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SUNRISE BEACH, MO 65079

MO. PUBLIC SERVICE COMMISSION

GREGORY D. WILLIAMS
NATHAN C. WILLIAMS

AREA CODE 314
374-8761
FAX 374-4432

August 28, 1992

Missouri Public Service Commission
Post Office Box 360
Jefferson City, MO 65102

Re: Osage Water Company
Application to Issue Unsecured Indebtedness

Dear Sirs:

Please find enclosed for filing an Application to Issue Unsecured Indebtedness, a new matter. I appreciate you attention to this matter.

Sincerely yours,

Williams & Williams, P.C.

by: 
Gregory D. Williams

GDW

cc: Osage Water Company
Dave Hancock
Martin Hummel, PSC

FILED
AUG 31 1992
PUBLIC SERVICE COMMISSION

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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

IN THE MATTER OF THE)
APPLICATION OF)
OSAGE WATER COMPANY) CASE NO. WF-93-57
FOR PERMISSION AND APPROVAL)
TO ISSUE UNSECURED)
INDEBTEDNESS.)

APPLICATION

Comes Now Osage Water Company (Applicant) pursuant to Section 393.180 and 393.200, RSMO, 1986, and states as follows:

1. Applicant is a Missouri Corporation duly organized and existing under the laws of the State of Missouri with its principal office and place of business located at Route 4, Box 30, Osge Beach, Missouri, 65065.
2. Applicant proposes to issue three unsecured notes in the principal face amount of seven thousand five hundred dollars (\$7,500) each bearing an interest rate of ten percent (10%) per annum and payable in equal monthly installments of ninety-nine dollars and eleven cents (\$99.11) each to David L. Hancock, William P. Mitchell, and Gregory D. Williams. The form of the proposed notes is attached hereto as Exhibit A. A resolution of the Board of Directors of Applicant approving the issuance of said notes is attached hereto as Exhibit B.
3. The proceeds of said notes will be used in the construction of a water well and water main to service the Shoney's Restaurant located in the Osage Beach North service area of Applicant.
4. That the Company will receive additional revenue in excess of four hundred dollars per month (\$400.00) as a result of water usage by the Shoney's Restaurant facility.
5. That there are numerous residential and commercial facilities adjoining and within the immediate vicinity of the facility to be constructed with the proceeds of the notes.
6. Applicant has received a Contribution in Aid of Construction (CIAC) from Shoney's, Inc. in the sum of

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\$40,000 for the purpose of constructing the well and water main.

7. The anticipated cost of constructing said well and water main is \$62,500.

8. Applicant presently has an unsecured indebtedness to Central Bank of Lake of the Ozarks with a remaining principal balance of \$1,231.47.

9. No change in the Applicant's rate structure will be required as a result of approval of this application.

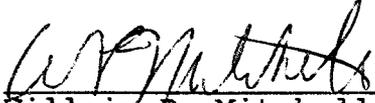
10. A Balance Sheet with adjustments showing the effects of the issuance of the proposed securities on existing stock and indebtedness is attached as Exhibit C.

11. All of the proposed issue will be subject to the Fee Schedule of Section 386.300, RSMO, 1986 and 4 CSR 240-2.030(3). The Applicable Fee is \$23.00.

12. A Five Year Capitalization Expenditure Schedule for the proposed issue as required by 4 CSR 240-2.060(6) (H) and Section 393.200, RSMO. 1986 is attached as Exhibit D.

WHEREFORE, Applicant requests the Commission to grant it permission, and approval authorizing it to issue three unsecured promissory notes in the principal amount of seven thousand five hundred dollars (\$7,500.00) each to William P. Mitchell, David L. Hancock, and Gregory D. Williams.

Osage Water Company



William P. Mitchell,
President

State of Missouri)
) ss.
County of Camden)

On this 26 day of August, 1992, before me appeared William P. Mitchell, to me personally known, who, first being by me duly sworn, did sign the foregoing instrument and say that he is the President of Osage Water Company, a Missouri Corporation, and that the seal affixed tot he foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed

in behalf of said corporation by authority of its Board of Directors, and said William P. Mitchell acknowledged said instrument to be the free act and deed of said corporation.

Jennifer S. Gray
Notary Public

My Commission Expires: 8/4/95

Williams & Williams

by: Gregory D. Williams
Gregory D. Williams #32272
Post Office Box 431
Sunrise Beach, MO 65079
phone (314) 374-8761
Attorney for Applicant

Exhibit A

PROMISSORY NOTE

\$7,500.00

On this 15th day of June, 1992, for value received, Osage Water Company promises to pay to the order of Gregory D. Williams the sum of seven thousand five hundred dollars (\$7,500.00) together with interest at the rate of ten percent (10%) per annum, compounded monthly, on the unpaid balance until paid. The said principal and interest shall be payable as follows: In equal monthly installments of ninety-nine dollars and eleven cents (\$99.11) commencing on July 15, 1992, and on the same date of each month thereafter until June 15, 2002, at which time the entire remaining balance of principal and interest shall be due and payable in full.

Privilege is reserved by the maker hereof to pay the debt in whole, or any part thereof, at any time before maturity with no prepayment penalty.

In the event of default in the payment of any installment due hereunder, the holder hereof may exercise the option of treating the remainder of the debt as due and collectable with interest to the date of acceleration. Failure to exercise this option shall not constitute a waiver of the right to exercise it at any other time.

The undersigned agrees to pay all expenses of the holder in collection of this note, including a reasonable attorney's fee of not less than fifteen percent (15%) of the face amount of this note, and all other costs incurred by the holder hereof as a result of default.

Osage Water Company

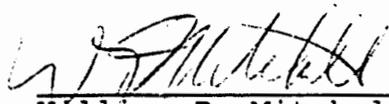
Attest:

(SEAL)

by:



William P. Mitchell
Chairman



William P. Mitchell
Secretary

MINUTES OF THE JUNE 15, 1992 MEETING
OF THE BOARD OF DIRECTORS OF
OSAGE WATER COMPANY

A meeting of the Board of Directors of Osage Water Company was held on June 15, 1992. Present in person were William P. Mitchell, Martha Mitchell and William Mitchell, being all of the directors of the corporation, who waived notice of the time and place of the meeting.

The meeting was called to order, and William P. Mitchell was elected as Chairman and Secretary of the meeting. The Chairman advised the Board that individual loans had been taken out from Waterlab Company, Gregory D. Williams and David L. Hancock in the name of Osage Water Company, each in the sum of seven thousand five hundred dollars (\$7,500.00), and that said funds had been expended on behalf of the corporation. Whereupon, it was duly moved, seconded, and approved that the following resolution be adopted:

Resolved, that whereas, on or about June 15, 1992 individual loans were taken out in the name of Osage Water Company on behalf of this corporation from Waterlab Company, Gregory D. Williams and David L. Hancock in the sum of seven thousand five hundred dollars (\$7,500.00), and whereas said funds were expended on behalf of the corporation, therefore, the Board of Directors of the corporation do hereby ratify, affirm, and adopt the foregoing acts on behalf of the corporation as the acts of the corporation, and does hereby assume said obligations as the obligations of the corporation.

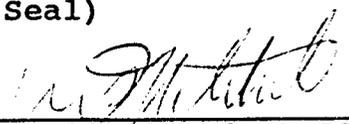
There being no further business to come before the meeting, the meeting was adjourned.



William P. Mitchell
Chairman

Attest

(Seal)



William P. Mitchell
Secretary

Exhibit C

OSAGE WATER COMPANY

PRO-FORMA BALANCE SHEET

7/31/92

ASSETS

Current Assets

Cash on Hand	0.00	
Cash on Deposit	<u>310.55</u>	
Total	310.55	310.55

Fixed Assets

Osage Beach South System	751.00	
Osage Beach North System	62,500.00	
Less Accum. Depr.	<u>(8.22)</u>	
Total Fixed Assets	63,242.78	63,242.78

Other Assets

Deposits	90.00	<u>90.00</u>
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TOTAL ASSETS		63,643.33
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LIABILITIES

Current Liabilities

Accounts Payable	0.00	0.00
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Long Term Liabilities

Note Payable - Central Bank	1,231.47	
Note Payable - Dave Hancock	7,463.39	
Note Payable - Greg Williams	7,463.39	
Note Payable - Water Lab.	<u>7,463.39</u>	
Total Long Term	23,621.64	23,621.64

CAPITAL

Common Stock	500.00	
Retained Earnings	(478.31)	
CIAC	<u>40,000.00</u>	
Total Capital	40,021.39	<u>40,021.69</u>

TOTAL LIABILITIES & CAPITAL		63,643.33
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Exhibit D

Osage Water Company Five Year Capitalization Projection

Source of Funds

Shoney's, Inc.	40,000.00
Debt	22,500.00
Total	62,500.00

Capital Expenses		Purpose
Hancock Const.	13,550.00	Excavate & Install 10" Water Main
Sidener Supply	8,079.11	Water Pipe, Valves & Fittings
KK Lumber	754.87	Material for Wellhouse
Jackson Engineering	2,000.00	Engineering for Well
Moreland Rotary Drilling	18,131.95	Drill State Approved Well
Lake Ozark Red-E-Mix	338.53	Concrete for Well House
Midway Electric	387.38	Material for Wellhouse
Atkisson Pump	7,214.37	Pump for Well
Water Lab Co.	2,307.50	Labor for Wellhouse
Williams & Williams	7,000.00	Legal Work for PSC App. & Contract with Shoney's
Wm. P. Mitchell	1,500.00	Construction Managment
Lake Ozark Surveying	310.00	Survey Wellhouse & Waterlines
Hurricane Title	500.00	Title Work for Wellhouse and Easements
Total	62,073.71	