,000,000         | \$3,000,000         | 07/28/1999 |      |
| <b>TOTALS</b> |                           | <b>\$20,365,196</b> | <b>\$13,000,000</b> |            | (rf) |

**PROJECTS APPROVED JULY 1, 1998 THROUGH JUNE 30, 1999:**

|               |                               |                    |                |              |  |
|---------------|-------------------------------|--------------------|----------------|--------------|--|
| 15            | WATER RESOURCE DEV COMMISSION | \$1,053,000        | 753,000        | (rf) 4-27-99 |  |
| <b>TOTALS</b> |                               | <b>\$1,053,000</b> | <b>753,000</b> |              |  |

**PROJECTS PER SPECIAL PROVISIONS DURING 2000 GENERAL SESSION**

|               |  |                     |                     |            |           |
|---------------|--|---------------------|---------------------|------------|-----------|
| 16            | HORTON CAMP INF AT GREEN RIVER ST PARK | 650,000.00          | 650,000.00          | 06/06/2000 |           |
| 17            | FLEMING CO WATER COMM                  | 75,000.00           | 75,000.00           | 02/01/2001 | (AA date) |
| 18            | FLEMING CO '201' SEWER PLANNING        | 50,000.00           | 50,000.00           | 10/01/2001 | (AA date) |
| 19            | CITY OF WURLAND                        | 25,000.00           | 25,000.00           | 10/01/2001 | (AA date) |
| 20            | SPURLOCK & LITTLE MUD CREEK            | 300,000.00          | 300,000.00          | 08/17/2001 | (AA date) |
| 21            | PIKE COUNTY - TAYLOR FORK              | 50,000.00           | 50,000.00           | 08/06/2001 | (AA date) |
| 22            | SOUTHERN MADISON WATER DISTRICT        | 200,000.00          | 200,000.00          | 03/01/2001 | (AA date) |
| 23            | HENDERSON CO WATER DISTRICT            | 500,000.00          | 500,000.00          | 08/20/2001 | (AA date) |
| 24            | LEWIS CO WATER & SEWER                 | 500,000.00          | 500,000.00          | 11/22/2000 |           |
| 25            | GREEN CO WATER & SEWER                 | 500,000.00          | 500,000.00          | 08/06/2001 | (AA date) |
| 26            | LARUE COUNTY FISCAL COURT              | 750,000.00          | 750,000.00          | 08/06/2001 | (AA date) |
| 27            | CARROL COUNTY FISCAL COURT             | 250,000.00          | 250,000.00          | 08/01/2001 | (AA date) |
| 28            | CITY OF RACELAND                       | 25,000.00           | 25,000.00           | 09/21/2001 | (AA date) |
| 29            | CITY OF WORTHINGTON                    | 25,000.00           | 25,000.00           | 08/06/2001 | (AA date) |
| 30            | CITY OF FLATWOODS                      | 25,000.00           | 25,000.00           | 10/01/2001 | (AA date) |
| <b>TOTALS</b> |  | <b>3,925,000.00</b> | <b>3,925,000.00</b> |            | (rf)      |

| TOTAL<br>INFRASTRUCTURE<br>AMOUNT | KIA<br>AMOUNT | DATE<br>APPROVED | COMMENTS |
|-----------------------------------|---------------|------------------|----------|
|-----------------------------------|---------------|------------------|----------|

**PROJECTS APPROVED JULY 1, 2001 THROUGH JUNE 30, 2002:**

|               |   |            |                     |                     |            |
|---------------|---|------------|---------------------|---------------------|------------|
| 31            | Columbia-Campbellsville                       | WX21001008 | \$3,415,000         | \$55,000            | 12/06/2001 |
| 32            | Bath County Water District                    | WX21011002 | \$2,253,000         | \$1,150,000         | 12/06/2001 |
| 33            | City of Paris                                 | WX21017002 | \$2,300,000         | \$1,000,000         | 12/06/2001 |
| 34            | City of Ashland                               | WX21019006 | \$2,362,626         | \$750,000           | 12/06/2001 |
| 35            | Bracken County Water District                 | WX21023001 | \$1,810,000         | \$93,500            | 12/06/2001 |
| 36            | City of Murray                                | WX21035005 | \$1,126,000         | \$0                 | 12/06/2001 |
| 37            | Center Ridge Water District                   | WX21035011 | \$262,200           | \$262,200           | 12/06/2001 |
| 38            | West Carroll Water District                   | WX21041301 | \$2,200,000         | \$500,000           | 12/06/2001 |
| 39            | Rattlesnake Ridge Water District              | WX21043001 | \$4,130,000         | \$440,000           | 12/06/2001 |
| 40            | Christian County Water District               | WX21047011 | \$2,200,000         | \$1,000,000         | 12/06/2001 |
| 41            | Owensboro Municipal Utilities                 | WX21059001 | \$2,500,000         | \$1,000,000         | 12/06/2001 |
| 42            | Consumers Water District                      | WX21083002 | \$1,117,868         | \$1,000,000         | 12/06/2001 |
| 43            | City of Caneyville                            | WX21085001 | \$486,000           | \$186,000           | 12/06/2001 |
| 44            | Grayson County Water District                 | WX21085009 | \$2,878,000         | \$1,000,000         | 12/06/2001 |
| 45            | City of Cumberland                            | WX21095662 | \$1,600,000         | \$400,000           | 12/06/2001 |
| 46            | Henderson Water Utility                       | WX21101005 | \$600,000           | \$600,000           | 12/06/2001 |
| 47            | Wood Creek water District                     | WX21125527 | \$350,364           | \$350,364           | 12/06/2001 |
| 48            | Louisa Water District                         | WX21127001 | \$5,570,570         | \$1,000,000         | 12/06/2001 |
| 49            | Electric Plant Board of the City of Vanceburg | WX21135001 | \$4,077,000         | \$977,000           | 12/06/2001 |
| 50            | City of Sacramento                            | WX21149002 | \$150,000           | \$150,000           | 12/06/2001 |
| 51            | Western Lewis Rectorville Water District      | WX21161001 | \$1,399,000         | \$275,000           | 12/06/2001 |
| 52            | Edmonton Water Works                          | WX21169001 | \$2,222,782         | \$595,782           | 12/06/2001 |
| 53            | Tri-Village Water District                    | WX21187205 | \$1,800,000         | \$800,000           | 12/06/2001 |
| 54            | City of Falmouth                              | WX21191311 | \$1,000,000         | \$300,000           | 12/06/2001 |
| 55            | City of Hazard                                | WX21193009 | \$5,500,000         | \$250,000           | 12/06/2001 |
| 56            | Buffalo Trail Water Association               | WX21201005 | \$1,500,000         | \$750,000           | 12/06/2001 |
| 57            | US 60 Water District                          | WX21211026 | \$1,375,000         | \$650,000           | 12/06/2001 |
| 58            | Taylorville Water Works                       | WX21215087 | \$3,500,000         | \$430,400           | 12/06/2001 |
| 59            | Campbellsville-Greensburg                     | WX21217004 | \$3,181,900         | \$0                 | 12/06/2001 |
| 60            | Cadiz-Trigg County Regional Water Commissio   | WX21221002 | \$14,000,000        | \$70,000            | 12/06/2001 |
| 61            | City of Midway                                | WX21239003 | \$766,000           | \$150,000           | 12/06/2001 |
| 62            | City of Booneville                            | WX21189002 | \$687,000           | \$130,000           | 06/06/2002 |
| <b>TOTALS</b> |   |            | <b>\$78,320,310</b> | <b>\$16,315,246</b> | (rlf)      |

**PROJECTS APPROVED JULY 1, 2006 THROUGH JUNE 30, 2007:**

|               |                                   |  |                    |                    |                  |
|---------------|-----------------------------------|--|--------------------|--------------------|------------------|
| 63            | Knott Co Water & Sewer            |  | \$500,000          | \$500,000          | 10/05/2006       |
| 64            | Bath Co WD                        |  | \$514,340          | \$250,000          | 12/07/2006       |
| 65            | Western Pulaski Co Water District |  | \$620,000          | \$620,000          | 5/10/07; 6/21/07 |
| 66            | City of Harlan                    |  | \$200,000          | \$200,000          | 06/21/2007       |
| <b>TOTALS</b> |                                   |  | <b>\$1,834,340</b> | <b>\$1,570,000</b> | (rlf)            |

**PROJECTS APPROVED IN FY2008:**

|               |                              |  |                  |                  |            |
|---------------|------------------------------|--|------------------|------------------|------------|
| 67            | City of Arlington            |  | \$190,750        | \$190,750        | 07/19/2007 |
| 68            | City of Elkton               |  | \$200,000        | \$200,000        | 07/19/2007 |
| 69            | City of Georgetown           |  | \$80,000         | \$80,000         | 07/19/2007 |
| 70            | Morehead Utility Plant Board |  | \$373,900        | \$373,900        | 07/19/2007 |
| <b>TOTALS</b> |                              |  | <b>\$844,650</b> | <b>\$844,650</b> |            |

**GRAND TOTALS** **\$121,419,534** **\$41,484,424**

***bold, italics - pending board approval***

(s) - Amount represented in the assistance agreement

(c) - Grant has been closed.

(rlf) - To be funded out of the revolving loan funds

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WATER RESOURCES LOAN ----- (FUND B2)  
GATEWAY, BIG SANDY, KENTUCKY RIVER AND CUMBERLAND VALLEY DEVELOPMENT DISTRICTS**

|                                   |                            |
|-----------------------------------|----------------------------|
| TOTAL AUTHORIZATION FYS 1991-94   | \$30,000,000               |
| TOTAL DEAUTHORIZATION FYS 1995-96 | (\$1,716,586)              |
| TOTAL AUTHORIZATION FYS 1997-98   | \$0                        |
| TOTAL AUTHORIZATION FYS 1998-99   | \$0                        |
| <b>TOTAL 1991 - 1998</b>          | <b><u>\$28,283,414</u></b> |

| TOTAL<br>INFRASTRUCTURE<br>AMOUNT | KIA<br>AMOUNT | INTEREST<br>RATE | AREA<br>DEVELOPMENT<br>DISTRICT | DATE<br>APPROVED | COMMENTS |
|-----------------------------------|---------------|------------------|---------------------------------|------------------|----------|
|-----------------------------------|---------------|------------------|---------------------------------|------------------|----------|

**PROJECTS APPROVED JULY 1, 1991 THROUGH JUNE 30, 1992:**

|   |                            |                            |       |              |          |   |
|---|----------------------------|----------------------------|-------|--------------|----------|---|
| 1 MOUNTAIN WATER DISTRICT (Indian Creek)                                    | \$2,712,760                | \$337,760 (c)              | 3.0%  | BIG SANDY    | 07-24-91 |   |
| 2 MARTIN COUNTY WATER DISTRICT NO. 2  | \$2,481,566                | \$1,329,826 (c)            | 3.0%  | BIG SANDY    | 09-16-91 | (REAP. 5-5-93)  |
| 3 HYDEN / LESLIE CO. WATER DISTRICT   | \$2,196,941                | \$1,965,619 (c)            | 3.0%  | KY. RIVER    | 09-16-91 |   |
| 4 SOUTHERN WATER & SEWER (Phase I)  | \$1,045,700                | \$514,888 (c)              | 3.0%  | BIG SANDY    | 09-16-91 | (REAP. 1-29-93), Assumed from Beaver Elkhorn 12-21-00         |
| 5 SOUTHERN WATER & SEWER (Phase II)   | \$2,262,200                | \$847,982 (c)              | 3.0%  | BIG SANDY    | 09-16-91 | (REAP. 5-5-93), Assumed from Beaver Elkhorn 12-21-00          |
| 6 SOUTHERN WATER & SEWER (Phase III)  | \$3,386,325                | \$2,831,354 (c)            | 3.0%  | BIG SANDY    | 09-16-91 | (REAP. 5-5-93 & 2-2-95), Assumed from Beaver Elkhorn 12-21-00 |
| 7 MANCHESTER, CITY OF   | \$1,766,705                | \$970,439 (c)              | 2.9%  | CUMB. VALLEY | 11-01-91 |   |
| 8 MOREHEAD, CITY OF   | \$449,442                  | \$359,646 (c)              | 2.9%  | GATEWAY      | 11-01-91 |   |
| 9 MOUNTAIN WATER DISTRICT (Multi-Area)                                      | \$5,165,093                | \$5,165,093 (c)            | 2.9%  | BIG SANDY    | 11-01-91 |   |
| 10 PIKEVILLE, CITY OF   | \$903,718                  | \$897,868 (c)              | 2.9%  | BIG SANDY    | 11-01-91 |   |
| 11 PINEVILLE, CITY OF   | \$829,099                  | \$829,099 (c)              | 2.9%  | CUMB. VALLEY | 11-01-91 |   |
| 12 BARBOURVILLE, CITY OF  | \$4,500,000                | \$1,924,831 (c)            | 2.9%  | CUMB. VALLEY | 11-01-91 |   |
| 13 CORBIN, CITY OF  | \$1,449,838                | \$833,000 (c)              | 2.9%  | CUMB. VALLEY | 12-04-91 |   |
| 14 PRESTONSBURG, CITY OF  | \$2,173,278                | \$1,960,288 (c)            | 2.9%  | BIG SANDY    | 12-04-91 |   |
| 15 HARLAN, CITY OF  | \$1,434,170                | \$1,434,170 (c)            | 2.9%  | CUMB. VALLEY | 12-04-91 |   |
| 16 WHITESBURG, CITY OF  | \$1,332,179                | \$932,179 (c)              | 2.7%  | KY. RIVER    | 05-13-92 |   |
| 17 CLAY COUNTY FISCAL COURT<br>(North Manchester Water Association)         | \$2,805,321                | \$2,621,001 (c)            | 2.95% | CUMB. VALLEY | 05-13-92 |   |
| 18 ROCKCASTLE COUNTY FISCAL COURT<br>(Western Rockcastle Water Association) | \$778,500                  | \$364,572 (c)              | 2.95% | CUMB. VALLEY | 05-13-92 |   |
| <b>TOTALS</b>   | <b><u>\$37,672,835</u></b> | <b><u>\$26,119,616</u></b> |       |              |          |   |

**PROJECTS APPROVED JULY 1, 1992 THROUGH JUNE 30, 1993:**

|  |                           |                           |       |           |          |  |
|--|---------------------------|---------------------------|-------|-----------|----------|--|
| 19 JACKSON COUNTY FISCAL COURT<br>(Jackson County Water Association) | \$1,858,645               | \$1,792,633 (c)           | 2.45% | KY. RIVER | 11-12-92 |  |
| <b>TOTALS</b>  | <b><u>\$1,858,645</u></b> | <b><u>\$1,792,633</u></b> |       |           |          |  |

**PROJECTS APPROVED JULY 1, 1993 THROUGH JUNE 30, 1994:**

|                                       |                            |                            |      |              |         |                 |
|---------------------------------------|----------------------------|----------------------------|------|--------------|---------|-----------------|
| 20 LAUREL COUNTY WATER DISTRICT NO. 2 | \$1,324,000                | \$450,000 (c)              | 1.6% | CUMB. VALLEY | 5-11-94 | (REAP. 12-5-95) |
| <b>TOTALS</b>                         | <b><u>\$1,324,000</u></b>  | <b><u>\$450,000</u></b>    |      |              |         |                 |
| <b>GRAND TOTALS</b>                   | <b><u>\$40,855,480</u></b> | <b><u>\$28,362,249</u></b> |      |              |         |                 |

(s) - Amount represented in the assistance agreement.  
(c) - Final Amount; Loan has been closed.

**KENTUCKY INFRASTRUCTURE AUTHORITY  
GOVERNMENTAL AGENCIES PROGRAM ----- (FUND C)**

|  | TOTAL PROJECT<br>AMOUNT | KIA<br>AMOUNT       | DATE<br>APPROVED | COMMENTS   |
|--|-------------------------|---------------------|------------------|--|
| ORIGINAL KENTUCKY POLLUTION ABATEMENT AUTHORITY LOANS (42)<br>REFINANCED BY THE KENTUCKY INFRASTRUCTURE AUTHORITY (1989) |                         | <b>\$32,025,000</b> |                  |  |
| <b><u>PROJECTS APPROVED IN FY 1989:</u></b>  |                         |                     |                  |  |
| 1 CAMPBELLSVILLE, CITY OF  | \$3,450,000             | \$2,500,000         | (c)              |  |
| 2 CARLISLE, CITY OF  | \$3,958,731             | \$1,764,950         | (c)              |  |
| 3 CRITTENDEN, CITY OF  | \$1,725,300             | \$913,800           | (c)              |  |
| 4 EDMONTON, CITY OF  | \$740,728               | \$505,728           | (c)              |  |
| 5 FULTON, CITY OF  | \$1,200,000             | \$380,000           | (c)              |  |
| 6 INEZ, CITY OF  | \$5,692,657             | \$825,477           | (c)              |  |
| 7 PADUCAH-MCCRACKEN JOINT SEWER COM  | \$1,844,500             | \$1,844,500         | (c)              | ASSUMED FROM CITY OF PADUCAH                                 |
| 8 RUSSELL, CITY OF   | \$2,851,000             | \$2,851,000         | (c)              |  |
| 9 STANFORD, CITY OF  | \$1,782,000             | \$590,000           | (c)              |  |
| 10 TOMPKINSVILLE, CITY OF  | \$720,000               | \$445,000           | (c)              |  |
| 11 WEST LIBERTY, CITY OF   | \$3,086,995             | \$1,805,854         | (c)              |  |
| 12 HARDIN COUNTY WATER DISTRICT #2   | \$3,597,502             | \$932,502           | (c)              |  |
| 13 PADUCAH-MCCRACKEN JOINT SEWER COM   | \$1,528,626             | \$1,528,626         | (c)              | ASSUMED FROM MCCRACKEN CO SEWER                              |
| 14 PADUCAH-MCCRACKEN JOINT SEWER COM   | \$2,099,125             | \$2,099,125         | (c)              | ASSUMED FROM MCCRACKEN CO SEWER                              |
| 15 OLDHAM COUNTY WATER DISTRICT  | \$1,191,282             | \$1,330,500         | (c)              |  |
| 16 LOUISVILLE WATER COMPANY  | \$2,593,497             | \$1,094,330         | (c)              | ASSUMED FROM KENTUCKY TURNPIKE WATER DISTRICT 3/7/02         |
| <b>TOTALS</b>  | <b>\$38,061,943</b>     | <b>\$21,411,392</b> |                  |  |
| <b><u>PROJECTS APPROVED IN FY 1990:</u></b>  |                         |                     |                  |  |
| 17 BULLOCK-PEN WATER DISTRICT  | \$779,649               | \$399,049           | (c)              | 08-07-89   |
| 18 BOYD COUNTY SANITATION DISTRICT #2  | \$2,525,506             | \$1,477,350         | (c)              | 08-07-89 (AMD. 8-16-90 & 12-4-91)                            |
| 19 FLEMINGSBURG, CITY OF   | \$1,218,286             | \$1,066,000         | (c)              | 08-07-89   |
| 20 FRANKLIN, CITY OF   | \$695,690               | \$687,204           | (c)              | 05-03-89 (AMD. 8-7-89)                                       |
| 21 PINEVILLE, CITY OF  | \$3,099,590             | \$308,767           | (c)              | 09-27-89   |
| 22 EDMONSON COUNTY WATER DISTRICT  | \$860,117               | \$507,767           | (c)              | 12-13-89   |
| 23 HENDERSON COUNTY WATER DISTRICT #4  | \$581,609               | \$550,000           | (c)              | 12-13-89 (AMD. 6-20-91)                                      |
| 24 EAST LOGAN COUNTY WATER DISTRICT  | \$1,253,120             | \$514,303           | (c)              | 12-13-89   |
| 25 MCKEE, CITY OF  | \$562,789               | \$185,289           | (c)              | 04-25-90   |
| <b>TOTALS</b>  | <b>\$11,576,356</b>     | <b>\$5,695,729</b>  |                  |  |
| <b><u>PROJECTS APPROVED IN FY 1991:</u></b>  |                         |                     |                  |  |
| 26 U.S. 60 WATER DISTRICT  | \$391,065               | \$202,400           | (c)              | 08-16-90   |
| 27 EDMONTON, CITY OF   | \$727,621               | \$502,621           | (c)              | 08-16-90   |
| 28 MUNFORDVILLE, CITY OF   | \$107,320               | \$100,850           | (c)              | 09-26-90   |
| 29 LEXINGTON-SOUTH ELKHORN WATER DISTRICT  | \$1,750,000             | \$1,712,000         | (c)              | 03-28-91   |
| 30 PADUCAH-MCCRACKEN JOINT SEWER COM   | \$583,445               | \$450,884           | (c)              | 03-28-91 ASSUMED FROM REIDLAND WSD                           |
| 31 SOUTH GRAVES COUNTY WATER DISTRICT  | \$728,605               | \$728,605           | (c)              | 06-20-91 (REAP. 12-17-92)(AMD. 11-10-97)(AMD 8-7-03)         |
| 32 TRIMBLE COUNTY WATER DISTRICT   | \$342,103               | \$328,603           | (c)              | 06-20-91 (REAP. 9-16-91)                                     |
| 33 HENDERSON COUNTY WATER DISTRICT #2  | \$633,013               | \$325,000           | (c)              | 06-20-91   |
| <b>TOTALS</b>  | <b>\$5,263,172</b>      | <b>\$4,350,963</b>  |                  |  |
| <b><u>PROJECTS APPROVED IN FY 1992:</u></b>  |                         |                     |                  |  |
| 34 TOMPKINSVILLE, CITY OF  | \$648,200               | \$306,200           | (c)              | 07-24-91   |
| 35 WALTON, CITY OF   | \$140,577               | \$140,577           | (c)              | 07-24-91   |
| 36 WILMORE, CITY OF  | \$745,155               | \$228,355           | (c)              | 09-16-91   |
| 37 EDMONSON COUNTY WATER DISTRICT  | \$197,959               | \$92,747            | (c)              | 09-16-91   |
| 38 HENDRON WATER DISTRICT  | \$596,100               | \$556,100           | (c)              | 11-01-91   |
| 39 BULLOCK-PEN WATER DISTRICT  | \$1,067,019             | \$518,169           | (c)              | 11-01-91   |
| 40 U.S. 60 WATER DISTRICT  | \$494,603               | \$459,905           | (c)              | 12-04-91   |
| 41 FULTON, CITY OF   | \$409,587               | \$384,508           | (c)              | 05-13-92   |
| 42 BULLOCK-PEN WATER DISTRICT  | \$62,111                | \$29,254            | (c)              | 05-13-92   |
| <b>TOTALS</b>  | <b>\$4,361,311</b>      | <b>\$2,715,815</b>  |                  |  |
| <b><u>PROJECTS APPROVED IN FY 1993:</u></b>  |                         |                     |                  |  |
| 43 GEORGETOWN, CITY OF   | \$554,870               | \$162,870           | (c)              | 11-12-92 (AMD. 6-29-94)(Assumed from Stamping Ground 3/2/06) |
| 44 PIKEVILLE, CITY OF  | \$1,317,639             | \$419,771           | (c)              | 11-12-92   |
| 45 NORTH MARSHALL COUNTY WATER DISTRICT  | \$1,414,199             | \$1,414,199         | (c)              | 12-17-92   |
| 46 TAYLORSVILLE, CITY OF   | \$188,000               | \$188,000           | (c)              | 03-03-93   |
| 47 WURLAND, CITY OF  | \$336,885               | \$264,145           | (c)              | 05-05-93   |
| <b>TOTALS</b>  | <b>\$3,811,593</b>      | <b>\$2,448,985</b>  |                  |  |

|                                      | TOTAL PROJECT<br>AMOUNT          | KIA<br>AMOUNT       |                    | DATE<br>APPROVED | COMMENTS                                       |
|--------------------------------------|----------------------------------|---------------------|--------------------|------------------|--|
| <b>PROJECTS APPROVED IN FY 1994:</b> |                                  |                     |                    |                  |  |
| 48                                   | WHITESBURG, CITY OF              | \$1,701,993         | \$381,855          | (c)              | 09-29-93                                       |
| 49                                   | JONATHAN CREEK WATER DISTRICT    | \$2,768,000         | \$2,302,500        | (c)              | 09-29-93 (AMD 9/7/03)                          |
| 50                                   | NORTHERN ROCKCASTLE COUNTY WATER | \$455,226           | \$265,226          | (c)              | 09-29-93                                       |
| 51                                   | Shelbyville, City of             | \$2,100,000         | \$697,263          | (c)              | 05-11-94 Assumed from Shelby Co SD #1          |
| 52                                   | LAUREL COUNTY WATER DISTRICT #2  | \$1,324,000         | \$900,950          | (c)              | 05-11-94 (AMD. 12-5-95)                        |
|                                      | <b>TOTALS</b>                    | <b>\$8,349,219</b>  | <b>\$4,547,794</b> |                  |  |
| <b>PROJECTS APPROVED IN FY 1995:</b> |                                  |                     |                    |                  |  |
| 53                                   | CARLISLE, CITY OF                | \$715,000           | \$425,895          | (c)              | 11-29-94                                       |
| ** 54                                | HENRY COUNTY WATER DISTRICT #2   | \$8,426,000         | \$5,026,000        | (s)(n)           | 03-31-95 (AMD. 12-5-95)                        |
| 55                                   | CALHOUN, CITY OF                 | \$506,100           | \$453,299          | (c)              | 5-30-95  |
|                                      | <b>TOTALS</b>                    | <b>\$9,647,100</b>  | <b>\$5,905,194</b> |                  |  |
| <b>PROJECTS APPROVED IN FY 1996:</b> |                                  |                     |                    |                  |  |
| 56                                   | OLDHAM COUNTY WATER DISTRICT     | \$1,174,500         | \$1,062,256        | (c)              | 2-26-95  |
| 57                                   | OAK GROVE, CITY OF               | \$1,156,400         | \$912,970          | (c)              | 12-4-96  |
|                                      | <b>TOTALS</b>                    | <b>\$2,330,900</b>  | <b>\$1,975,226</b> |                  |  |
| <b>PROJECTS APPROVED IN FY 1997:</b> |                                  |                     |                    |                  |  |
| 58                                   | EAST PENDLETON WATER DISTRICT    | \$202,004           | \$219,856          | (c)              | 6-19-97  |
|                                      | <b>TOTALS</b>                    | <b>\$202,004</b>    | <b>\$219,856</b>   |                  |  |
| <b>PROJECTS APPROVED IN FY 1998:</b> |                                  |                     |                    |                  |  |
|                                      | <b>TOTALS</b>                    | <b>\$0</b>          | <b>\$0</b>         |                  |  |
| <b>PROJECTS APPROVED IN FY 1999:</b> |                                  |                     |                    |                  |  |
| 59                                   | LOUISA, CITY OF                  | \$387,500           | \$442,857          | (c)              | 7/13/98 (AMD 9-1-99)                           |
| 60                                   | WEBSTER COUNTY WATER DISTRICT    | \$6,165,911         | \$4,000,000        | (c)              | 9/1/98   |
| 61                                   | MEADE COUNTY WATER DISTRICT      | \$4,204,225         | \$407,608          | (c)              | 12/18/98                                       |
|                                      | <b>TOTALS</b>                    | <b>\$10,757,636</b> | <b>\$4,850,465</b> |                  |  |
| <b>PROJECTS APPROVED IN FY 2001:</b> |                                  |                     |                    |                  |  |
| 62                                   | BARLOW, CITY OF                  | \$416,000           | \$237,714          | (c)              | 3/1/01   |
|                                      | <b>TOTALS</b>                    | <b>\$416,000</b>    | <b>\$237,714</b>   |                  |  |
| <b>PROJECTS APPROVED IN FY 2002:</b> |                                  |                     |                    |                  |  |
| 63                                   | OLDHAM COUNTY WATER DISTRICT     | \$7,043,642         | \$5,560,339        | (c)              | 7/12/01  |
|                                      | <b>TOTALS</b>                    | <b>\$7,043,642</b>  | <b>\$5,560,339</b> |                  |  |
| <b>PROJECTS APPROVED IN FY 2003:</b> |                                  |                     |                    |                  |  |
| * 64                                 | MCCREARY COUNTY FISCAL COURT     | 7,996,000           | 1,725,714          | (c)              | 09/05/2002                                     |
| * 65                                 | NICHOLASVILLE, CITY OF           | 4,310,000           | 4,754,286          | (c)              | 10/03/2002                                     |
| 66                                   | SOUTHERN WATER & SEWER           | 6,874,900           | 0                  |                  | 01/09/2003 Withdrawn - Replaced with Coal Sev  |
| 67                                   | MEADE COUNTY WATER DISTRICT      | 919,760             | 0                  |                  | 06/05/2003 Withdrawn - Replaced with Fd F loan |
|                                      | <b>TOTAL</b>                     | <b>\$7,996,000</b>  | <b>\$6,480,000</b> |                  |  |
| <b>PROJECTS APPROVED IN FY 2004:</b> |                                  |                     |                    |                  |  |
| 68                                   | KNOTT CO WATER & SEWER DISTRICT  | \$2,628,821         | \$640,367          |                  | 08/07/2003                                     |
| * 69                                 | CAWOOD WATER DISTRICT            | \$2,020,000         | \$500,000          |                  | 12/04/2003                                     |
| * 70                                 | BLACK MTN UTILITIES DISTRICT     | \$2,295,000         | \$250,000          | (c)              | 01/08/2004                                     |
|                                      | <b>TOTAL</b>                     | <b>\$6,943,821</b>  | <b>\$1,390,367</b> |                  |  |
| <b>PROJECTS APPROVED IN FY 2005:</b> |                                  |                     |                    |                  |  |
| * 71                                 | NORTONVILLE, CITY OF             | \$5,300,000         | \$2,809,000        |                  | 09/02/2004                                     |
| * 72                                 | JOHNSON CO FISCAL COURT          | \$1,317,000         | \$0                |                  | 12/09/2004 Withdrawn                           |
| * 73                                 | PEAKS MILL WATER DISTRICT        | \$1,626,900         | \$971,179          | (c)              | 05/05/2005                                     |
|                                      | <b>TOTAL</b>                     | <b>\$8,243,900</b>  | <b>\$3,780,179</b> |                  |  |
| <b>PROJECTS APPROVED IN FY 2007:</b> |                                  |                     |                    |                  |  |
| * 74                                 | MAYFIELD, CITY OF                | \$393,250           | \$389,255          | (c)              | 05/10/2007                                     |
|                                      | <b>TOTAL</b>                     | <b>\$393,250</b>    | <b>\$389,255</b>   |                  |  |

|                                      | TOTAL PROJECT AMOUNT                 | KIA AMOUNT                   | DATE APPROVED        | COMMENTS                                |
|--------------------------------------|--------------------------------------|------------------------------|----------------------|---|
| <b>PROJECTS APPROVED IN FY 2008:</b> |                                      |                              |                      |   |
| * 75                                 | SOUTHEAST DAVIESS CO WD              | \$1,219,995                  | \$796,140            | 11/01/2007 water                        |
| * 76                                 | WEST DAVIESS CO WD                   | \$1,378,708                  | \$948,348 (c)        | 11/01/2007 water                        |
| * 77                                 | NORTHERN KY WATER DISTRICT           | \$6,000,000                  | \$6,000,000          | 06/05/2008 water                        |
|                                      | <b>TOTAL</b>                         | <b>\$8,598,703</b>           | <b>\$7,744,488</b>   |   |
| <b>PROJECTS APPROVED IN FY 2009:</b> |                                      |                              |                      |   |
| * 78                                 | UNION, CITY OF                       | \$1,147,500                  | \$517,500            | 10/02/2008 sewer                        |
|                                      | <b>TOTAL</b>                         | <b>\$1,147,500</b>           | <b>\$517,500</b>     |   |
| <b>PROJECTS APPROVED IN FY 2010:</b> |                                      |                              |                      |   |
| * 79                                 | BARDSTOWN, CITY OF                   | \$1,800,000                  | \$1,800,000          | 10/01/2009 industrial park transmission |
| * 80                                 | BARDSTOWN, CITY OF                   | \$5,050,000                  | \$3,500,000          | 10/01/2009 water                        |
|                                      | <b>TOTAL</b>                         | <b>\$6,850,000</b>           | <b>\$5,300,000</b>   |   |
| <b>PROJECTS APPROVED IN FY 2011:</b> |                                      |                              |                      |   |
|                                      | <b>TOTAL</b>                         | <b>\$0</b>                   | <b>\$0</b>           |   |
|                                      | <b>KIA TOTALS</b>                    | <b>\$141,994,050</b>         | <b>\$85,521,261</b>  |   |
|                                      | <b>GRAND TOTALS (including KPAA)</b> |                              | <b>\$117,546,261</b> |   |
|                                      |                                      | Funds committed; not issued: | <b>\$23,661,422</b>  |   |

*bold, italics - pending board approval*

\* Bonds have not been sold for these projects.

\*\* Withdrew from bond sale.

(s) - Amount represented in the assistance agreement.

(c) - Final Amount. Includes capitalized interest and Note Program costs.

(n) - Participating in BAN's

**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**SAFE DRINKING WATER STATE REVOLVING FUND CFDA #66.468 ---- (FUND F)**

**AVAILABLE FUNDS FY 1997:**

|                               |               |
|-------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS  | \$12,558,800  |
| BOND PROCEEDS (20%)           | \$2,511,760   |
| ADMINISTRATION (4%)           | (\$502,352)   |
| OTHER SET ASIDES (As Amended) | (\$1,928,773) |
| NET 97 SRF FUNDS              | \$12,639,435  |

**AVAILABLE FUNDS FY 1998:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$10,851,600  |
| BOND PROCEEDS (20%)          | \$2,170,320   |
| ADMINISTRATION (4%)          | (\$434,064)   |
| OTHER SET ASIDES             | (\$1,085,160) |
| NET 98 SRF FUNDS             | \$11,502,696  |

**AVAILABLE FUNDS FY 1999:**

|                              |              |
|------------------------------|--------------|
| FEDERAL TITLE VI GRANT FUNDS | \$11,373,500 |
| BOND PROCEEDS (20%)          | \$2,274,700  |
| ADMINISTRATION (4%)          | (\$454,940)  |
| OTHER SET ASIDES             | (\$808,335)  |
| LAND ACQUISITION SET ASIDE   | \$357,500    |
| NET 98 SRF FUNDS             | \$12,742,425 |

**AVAILABLE FUNDS FY 2000:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$11,820,400  |
| BOND PROCEEDS (20%)          | \$2,364,080   |
| ADMINISTRATION (4%)          | (\$472,816)   |
| OTHER SET ASIDES             | (\$1,296,086) |
| LAND ACQUISITION SET ASIDE   | \$0           |
| NET 00 SRF FUNDS             | \$12,415,578  |

**AVAILABLE FUNDS FY 2001:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$11,869,300  |
| BOND PROCEEDS (20%)          | \$2,373,860   |
| ADMINISTRATION (4%)          | (\$474,772)   |
| OTHER SET ASIDES             | (\$1,913,832) |
| LAND ACQUISITION SET ASIDE   | \$252,130     |
| NET 01 SRF FUNDS             | \$12,106,686  |

**AVAILABLE FUNDS FY 2002:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$9,805,100   |
| BOND PROCEEDS (20%)          | \$1,961,020   |
| ADMINISTRATION (4%)          | (\$392,204)   |
| OTHER SET ASIDES             | (\$1,372,714) |
| NET 02 SRF FUNDS             | \$10,001,202  |

**AVAILABLE FUNDS FY 2003:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$9,746,200   |
| BOND PROCEEDS (20%)          | \$1,949,240   |
| ADMINISTRATION (4%)          | (\$389,848)   |
| OTHER SET ASIDES             | (\$1,383,960) |
| NET 03 SRF FUNDS             | \$9,921,632   |

**AVAILABLE FUNDS FY 2004:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$10,110,200  |
| BOND PROCEEDS (20%)          | \$2,022,040   |
| ADMINISTRATION (4%)          | (\$404,408)   |
| OTHER SET ASIDES             | (\$1,668,183) |
| NET 04 SRF FUNDS             | \$10,059,649  |

**AVAILABLE FUNDS FY 2005:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$10,088,800  |
| BOND PROCEEDS (20%)          | \$2,017,760   |
| ADMINISTRATION (4%)          | (\$403,552)   |
| OTHER SET ASIDES             | (\$1,715,096) |
| NET 05 SRF FUNDS             | \$9,987,912   |

**AVAILABLE FUNDS FY 2006:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$8,630,300   |
| BOND PROCEEDS (20%)          | \$1,726,060   |
| ADMINISTRATION (4%)          | (\$345,212)   |
| OTHER SET ASIDES             | (\$1,855,515) |
| NET 06 SRF FUNDS             | \$8,155,633   |

**AVAILABLE FUNDS FY 2007:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$8,630,000   |
| BOND PROCEEDS (20%)          | \$1,726,000   |
| ADMINISTRATION (4%)          | (\$345,200)   |
| OTHER SET ASIDES             | (\$1,596,550) |
| NET 07 SRF FUNDS             | \$8,414,250   |

**AVAILABLE FUNDS FY 2008:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$8,543,000   |
| BOND PROCEEDS (20%)          | \$1,708,600   |
| ADMINISTRATION (4%)          | (\$341,720)   |
| OTHER SET ASIDES             | (\$1,836,745) |
| NET 08 SRF FUNDS             | \$8,073,135   |

**AVAILABLE FUNDS FY 2009:**

|                              |               |
|------------------------------|---------------|
| FEDERAL TITLE VI GRANT FUNDS | \$8,543,000   |
| BOND PROCEEDS (20%)          | \$1,708,600   |
| ADMINISTRATION (4%)          | (\$341,720)   |
| OTHER SET ASIDES             | (\$1,173,780) |
| NET 09 SRF FUNDS             | \$8,736,100   |

NET FY 97-09 SRF FUNDS \$134,756,333

CURRENT REVOLVING FUND BALANC \$ 44,477,602

2010A - Leverage \$0

BALANCE AVAILABLE FOR LOAN \$ 15,958,042

|                                     | TOTAL PROJECT<br>AMOUNT           | KIA LOAN<br>AMOUNT  |                     | DATE<br>APPROVED                 | COMMENTS              |
|-------------------------------------|-----------------------------------|---------------------|---------------------|----------------------------------|-----------------------|
| <b>PROJECTS APPROVED IN FY 2000</b> |                                   |                     |                     |                                  |                       |
| 1                                   | HICKMAN, CITY OF                  | \$52,500            | \$31,500 (s)        | 12/10/1999                       | F1                    |
| 2                                   | BOWLING GREEN, CITY OF            | \$3,441,785         | \$3,049,314 (c)     | 04/04/00                         |                       |
| 3                                   | PROVIDENCE, CITY OF               | \$130,880           | \$58,440 (c)        | 04/04/00                         | F1                    |
| 4                                   | GRAYSON, CITY OF                  | \$170,000           | \$88,000            | 04/04/00                         | F1                    |
|                                     | <b>TOTALS</b>                     | <b>\$3,795,165</b>  | <b>\$3,227,254</b>  |                                  |                       |
| <b>PROJECTS APPROVED IN FY2001</b>  |                                   |                     |                     |                                  |                       |
| 5                                   | PRINCETON, CITY OF                | \$3,858,000         | \$1,500,000 (c)     | 07/18/2000                       |                       |
| 6                                   | HARDINBURG, CITY OF               | \$2,096,910         | \$500,000 (c)       | 07/18/2000                       |                       |
| 7                                   | PROVIDENCE, CITY OF               | \$3,442,422         | \$2,383,982 (c)     | 9/29/00                          |                       |
| 8                                   | SPRINGFIELD, CITY OF              | \$5,791,000         | \$610,000           | 8/29/00                          |                       |
| 9                                   | MOREHEAD, CITY OF                 | \$13,325,000        | \$5,500,000         | 9/29/00; Amd 5/16/01; Amd 5/1/03 | Combined from 2 proj. |
| 10                                  | HICKMAN, CITY OF                  | \$1,642,623         | \$869,023           | 9/29/00                          |                       |
| 11                                  | GREATER FLEMING CO REG WAT COM    | \$357,500           | \$357,500           | 12/21/00; 2/1/05                 | Land Acq Set Aside    |
| 12                                  | ASHLAND, CITY OF                  | \$2,512,626         | \$2,190,384 (c)     | 3/1/01                           |                       |
| 13                                  | GRAYSON COUNTY WATER DISTRICT     | \$4,400,000         | \$3,930,850 (c)     | 4/5/01                           |                       |
| 14                                  | PINEVILLE, CITY OF                | \$173,222           | \$173,222 (c)       | 5/3/01                           |                       |
|                                     | <b>TOTALS</b>                     | <b>\$37,599,303</b> | <b>\$18,014,961</b> |                                  |                       |
| <b>PROJECTS APPROVED IN FY2002</b>  |                                   |                     |                     |                                  |                       |
| 15                                  | LOGAN/TODD REG WAT COM            | \$7,773,200         | \$6,442,400 (c)     | 07/12/01                         |                       |
| 16                                  | CRITTENDEN/LIVINGSTON CO WD       | \$1,500,000         | \$1,451,881 (c)     | 07/12/01                         |                       |
| 17                                  | BULLOCK PEN WATER DISTRICT        | \$408,088           | \$350,367 (c)       | 10/4/01                          |                       |
| 18                                  | MOUNTAIN WATER DISTRICT           | \$5,369,590         | \$1,197,072         | 10/4/01                          |                       |
| 19                                  | GRAYSON, CITY OF                  | \$5,896,855         | \$2,808,855         | 11/1/01; 12/12/02                | Exec Com              |
| 20                                  | LOGAN/TODD REG WAT COM            | \$27,369,858        | \$4,000,000         | 2/7/02                           |                       |
| 21                                  | NORTH LOGAN WATER DIST            | \$800,000           | \$447,000 (c)       | 3/7/02                           |                       |
| 22                                  | TAYLORSVILLE, CITY OF             | \$2,800,000         | \$1,241,766 (c)     | 5/2/02                           |                       |
| 23                                  | HOPKINSVILLE, CITY OF             | \$1,513,593         | \$1,513,593 (c)     | 6/6/02                           |                       |
| 24                                  | LOUISA, CITY OF                   | \$6,736,238         | \$3,645,811 (c)     | 6/6/02                           |                       |
| 25                                  | BOONEVILLE, CITY OF               | \$687,000           | \$554,103 (c)       | 6/6/02                           |                       |
|                                     | <b>TOTALS</b>                     | <b>\$60,854,422</b> | <b>\$23,652,848</b> |                                  |                       |
| <b>PROJECTS APPROVED IN FY2003</b>  |                                   |                     |                     |                                  |                       |
| 26                                  | MADISON CO UTILITY DISTRICT       | \$3,560,000         | \$3,299,999 (c)     | 7/11/02; 1/1/05                  |                       |
| 27                                  | BOWLING GREEN MUNICIPAL UTILITIES | \$12,244,000        | \$3,980,000 (c)     | 9/25/02                          |                       |
| 28                                  | GREATER FLEMING REG WAT COMM      | \$252,130           | \$252,130           | 10/3/02                          | Land Acq Set Aside    |
| 29                                  | BRACKEN CO WATER DISTRICT         | \$928,000           | \$928,000           | 10/3/02                          |                       |
| 30                                  | BULLOCK PEN WATER DISTRICT        | \$1,229,000         | \$1,210,604 (c)     | 12/12/02                         | Exec Com              |
| 31                                  | CITY OF ASHLAND                   | \$14,459,550        | \$4,000,000         | 6/5/03                           |                       |
|                                     | <b>TOTALS</b>                     | <b>\$32,672,680</b> | <b>\$13,670,733</b> |                                  |                       |
| <b>PROJECTS APPROVED IN FY2004</b>  |                                   |                     |                     |                                  |                       |
| 32                                  | CARROLL CO WATER DISTRICT         | \$1,956,156         | \$1,908,662 (c)     | 9/4/03                           |                       |
| 33                                  | PAINTSVILLE, CITY OF              | \$1,056,500         | \$500,000           | 9/4/03                           | F1                    |
| 34                                  | EDDYVILLE, CITY OF                | \$3,768,000         | \$1,563,625 (c)     | 11/6/03                          |                       |
| 35                                  | HARLAN, CITY OF                   | \$5,020,000         | \$1,597,552 (c)     | 11/6/03                          |                       |
| 36                                  | GREATER FLEMING REG WAT COM       | \$13,059,330        | \$4,000,000         | 12/4/03; 1/8/04                  |                       |
| 37                                  | MEADE COUNTY WATER DISTRICT       | \$919,760           | \$394,760           | 12/4/03                          |                       |
| 38                                  | HENDERSON WATER UTILITY           | \$1,541,362         | \$0                 | 2/12/04                          | withdrawn             |
|                                     | <b>TOTALS</b>                     | <b>\$27,321,108</b> | <b>\$9,964,599</b>  |                                  |                       |
| <b>PROJECTS APPROVED IN FY2005</b>  |                                   |                     |                     |                                  |                       |
| 39                                  | MCCREARY CO WATER DISTRICT        | \$4,206,815         | \$1,455,400 (c)     | 10/7/04                          |                       |
| 40                                  | MANCHESTER, CITY OF               | \$359,500           | \$359,500           | 3/3/05                           | F1                    |
| 41                                  | RICHMOND, CITY OF                 | \$14,690,222        | \$8,000,000         | 5/5/05                           |                       |
|                                     | <b>TOTALS</b>                     | <b>\$19,256,537</b> | <b>\$9,814,900</b>  |                                  |                       |
| <b>PROJECTS APPROVED IN FY 2006</b> |                                   |                     |                     |                                  |                       |
| 42                                  | HARDINBURG, CITY OF               | \$14,498,150        | \$4,400,000         | 12/1/05; amd 8/1/07              |                       |
| 43                                  | COLUMBIA-ADAIR CO WAT COM         | \$14,000,000        | \$4,520,000 (c)     | 6/1/06                           |                       |
| 44                                  | HOPKINSVILLE, CITY OF             | \$6,844,310         | \$4,000,000         | 6/1/06                           |                       |
|                                     | <b>TOTALS</b>                     | <b>\$35,342,460</b> | <b>\$12,920,000</b> |                                  |                       |

|                                     | TOTAL PROJECT<br>AMOUNT                  | KIA<br>AMOUNT        | DATE<br>APPROVED     | COMMENTS                |
|-------------------------------------|--|----------------------|----------------------|-------------------------|
| <b>PROJECTS APPROVED IN FY 2007</b> |  |                      |                      |                         |
| 45                                  | NORTHERN KY WATER DISTRICT               | \$6,865,000          | \$4,000,000          | 10/5/06                 |
| 46                                  | ADAIR CO WATER DISTRICT                  | \$3,302,000          | \$1,000,000          | 6/21/07                 |
| 47                                  | JESSAMINE SOUTH ELKHORN WD               | \$1,750,000          | \$1,750,000          | 6/21/07                 |
| <b>TOTALS</b>                       |  | <b>\$11,917,000</b>  | <b>\$6,750,000</b>   |                         |
| <b>PROJECTS APPROVED FY 2008</b>    |  |                      |                      |                         |
| 48                                  | LETCHER CO WAT & SEW DISTRICT            | \$1,193,000          | \$781,000 (c)        | 10/4/07                 |
| 49                                  | RICHMOND, CITY OF                        | \$7,108,951          | \$4,000,000          | 10/4/07                 |
| 50                                  | MADISON CO UTILITY DIST                  | \$1,284,510          | \$1,105,016          | 11/1/07; 10/9/08        |
| 52                                  | NICHOLASVILLE, CITY OF                   | \$13,090,400         | \$8,800,000 (c)      | 11/1/07; 4/1/09         |
| 53                                  | BULLOCK PEN WATER DISTRICT               | \$2,320,700          | \$2,192,700          | 12/6/07                 |
| 54                                  | HARDINSBURG, CITY OF                     | \$4,165,000          | \$1,999,250 (c)      | 12/6/07                 |
| 55                                  | BEREA, CITY OF                           | \$9,739,630          | \$5,000,000          | 2/7/08; inc 11/6/08     |
| 56                                  | FRANKFORT, CITY OF                       | \$6,841,000          | \$6,841,000          | 2/7/08                  |
| 57                                  | MANCHESTER, CITY OF                      | \$7,849,078          | \$1,989,578          | 2/7/08; 2/5/09          |
| 58                                  | MEADE CO WATER DISTRICT                  | \$2,480,949          | \$753,447 (c)        | 2/7/08                  |
| 59                                  | WESTERN FLEMING WATER DISTRICT           | \$2,568,000          | \$2,518,000          | 2/7/08                  |
| 60                                  | HOPKINSVILLE, CITY OF                    | \$14,000,000         | \$8,000,000          | 3/6/08; 5/7/09          |
| 61                                  | NORTHERN KY WATER DISTRICT               | \$6,565,000          | \$4,000,000          | 3/6/08                  |
| 62                                  | OHIO CO WATER DISTRICT                   | \$19,698,500         | \$5,000,000          | 3/6/08; 6/4/09          |
| 63                                  | CENTERTOWN, CITY OF                      | \$2,866,652          | \$1,097,430          | 3/6/08; 6/25/09         |
| <b>TOTALS</b>                       |  | <b>\$101,771,370</b> | <b>\$54,077,421</b>  |                         |
| <b>PROJECTS APPROVED FY2009</b>     |  |                      |                      |                         |
| 64                                  | PAINTSVILLE, CITY OF                     | \$29,135,364         | \$6,519,566          | 12/4/08                 |
| <b>TOTALS</b>                       |  | <b>\$29,135,364</b>  | <b>\$6,519,566</b>   |                         |
| <b>PROJECTS APPROVED FY2010</b>     |  |                      |                      |                         |
| 65                                  | PADUCAH, CITY OF                         | \$7,510,000          | \$7,500,000          | 9/3/09                  |
| 66                                  | HARDINBURG, CITY OF                      | \$4,700,500          | \$3,251,590          | 11/12/09                |
| 67                                  | <b>NORTHERN KY WATER DISTRICT</b>        | <b>\$80,300,000</b>  | <b>\$16,000,000</b>  | <b>12/3/09; 12/9/10</b> |
| 68                                  | Columbia Adair Water Commission          | \$1,694,000          | \$1,694,000          | 6/3/10                  |
| <b>TOTALS</b>                       |  | <b>\$94,204,500</b>  | <b>\$28,445,590</b>  |                         |
| <b>PROJECTS APPROVED FY2011</b>     |  |                      |                      |                         |
| 69                                  | Adair Co Water District                  | \$4,133,000          | \$4,000,000          | 7/1/10                  |
| 70                                  | Louisa, City of                          | \$1,700,000          | \$1,700,000          | 7/1/10                  |
| 71                                  | <b>Madison County Utilities District</b> | <b>\$940,225</b>     | <b>\$940,225</b>     | <b>12/9/10</b>          |
| <b>TOTALS</b>                       |  | <b>\$6,773,225</b>   | <b>\$6,640,225</b>   |                         |
| <b>GRAND TOTALS</b>                 |  | <b>\$460,643,134</b> | <b>\$193,698,097</b> |                         |

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement

(F1) - Planning and Design Loan

**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**SAFE DRINKING WATER STATE REVOLVING FUND CFDA #66.468 ---- (FUND F2)**  
**AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

**AVAILABLE FUNDS FFY 2009:**

|                          |                     |
|--------------------------|---------------------|
| FEDERAL ARRA GRANT FUNDS | \$20,450,000        |
| ADMINISTRATION (4%)      | (\$818,000)         |
| OTHER SET ASIDES         | (\$715,750)         |
| NET ARRA FUNDS           | <u>\$18,916,250</u> |

|                                       | TOTAL PROJECT<br>AMOUNT | KIA<br>AMOUNT       | FIRST USE<br>FUNDS  | DATE<br>APPROVED |
|---------------------------------------|-------------------------|---------------------|---------------------|------------------|
| <b>PROJECTS APPROVED IN SFY 2009:</b> |                         |                     |                     |                  |
| 1 CENTERTOWN, CITY OF                 | \$2,866,652             | \$222,606           | \$222,606           | 6/25/09          |
| 2 SPRINGFIELD, CITY OF                | \$4,000,000             | \$950,000           | \$950,000           | 6/25/09          |
| <b>TOTALS</b>                         | <b>\$6,866,652</b>      | <b>\$1,172,606</b>  | <b>\$1,172,606</b>  |                  |
| <b>PROJECTS APPROVED IN SFY 2010:</b> |                         |                     |                     |                  |
| 3 BREATHITT CO WATER DISTRICT         | \$1,322,000             | \$572,000 (c)       | \$572,000           | 7/9/09; 11/24/09 |
| 4 WHITESBURG, CITY OF                 | \$171,840               | \$171,794 (c)       | \$171,794           | 7/9/09           |
| 5 MCKEE, CITY OF                      | \$1,100,000             | \$1,100,000         | \$1,100,000         | 8/6/09           |
| 6 BLACK MTN UTILITY DISTRICT          | \$2,650,000             | \$500,000           | \$500,000           | 8/6/09           |
| 7 ELKTON, CITY OF                     | \$174,800               | \$174,374 (c)       | \$174,374           | 8/20/09          |
| 8 BLUEGRASS STATION                   | \$3,498,452             | \$1,900,000         | \$1,900,000         | 8/20/09          |
| 9 DAWSON SPRINGS, CITY OF             | \$2,120,000             | \$2,120,000         | \$2,120,000         | 8/20/09          |
| 10 BURKESVILLE, CITY OF               | \$1,153,000             | \$1,153,000         | \$1,153,000         | 9/3/09           |
| 11 LOUISVILLE WATER COMPANY           | \$18,508,832            | \$4,173,200         | \$4,173,200         | 9/3/09; 2/4/10   |
| 12 JACKSON, CITY OF                   | \$1,500,000             | \$1,500,000         | \$1,500,000         | 9/3/09           |
| 13 PRESTONBURG, CITY OF               | \$805,000               | \$805,000           | \$805,000           | 10/1/09          |
| 14 WINCHESTER, CITY OF                | \$1,100,000             | \$800,000           | \$800,000           | 10/1/09          |
| 15 CAMPTON, CITY OF                   | \$6,966,088             | \$683,200           | \$683,200           | 10/1/09          |
| 16 WESTERN MASON WATER DISTRICT       | \$578,000               | \$500,000           | \$500,000           | 10/1/09          |
| 17 GREENUP, CITY OF                   | \$2,915,099             | \$1,590,604         | \$1,590,604         | 11/12/09         |
| <b>TOTALS</b>                         | <b>\$44,563,111</b>     | <b>\$17,743,172</b> | <b>\$17,743,172</b> |                  |
| <b>GRAND TOTALS - COMMITMENTS</b>     | <b>\$51,429,763</b>     | <b>\$18,915,778</b> | <b>\$18,915,778</b> |                  |
| <b>BALANCE AVAILABLE FOR LOAN</b>     |                         |                     | <b>\$472</b>        |                  |

*bold, italics - pending board approval*

(c) - Final amounts; Loan has been closed

(s) - Amount represented in the assistance agreement