

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

NOV 9 2012

PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

THE APPLICATION OF SYMSONIA WATER)
DISTRICT FOR APPROVAL OF A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)
FOR CONSTRUCTION OF WATER FACILITIES,)
FINANCING, AND INCREASED RATES FOR)
WATER AND SEWER SERVICE)

CASE NO.
2012 - 00517

STATEMENT AND NOTICE

Symsonia Water District ("Symsonia"), by counsel, pursuant to KRS 278.020, 278.180, KRS 278.190, and KRS 278.300 hereby petitions the Public Service Commission ("Commission") for approval of a Certificate of Public Convenience and Necessity for construction of water facilities, approval of financing for the construction, and approval of proposed increases in its water and sewer rates and charges. In support of its application, Symsonia respectfully states as follows:

1. Symsonia is a non-profit water district that has been engaged in the production, distribution and sale of water service; and the collection and treatment of sewage. It currently provides water service to approximately 319 water customers and 264 sewer customers in Graves County in Kentucky. Symsonia is organized under KRS Chapter 74, and its principal office, place of business, and mailing address is 11105 State Route 131, Symsonia, Kentucky 42082.

2. Symsonia has received approval from the Kentucky Division of Water to construct new water treatment and storage facilities, including two groundwater wells, a 150,000 gallon ground storage tank, and related facilities. Pursuant to KRS 278.020(1),

Symsonia is required to obtain approval of a Certificate of Public Convenience and Necessity from the Commission to construct said facilities.

3. To finance the proposed construction, Symsonia has obtained state grant funds in the amount of \$595,000, and has also received approval from the Kentucky Infrastructure Authority ("KIA") for a \$300,000 loan for a 20-year term, bearing interest at a rate of 1.75%. Pursuant to KRS 278.300, Symsonia is required to obtain approval from the Commission to enter into this financing arrangement.

4. The annual debt service related to the KIA loan is \$18,443, and will require an increase in water rates of approximately \$23,000 or 32.2 percent.

5. The proposed increases in the water and sewer rates and charges are necessary for Symsonia to meet its operating expenses, to maintain financial viability, and to continue to provide adequate service.

6. As authorized by KRS 278.192 (1), and for the purpose of justifying the reasonableness of the proposed general increase in rates, Symsonia has utilized an historical test period consisting of the twelve (12) consecutive calendar months ending December 31, 2011.

7. Symsonia's annual reports are on file with the Public Service Commission as required by 807 KAR 5:006, Section 3(1).

8. Symsonia hereby gives notice to the Public Service Commission of the adjustment of its rates to those rates set forth in Exhibit No. 1 in the filing requirements. The proposed rates will result in increased annual water revenues of approximately \$23,000 and increased annual sewer revenues of \$8,141, which are increases of 32.2 percent for water and 10 percent for sewer over 2011 normalized water sales revenues

of \$71,319 and normalized sewer revenue of \$81,228, as shown in Exhibit 4. Symsonia believes the financial information attached to this application justifies much higher revenue increases for both water and sewer; however, to reduce the burden upon its customers, Symsonia is instead requesting much smaller increases.

9. The proposed tariffs (Exhibit No. 1) are shown in comparative form on the same sheets, side by side, and those comparative sheets are identified as Exhibit No. 2 in the filing requirements.

10. Symsonia has complied with 807 KAR 5:011, Section 9, (2) and 807 KAR 5:001, Section 10, (3) and (4), by direct mailing to its customers a copy of the Notice identified as Exhibit No. 8 in the filing requirements on November ~~28~~, 2012.

11. A copy of this filing has been mailed to the Utility Intervention and Rate Division of the Attorney General's office of the Commonwealth of Kentucky.

12. As required by 807 KAR 5:001, Section 10, (4), (f), Symsonia will post a copy of its Customer Notice (Exhibit No. 8) at its place of business on November 28, 2012 and it will remain posted until the Public Service Commission has determined Symsonia's rates.

13. The list of the documents filed in support of Symsonia's application for approval of the proposed adjustment of rates or the explanation for their absence is contained in the Filing Requirement Index.

14. Symsonia has attempted in good faith to comply with the Commission's rate case filing requirements, and believes it has provided sufficient information to allow the processing of this case to begin. Therefore, Symsonia respectfully requests a

waiver of any filing requirements deemed to be unmet, and requests Commission Staff assistance to the extent necessary to expedite the processing of this case.

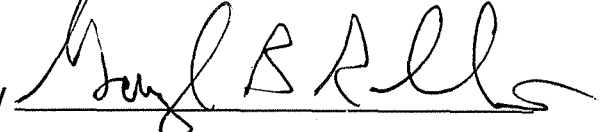
WHEREFORE, the Applicant, Symsonia Water District requests that the Public Service Commission of Kentucky grant to the Applicant its proposals to construct the water facilities, to finance this construction with a KIA loan of \$300,000 over a 20-year term and bearing interest at 1.75 percent, and to increase its water and sewer rates and charges as set forth in this Petition.

Dated at Symsonia, Kentucky this November 16, 2012

SYMSONIA WATER DISTRICT

By 
Chairman

ROBBINS & ROBBINS, ATTORNEYS

By 

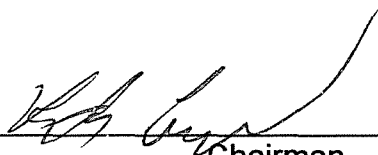
Gayle B. Robbins
101 S. 7th Street

Mayfield, Kentucky 42066
(270) 247-4606

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF GRAVES)

The undersigned, Keith Cooper, being duly sworn, deposes and states he is the Chairman of the Symsonia Water District, Applicant, in the above proceedings; that he has read the foregoing Application and has noted the contents thereof; that the same is true of his own knowledge, except as to matters which are there in stated on information or belief, and as to those matters, he believes same to be true.

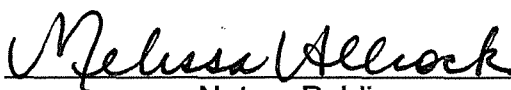
IN TESTIMONY WHEREOF, witness the signature of the undersigned on this November 26, 2012



Chairman
Symsonia Water District

Subscribed and sworn to before me by Keith Cooper, Chairman of the Symsonia Water District, on this Nov. 26 2012.

My Commission Expires March 7, 2013



Notary Public
In and for said County and State

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY - CONSTRUCTION

Filing Requirements Checklist

(Applicable Authority: KRS 278.020(1), 807 KAR 5:001, Sections 8 and 9(2))

<u>Law/Regulation</u>	<u>Filing Requirement</u>
<u>807 KAR 5:001:</u>	
Section 8(1)	Full name and post office address of applicant and a reference to the particular provision of law requiring Commission approval. See Application at pages 1-2
Section 8(2)	The original and 10 copies of the application with an additional copy for any party named therein as an interested party. An original and 10 copies have been filed.
Section 8(3)	If applicant is a corporation, a certified copy of the Articles of Incorporation and all amendments thereto <u>or</u> if the articles were filed with the PSC in a prior proceeding, a reference to the style and case number of the prior proceeding. N/A – Symsonia is a nonprofit water and sewer district.
Section 9(2)	<p>(a) The facts relied upon to show that the proposed new construction is or will be required by public convenience or necessity. Supplemental Exhibit 10</p> <p>(b) Copies of franchises or permits, if any, from the proper public authority for the proposed new construction or extension, if not previously filed with the commission. Supplemental Exhibit 10</p> <p>(c) A full description of the proposed location, route, or routes of the new construction or extension, including a description of the manner in which same will be constructed, and also the names of all public utilities, corporations, or persons with whom the proposed new construction or extension is likely to compete. Supplemental Exhibit 10. This project will not compete with any public utilities, corporations, or persons.</p> <p>(d) Three (3) maps to suitable scale (preferably not more than two (2) miles per inch) showing the location or route of the proposed new construction or extension, as well as the location to scale of any like facilities owned by others located anywhere within the map area with adequate identification as to the ownership of such other facilities. Supplemental Exhibit 10.</p>

Law/Regulation

Filing Requirement

- (e) The manner, in detail, in which it is proposed to finance the new construction or extension. **Supplemental Exhibit 11**
- (f) An estimated cost of operation after the proposed facilities are completed. **Supplemental Exhibit 10 at page 7 of the General Project Summary.**

KRS 322.340

Engineering plans, specifications, plats and report for the proposed construction. The engineering documents prepared by a registered engineer, requires that they be signed, sealed, and dated by an engineer registered in Kentucky. **Supplemental Exhibit 12. Symsonia is requesting a deviation to file only one copy of these plans and specifications due to the expense of reproduction.**

FINANCING

Filing Requirements Checklist

(Applicable Regulation: 807 KAR 5:001, Sections 6 & 11)

<u>Law/Regulation</u>	<u>Filing Requirement</u>
<u>807 KAR 5:001:</u>	
Section 8(1)	Full name and post office address of applicant and a reference to the particular provision of law requiring Commission approval. Application at pages 1-2
Section 8(2)	The original and 10 copies of the application with an additional copy for any party named therein as an interested party. An original and 10 copies have been filed, with a copy sent to the Attorney General.
Section 8(3)	If applicant is a corporation, a certified copy of the Articles of Incorporation and all amendments thereto <u>or</u> if the articles were filed with the PSC in a prior proceeding, a reference to the style and case number of the prior proceeding. Not applicable, Symsonia Water District is not a corporation.
KRS 278.300(2)	Every financing application shall be made under oath, and shall be signed and filed on behalf of the utility by its president, or by a vice president, auditor, comptroller or other executive officer having knowledge of the matters set forth and duly designated by the utility. Application was made under oath and signed by Symsonia's Chairman at pages 4-5.
807 KAR 5:001: Section 11(1)(a)	Description of applicant's property. Symsonia's property is described in the 2011 CPA's compilation report at Exhibit 9. Statement of original cost of applicant's property and the cost to the applicant, if different. Original cost of Symsonia's property is shown in the 2011 CPA's compilation report at Exhibit 9.
Section 11(1)(b)	If stock is to be issued: and kinds to be issued. Not applicable – no stock is to be issued. --Description of amount and kinds to be issued. Not applicable – no stock is to be issued. --If preferred stock, a description of the preferences. Not applicable – no stock is to be issued. If Bonds or Notes or Other Indebtedness is proposed: --Description of the amount(s) Amounts shown in Application at Exhibit 11.

Law/Regulation

Filing Requirement

--Full description of all terms **All terms shown in Application at Exhibit 11.**

--Interest rates(s) **Interest rates shown in Application at Exhibit 11.**

--Whether the debt is to be secured and if so a description of how it's secured. **The KIA loan document contains no requirement that the debt is to be secured.**

Section 11(1)(c) Statement of how proceeds are to be used. Should show amounts for each type of use (i.e., property, debt refunding, etc.) **The Application at page 2 states - Exhibits 10 and 11 – discuss in detail – how the proceeds are to be used to fund construction of utility plant.**

807 KAR 5:001:
Section 11(1)(d) If proceeds are for property acquisition, give a full description thereof. Supply any contracts. **Not applicable - None of the proceeds are for property acquisition, as Symsonia was deeded the property. Deed attached at Exhibit 11.**

Section 11(1)(e) If proceeds are to refund outstanding obligations, give:
--Par value **Not applicable – proceeds are not to refund outstanding obligations.**

--Amount for which actually sold **Not applicable – proceeds are not to refund outstanding obligations.**

--Expenses and application of proceeds **Not applicable – proceeds are not to refund outstanding obligations.**

--Date of obligations **Not applicable – proceeds are not to refund outstanding obligations.**

--Total amount **Not applicable – proceeds are not to refund outstanding obligations.**

--Time held **Not applicable – proceeds are not to refund outstanding obligations.**

--Interest rate **Not applicable – proceeds are not to refund outstanding obligations.**

--Payee **Not applicable – proceeds are not to refund outstanding obligations.**

Section 11(2)(a) Financial Exhibit (see below)

Section 11(2)(b) Copies of all trust deeds or mortgages. If previously filed, state case number. **No mortgages; deed attached at Exhibit 11.**

Section 11(2)(c) If Property to be acquired:

--Maps and plans of property. **Maps and plans attached at Exhibit 12.**

Section 11(2)(c) --Detailed estimates by USOA account number. **Waiver Requested. Symsonia has filed detailed financial estimates at Exhibit 11, but not by USOA account number, and their production would result in additional expense with no benefit.**

Law/Regulation

Filing Requirement

For Period Ending
Not More Than 90
Days From File
Date

807 KAR 5:001
Section 6(1)

Amount and types of stock authorized. **Not applicable – no stock is to be issued.**

Section 6(2)

Amount and types of stock issued and outstanding. **Not applicable – no stock is to be issued, and there is none outstanding.**

Section 6(3)
Section 6(4)

Detail of preference terms of preferred stock. **Not applicable – no preferred stock is to be issued; none outstanding.**
Mortgages:

--Date of Execution **Not applicable – no preferred stock is to be issued; none outstanding.**

--Name of Mortgagor **Not applicable – no preferred stock is to be issued; none outstanding.**

--Name of Mortgagee or Trustee **Not applicable – no preferred stock is to be issued; none outstanding.**

--Amount of Indebtedness Secured **Not applicable – no preferred stock is to be issued; none outstanding.**

--Sinking Fund Provisions **Not applicable – no preferred stock is to be issued; none outstanding.**

Section 6(5)

Bonds

--Amount Authorized **Not applicable – no bonds are to be issued; none outstanding.**

--Amount Issued **Not applicable – no bonds are to be issued; none outstanding.**

--Name of Utility Who Issued **Not applicable – no bonds are to be issued; none outstanding.**

--Description of Each Class Issued **Not applicable – no bonds are to be issued; none outstanding.**

--Date of Issue **Not applicable – no bonds are to be issued; none outstanding.**

--Date of Maturity **Not applicable – no bonds are to be issued; none outstanding.**

--How Secured **Not applicable – no bonds are to be issued; none outstanding.**

--Interest Paid in Last Fiscal Year **Not applicable – no bonds are to be issued; none outstanding.**

Law/Regulation

Filing Requirement

Section 6(6)

Notes Outstanding:

- Date of Issue **Not applicable – no notes are currently outstanding.**
- Amount **Not applicable – no notes are currently outstanding.**
- Maturity Date **Not applicable – no notes are currently outstanding.**
- Rate of Interest **Not applicable – no notes are currently outstanding.**
- In Whose Favor **Not applicable – no notes are currently outstanding.**
- Interest Paid in Last Fiscal Year **Not applicable – no notes are currently outstanding.**

Section 6(7)

Other Indebtedness: **Not applicable; There is no other indebtedness to be issued or outstanding.**

- Description of Each Class **There is no other indebtedness to be issued or outstanding.**
- How Secured **There is no other indebtedness to be issued or outstanding.**
- Description of Any Assumption of Indebtedness by Outside Party
(i.e., any transfer) **There is no other indebtedness to be issued or outstanding.**
- Interest Paid in Last Fiscal Yr. **There is no other indebtedness to be issued or outstanding.**

Section 6(8)

Rate and amount of dividends paid during the five (5) previous fiscal years and the amount of capital stock on which dividends were paid each year. **Not applicable, no dividends have been paid.**

Section 6(9)

Detailed income statement and balance sheet. **See application at Exhibits 3 and 4. Symsonia is requesting a deviation of any requirement to file a financial statement other than the 2011 incomes statement and balance sheet, as this is the most recent information available, and the production of more recent information would result in added expense and would be of no benefit.**

Section 3(3)(a)

Copy of amortization schedules of present and proposed indebtedness. **Attached at Exhibit 11.**

Section 3(3)(a)

A full and complete explanation of any corporate or business relationships between applicant and parent or brother-sister corporation, subsidiary(ies), a development corporation(s), or any other party or business to afford the PSC a full understanding of the situation. **Not applicable – there are no such relationships.**

Filing Requirement Index Historical Test Period Rate Case

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 8(1)	Full name and P. O. address of applicant and reference to the particular provision of law requiring PSC approval.	Application – Page No. 1.
807 KAR 5:001 Section 8(2)	The original and 10 copies of application plus copy for anyone named as interested party.	The correct number of applications has been filed.
807 KAR 5:001 Section 10(1)(b)(1)	Reason adjustment is required.	Application – Page No. 1.
807 KAR 5:001 Section 10(1)(b)(2)	Statement that utility's annual reports, including the most recent calendar year, are filed with PSC. 807 KAR 5:006, Section 3(1)	Application – Page No. 2.
807 KAR 5:001 Section 10(1)(b)(3) & (5)	If utility is incorporated, certified copy of articles of incorporation and amendments or out of state documents of similar import. If they have already been filed with PSC refer to the style and case number of the prior proceeding and file a certificate of good standing or authorization dated within 60 days of date application filed.	NA – Symsonia is a Water District.
807 KAR 5:001 Section 10(1)(b)(4) & (5)	If applicant is limited partnership, certified copy of limited partnership agreement. If agreement filed with PSC refer to style and case number of prior proceeding and file a certificate of good standing or authorization dated within 60 days of date application filed.	N/A – Applicant is not a limited partnership.
807 KAR 5:001 Section 10(1)(b)(6)	Certified copy of certificate of assumed name required by KRS 365.015 or statement that certificate not necessary.	N/A – Applicant has never used an assumed name.
807 KAR 5:001 Section 10(1)(b)(7)	Proposed tariff in form complying with 807 KAR 5:011 effective not less than 30 days from date application filed.	Exhibit No. 1.
807 KAR 5:001 Section 10(1)(b)(8)	Proposed tariff changes shown by present and proposed tariffs in comparative form or by indicating additions in italics or by underscoring and striking over deletions in current tariff.	Exhibit No. 2.
807 KAR 5:001	Statement that notice given, see subsections (3) and (4) of	Application – Page No. 2.

Filing Requirement Index Historical Test Period Rate Case

Filing Requirements	Filing Requirement Description	Location or Absence Reason
Section 10(1)(b)(9)	807 KAR 5:001, Section 10 with copy.	Exhibit No. 8.
807 KAR 5:001 Section 10(2)	If gross annual revenues exceed \$1,000,000, written notice of intent filed at least 4 weeks prior to application. Notice shall state whether application will be supported by historical or fully forecasted test period.	N/A – Applicant's gross revenues do not exceed \$1,000,000.
807 KAR 5:001 Section 10 (6)(a)	Complete description and quantified explanation for proposed adjustments with support for changes in price or activity levels, and other factors affecting the adjustment.	Exhibit No. 4.
807 KAR 5:001 Section 10 (6)(b) & (c)	If gross annual revenues exceed \$1,000,000, prepared testimony of each witness who will support the application. If less than \$1,000,000, prepared testimony of each witness who will support application or statement that utility does not plan to submit prepared testimony.	N/A and/or waiver requested - Applicant does not intend to submit prepared testimony.
807 KAR 5:001 Section 10 (6)(d)	Estimate of effect that new rate(s) will have on revenues including, at minimum, total revenues resulting from increase or decrease and percentage of increase or decrease.	Application – Page No. 2.
807 KAR 5:001 Section 10 (6)(e)	If electric, gas, water or sewer utility effect upon the average bill for each customer classification to which change will apply.	See Exhibit 8. Also, the application and exhibits reflect a 10% across-the-board increase in sewer and a 32.2% increase in water rates.
807 KAR 5:001 Section 10 (6)(f)	If local exchange company, effect upon the average bill for 807 each customer class for change in basic local service.	N/A – Applicant is a Water District.
807 KAR 5:001 Section 10 (6)(g)	Analysis of customers' bills in such detail that revenues from present and proposed rates can be readily determined for each customer class.	Exhibit No 5.

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10 (6)(h)	Summary of determination of revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules.	Exhibit No. 4.
807 KAR 5:001 Section 10 (6)(i)	Reconciliation of rate base and capital used to determine revenue requirements.	N/A – Revenue Requirement reflects Debt Service Coverage.
807 KAR 5:001 Section 10 (6)(j):	Current chart of accounts if more detailed than the Uniform System of Accounts.	Not applicable
807 KAR 5:001 Section 10 (6)(k)	Independent auditor's annual opinion report, with any written communication from auditor, which indicates existence of material weakness in internal controls.	N/A or waiver requested - The 2011 CPA's Compilation Report is attached as Exhibit 9, but Symsonia does not have an annual CPA audit done.
807 KAR 5:001 Section 10 (6)(l):	The most recent FERC or FCC audit reports.	N/A to a Water District
807 KAR 5:001 Section 10 (6)m	The most recent FERC Form 1 (electric), FERC Form 2 (gas), or Automated Reporting Management Information System Report (telephone) and PSC Form T (telephone).	N/A to a Water District
807 KAR 5:001 Section 10 (6)(n)	Summary of latest depreciation study with schedules by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall provide schedule identifying current and test period depreciation rates used by major plant accounts. If filed in another PSC case refer to that case's number and style.	Exhibit No. 6.
807 KAR 5:00 Section 10 (6)(o)	List of all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with the filing. Include each software, program, or model; what each was used for; its supplier;	Word

Filing Requirement Index Historical Test Period Rate Case

Filing Requirements	Filing Requirement Description	Location or Absence Reason
	brief description and specifications for the computer hardware and the operating system required to run the program.	
807 KAR 5:001 Section 10 (6)(p)	Prospectuses of most recent stock or bond offerings.	N/A to a Water District
807 KAR 5:001 Section 10 (6)(q)	Annual report to shareholders, or members, and statistical supplements covering 2 years prior to application filing date.	N/A to a Water District
807 KAR 5:001 Section 10 (6)(r)	Monthly managerial reports providing financial results for 12 months in test period.	N/A and/or waiver requested, as Applicant does not produce monthly managerial reports on a routine basis, and their production at this time would result in additional expense.
807 KAR 5:001 Section 10 (6)(s)	SEC's annual report for most recent 2 years, Form 10-Ks and any Form 8-Ks issued within past 2 years, and Form 10-Qs issued during the past 6 quarters updated as current information becomes available.	N/A to a Water District
807 KAR 5:001 Section 10 (6)(t)	If utility had any amounts charged or allocated to it by affiliate or general or home office, or paid any monies to affiliate or general or home office during test period or during previous 3 calendar years, file: <ol style="list-style-type: none"> 1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each charge allocation or payment; 2. Explanation of how allocator for the test period was determined; and 3. All facts relied upon, including other regulatory 	N/A – There are no affiliate allocations.

Filing Requirement Index Historical Test Period Rate Case

Filing Requirements	Filing Requirement Description	Location or Absence Reason
	approval, to demonstrate that each amount charged, allocated or paid during test period was reasonable;	
807 KAR 5:001 Section 10 (6)(u)	If gas, electric or water utility, whose annual gross revenues exceed \$5,000,000, cost of service study based on methodology generally accepted in industry and based on current and reliable data from a single time period.	Not applicable.
807 KAR 5:001 Section 10 (6)(v)	<p>Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file:</p> <ol style="list-style-type: none"> 1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and 2. Service specific cost studies to support pricing of all services that generate annual revenue greater than \$1,000,000, except local exchange access: <ul style="list-style-type: none"> (a) Based on current and reliable data from a single time period; and (b) Using generally recognized fully allocated, embedded, or incremental cost principles. 	N/A to a Water District
807 KAR 5:001 Section 10 (7)(a)	Detailed income statement and balance sheet reflecting impact of all proposed adjustments	Exhibit No. 3.
807 KAR 5:001 Section 10 (7)(b)	Most recent capital construction budget containing at least period of time as proposed for any pro forma adjustment for plant additions.	Waiver Requested – Symsonia does not routinely produce capital construction budgets, and

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
		development of such a budget would result in additional costs and delays and would produce no benefits.
807 KAR 5:001 Section 10 (7)(c)	<p>For each proposed pro forma adjustment reflecting plant additions the following information:</p> <ol style="list-style-type: none"> 1. Starting date of the construction of each major component of plant; 2. Proposed in-service date; 3. Total estimated cost of construction at completion; 4. Amount contained in construction work in progress at end of test period; 5. Complete description of actual plant retirements and anticipated plant retirements related to the pro forma plant additions including the actual or anticipated date of retirement; 6. Original cost, cost of removal and salvage for each component of plant to be retired during the period of the proposed pro forma adjustment for plant additions; 7. Explanation of any differences in amounts contained in the capital construction budget and amounts of capital construction cost contained in the pro forma adjustment 	Exhibits 3 and 4 contain pro forma adjustments for depreciation on the new plant and the additional debt service coverage needed to pay the KIA loan. No other pro forma adjustments are proposed. In addition, Symsonia requests a waiver for any information normally required herein that is not found in Exhibits 3, 4, 10 and 11, as these and all other Exhibits contain all pertinent information needed to allow the PSC to make an informed decision in this case. Symsonia does not routinely produce capital construction budgets, and development of such a budget would result in additional costs and delays and would produce no benefits.

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
	period; and 8. Impact on depreciation expense of all proposed pro forma adjustments for plant additions and retirements;	
807 KAR 5:001 Section 10 (7)(e)	Number of customers to be added to the test period – end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers.	Exhibit No. 4; no new customers are to be added.

Symsonia WD Supplemental Exhibit Index

Exhibit Number and Title

1. Proposed Tariff
2. Comparison of Proposed & Current Tariff
3. Pro Forma Financial Statements
4. Pro Forma Adjustments/Revenue Requirements
5. Billing Analysis
6. Analysis of Depreciation
7. Cost of Service Study (Not Applicable under \$5 million)
8. Customer Notification and Notice Verification
9. 2011 CPA Compilation Report
10. Engineering Information Pursuant to 807 KAR 5:001, Sections 8 and 9(2).
11. Financing Information Pursuant to 807 KAR 5:001, Sections 6 & 11.
12. Engineering plans, specs, etc. (One copy filed separately).

FOR Northeastern portion of Graves County
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Symsonia Sewer District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

CONTENTS

Monthly Water Rates

5/8 x 3/4 Inch Meter

First 2,000 Gallons	\$15.41 Minimum Bill
Next 3,000 Gallons	3.85 per 1,000 Gallons
Next 5,000 Gallons	2.97 per 1,000 Gallons
Over 10,000 Gallons	2.50 per 1,000 Gallons

2 Inch Meter

First 20,000 Gallons	\$66.74 Minimum Bill
Over 20,000 Gallons	2.50 per 1,000 Gallons

Connection Fees

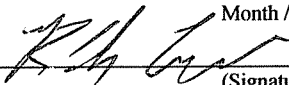
5/8 x 3/4 Inch Connection	\$615.00 (I)
2 Inch Connection	Actual Cost of Installation

Non-Recurring Charges

Returned Check Charge	\$25.00 (N)
Re-Connection Charge	40.00 (N)

DATE OF ISSUE November 26, 2012
Month / Date / Year

DATE EFFECTIVE December 30, 2012
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE C. H. BAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR Northeastern portion of Graves County
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Symsonia Sewer District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

CONTENTS

Monthly Sewer Rates

Residential Service

\$28.21 per month


Other

28.21 per residential equivalent*

- A residential equivalent is defined as 12,000 gallons per month

DATE OF ISSUE November 26, 2012
Month / Date / Year

DATE EFFECTIVE December 30, 2012
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR Northeastern portion of Graves County
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Symsonia Sewer District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

CONTENTS

Monthly Water Rates

5/8 x 3/4 Inch Meter

First 2,000 Gallons ~~\$11.65 Minimum Bill~~
Next 3,000 Gallons ~~2.91 per 1,000 Gallons~~
Next 5,000 Gallons ~~2.24 per 1,000 Gallons~~
Over 10,000 Gallons ~~1.89 per 1,000 Gallons~~

Monthly Water Rates

First 2,000 Gallons \$15.41 Minimum Bill
Next 3,000 Gallons 3.85 per 1,000 Gallons
Next 5,000 Gallons 2.97 per 1,000 Gallons
Over 10,000 Gallons 2.50 per 1,000 Gallons

2 Inch Meter

First 20,000 Gallons ~~\$50.48 Minimum Bill~~
Over 20,000 Gallons ~~1.89 per 1,000 Gallons~~

First 20,000 Gallons \$66.74 Minimum Bill
Over 20,000 Gallons 2.50 per 1,000 Gallons

Connection Fees (No Change)

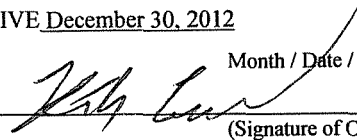
5/8 x 3/4 Inch Connection \$615.00 (I)
2 Inch Connection Actual Cost of Installation

Non-Recurring Charges (No Change)

Returned Check Charge \$25.00 (N)
Re-Connection Charge 40.00 (N)

DATE OF ISSUE November 26, 2012
Month / Date / Year

DATE EFFECTIVE December 30, 2012
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR Northeastern portion of Graves County
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Symsonia Sewer District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

CONTENTS

Monthly Sewer Rates

Monthly Sewer Rates

~~Residential Service \$25.64 per month~~

\$28.21 per month

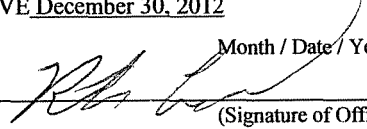
~~Other 25.64 per residential equivalent*~~

28.21 per residential equivalent*

- A residential equivalent is defined as 12,000 gallons per month

DATE OF ISSUE November 26, 2012
Month / Date / Year

DATE EFFECTIVE December 30, 2012
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

Symsonia Water District 2012 Pro Forma – Exhibit 3

Symsonia Water District	2011 PSC AR	Adjustment	Adjusted	Notes
Water Sales Revenues	\$81,038	(\$8,387)	\$72,651	A
Other Revenues	\$877	0	\$877	
Revenues	\$81,915	(\$8,387)	\$73,528	
Employee Salaries	\$37,487	0	\$37,487	
Officer Salaries	0	0	0	
Employee Benefits	0	0	0	
Purchased Power	\$3,262	0	\$3,262	
Chemicals	\$6,780	0	\$6,780	
Materials/Supplies	\$7,225	0	\$7,225	
Contractual Services	\$3,810	0	\$3,810	
Insurance	\$5,229	0	\$5,229	
Reg. Com Expense	\$132	0	\$132	
Miscellaneous Expense	\$5,209	0	\$5,219	
<i>Tot. Utility Expense</i>	<i>\$69,134</i>	<i>0</i>	<i>\$69,134</i>	
Depreciation Exp.	\$21,572	\$29,834	\$51,406	B
Taxes OTI	0	0	0	
Total Op. Expense	\$90,706	\$29,834	\$120,540	
Net Operating Income	(\$8,791)	(\$38,221)	(\$47,012)	
Interest Income	\$182	0	\$182	
Net Income	(\$8,609)	(\$38,221)	(\$46,830)	

Revenue Requirement

\$120,539 Total Operating Expenses
 \$ 18,443 KIA Required Annual Debt Service Coverage
 \$138,982 Revenue Requirement
 (\$73,528) Proforma Revenues
 \$ (132) Interest Income
 \$ 65,322 Justifiable Increase (88.8% increase)
 \$ 23,000 Requested Increase (32.2% Increase over Normalized Water Sales Revenues of \$71,319)

Explanatory Notes:

A. Normalized Revenues based upon 2011 billing analysis, including Water Sales Revenues of \$71,319 and forfeited discounts of \$1,332.

B. Depreciation Expense has been adjusted to recognize a 30-year life on the \$895,000 construction project, resulting in additional annual depreciation expense of \$29,834.

Symsonia Sewer 2012 Pro Forma – Exhibit 3

	2011 PSC AR			Notes
Total Flat Rate Revenues	\$80,212	\$1,016	\$81,228	A
Misc. Operating Revenues	\$2,340	0	\$2,340	
Total Revenues	\$82,552	\$1,016	\$83,568	
Operating Expenses				
Electricity Expense	\$11,834	0	\$11,834	
Chemicals	\$4,291	0	\$4,291	
Treatment & Disposal	\$9,948	0	\$9,948	
Routine Maintenance Fees	\$1,501	0	\$1,501	
Uncollectible Accounts	\$36	0	\$36	
Administrative & General Salaries	\$37,487	0	\$37,487	
Insurance Expense	\$5,229	0	\$5,229	
Regulatory Commission Expenses	\$132	0	\$132	
Misc. General Expense	\$7,125	0	\$7,125	
Total O&M Expenses	\$77,583	0	\$77,583	
Depreciation Expense	\$33,935	0	\$33,935	
Amortization Expense	0	0	0	
Taxes Other Than Income	0	0	0	
Total Operating Expenses	\$111,518	0	\$111,518	
<i>Net. Operating Income</i>	<i>(\$28,966)</i>	<i>0</i>	<i>(\$28,966)</i>	
Interest Income	\$182	0	\$182	
Net Income	(\$28,784)	\$1,016	(\$27,768)	

Calculation of Revenue Requirement

\$ 111,518 - Operating Expenses
 88% - Divided by 88% Operating Ratio
 \$ 126,725 – Justifiable Unadjusted Revenue Requirement
 \$ (\$182) – Subtract Interest Income
 \$ 126,543 – Adjusted Revenue Requirement
 (\$ 83,568) - Less Normalized Operating Revenues
 \$ 42,975 - Justified Increase (51.4% increase)
 \$ 8,141 – Requested Increase (10% increase in the flat monthly rate)

Notes

A. Normalized Revenues of \$81,228 as determined by multiplying the current rate of \$25.64 times 12 x 264 customers. The proposed 10% increase in the sewer rate to \$28.21 will produce \$89,369.28 in flat rate revenue - an increase of \$8,141 – and will produce a positive cash flow.

Symsonia Water District 2012 Pro Forma Balance Sheet – Exhibit 3

Combined 2011 Water & Sewer Balance Sheet per CPA Compilation	Combined*	Adjustments	Note	Adjusted
Current Assets				
Cash & Equivalents	\$117,351			\$117,351
Cust. Accts. Receivable	\$15,662			\$15,662
Interfund Receivable	\$64,606			\$64,606
Total Current Assets	\$197,621			\$197,621
Noncurrent Assets-Restricted Cash	\$12,169			\$12,169
Capital Assets				
Utility Plant in Service, at cost	\$1,906,570	\$895,000	A	\$2,801,570
Less Accumulated Depreciation	(\$1,167,992)			(\$1,167,992)
Total Capital Assets	\$738,578	\$895,000		\$1,635,578
Total Assets	\$948,368	\$895,000		\$1,843,368
Current Liabilities				
Accounts Payable & Accrued Exp.	\$4,138			\$4,138
Customer Deposits	\$6,420			\$6,420
Interfund Payable	\$64,608			\$64,608
Total Current Liabilities	\$75,166			\$75,166
Net Assets				
Invested in Capital Assets, net of debt	\$738,578			\$738,578
Restricted	\$12,169			\$12,169
Unrestricted	\$122,455			\$122,455
Total Net Assets	\$873,202			\$873,202
Long-Term Debt	0	\$300,000	B	0
Contrib. In Aid of Construction – New Grant		\$595,000	C	
		\$895,000		
Total Liabilities & Net Assets	\$948,368	\$895,000		\$1,843,368

*A breakdown between water and sewer operations can be found in the 2011 CPA Compilation Report, and the three project-related adjustments herein are to water operations only.

Explanatory Notes:

A. Utility Plant in Service has been adjusted to reflect the estimated cost of the \$895,000 project.

B. Long-Term Debt has been adjusted to reflect the \$300,000 KIA loan.

C. Contributions In Aid of Construction has been adjusted to reflect the \$595,000 project-related grant.

Symsonia Water District 2012 Pro Forma – Exhibit 4
Showing Effect of a \$23,000 Rate Increase

Symsonia Water District	2011 PSC AR	Adjustment	Adjusted	Notes
Water Sales Revenues	\$81,038	(\$8,387) \$23,000	\$95,651	A
Other Revenues	\$877	0	\$877	
Revenues	\$81,915	\$14,613	\$96,528	
Employee Salaries	\$37,487	0	\$37,487	
Officer Salaries	0	0	0	
Employee Benefits	0	0	0	
Purchased Power	\$3,262	0	\$3,262	
Chemicals	\$6,780	0	\$6,780	
Materials/Supplies	\$7,225	0	\$7,225	
Contractual Services	\$3,810	0	\$3,810	
Insurance	\$5,229	0	\$5,229	
Reg. Com Expense	\$132	0	\$132	
Miscellaneous Expense	\$5,209	0	\$5,219	
<i>Tot. Utility Expense</i>	<i>\$69,134</i>	<i>0</i>	<i>\$69,134</i>	
Depreciation Exp.	\$21,572	\$29,834	\$51,406	B
Taxes OTI	0	0	0	
Total Op. Expense	\$90,706	\$29,834	\$120,540	
Net Operating Income	(\$8,791)	(\$15,221)	(\$24,012)	
Interest Income	\$182	0	\$182	
Net Income	(\$8,609)	(\$15,221)	(\$23,830)	

Revenue Requirement

\$120,539 Total Operating Expenses
\$ 18,443 KIA Required Annual Debt Service Coverage
\$138,982 Revenue Requirement
(\$73,528) Proforma Revenues
\$ (132) Interest Income
\$ 65,322 Justifiable Increase (88.8% increase)
\$ 23,000 Requested Increase (32.2% Increase over Normalized Water Sales Revenues of \$71,319)

Explanatory Notes:

A. Normalized Revenues based upon 2011 billing analysis, including Water Sales Revenue of \$71,319 and forfeited discounts of \$1,332, and showing the effects of a \$23,000 rate increase.

B. Depreciation Expense has been adjusted to recognize a 30-year life on the \$895,000 construction project, resulting in additional annual depreciation expense of \$29,834.

Symsonia Sewer 2012 Pro Forma – Exhibit 4
Showing Effect of a 10% Rate Increase

	2011 PSC AR		
Total Flat Rate Revenues	\$80,212	\$1,016 \$8,141	\$89,369
Misc. Operating Revenues	\$2,340	0	\$2,340
Total Revenues	\$82,552	\$9,157	\$91,709
Operating Expenses			
Electricity Expense	\$11,834	0	\$11,834
Chemicals	\$4,291	0	\$4,291
Treatment & Disposal	\$9,948	0	\$9,948
Routine Maintenance Fees	\$1,501	0	\$1,501
Uncollectible Accounts	\$36	0	\$36
Administrative & General Salaries	\$37,487	0	\$37,487
Insurance Expense	\$5,229	0	\$5,229
Regulatory Commission Expenses	\$132	0	\$132
Misc. General Expense	\$7,125	0	\$7,125
Total O&M Expenses	\$77,583	0	\$77,583
Depreciation Expense	\$33,935	0	\$33,935
Amortization Expense	0	0	0
Taxes Other Than Income	0	0	0
Total Operating Expenses	\$111,518	0	\$111,518
<i>Net. Operating Income</i>	<i>(\$28,966)</i>	<i>\$9,157</i>	<i>(\$19,809)</i>
Interest Income	\$182	0	\$182
Net Income	(\$28,784)	\$9,157	(\$19,627)

Calculation of Revenue Requirement

\$ 111,518 - Operating Expenses
 88% - Divided by 88% Operating Ratio
 \$ 126,725 – Justifiable Unadjusted Revenue Requirement
 \$ (\$182) – Subtract Interest Income
 \$ 126,543 – Adjusted Revenue Requirement
 (\$ 83,568) - Less Normalized Operating Revenues
 \$ 42,975 - Justified Increase (51.4% increase)
 \$ 8,141 – Requested Increase (10% increase in the flat monthly rate)

Notes

A. Normalized Revenues of \$81,228 as determined by multiplying the current rate of \$25.64 times 12 x 264 customers. The proposed 10% increase in the sewer rate to \$28.21 will produce \$89,369.28 in flat rate revenue - an increase of \$8,141 – and will produce a positive cash flow.

Symsonia Water District Summary Billing Analysis – Exhibit 5

Summary Billing Analysis – Current Rates	2011 Bills	2011 Usage	Rate	Revenue
5/8 x 3/4 inch Meter				
First 2,000 Gallons – min. charge	3,775	6,580,900	\$11.65	\$43,978.75
Next 3,000 Gallons – \$2.91 per th.	1,784	5,327,600	\$2.91	\$15,503.32
Next 5,000 Gallons - \$2.24 per th.	746	2,066,500	\$2.24	\$4,628.96
Over 10,000 Gallons - \$1.89 per th.	165	932,800	\$1.89	\$1,763.00
Total	3,775	14,907,800		\$65,874.03
5/8 x 3/4 inch Double Meter				
First 4,000 Gallons – 2x min. charge	24	94,300	\$23.30	\$559.20
Next 1,000 Gallons – \$2.91 per th.	2	20,800	\$2.91	\$60.53
Next 5,000 Gallons - \$2.24 per th.	10	67,600	\$2.24	\$151.42
Over 10,000 Gallons - \$1.89 per th.	10	70,800	\$1.89	\$133.81
Total	24	253,500		\$904.96
2 inch Meter				
First 20,000 Gallons – min. charge	21	144,800	\$50.48	\$1,060.08
Over 20,000 Gallons – min. charge	27	540,000	\$50.48	\$1,362.96
-\$1.89 per thou.	27	1,120,100	\$1.89	\$2,116.99
Total	48	1,804,900		\$4,540.03
Total Revenue from Sales	3,847	16,966,200		\$71,319.02

Summary Billing Analysis – Proposed Rates	2011 Bills	2011 Usage	Rate	Revenue
5/8 x 3/4 inch Meter				
First 2,000 Gallons – min. charge	3,775	6,580,900	\$15.41	\$58,172.75
Next 3,000 Gallons – \$3.85 per th.	1,784	5,327,600	\$3.85	\$20,511.26
Next 5,000 Gallons - \$2.97 per th.	746	2,066,500	\$2.97	\$6,137.51
Over 10,000 Gallons - \$2.50 per th.	165	932,800	\$2.50	\$2,332.00
Total	3,775	14,907,800		\$87,153.52
5/8 x 3/4 inch Double Meter				
First 4,000 Gallons – 2x min. charge	24	94,300	\$30.82	\$739.68
Next 1,000 Gallons – \$3.85 per th.	2	20,800	\$3.85	\$80.08
Next 5,000 Gallons - \$2.97 per th.	10	67,600	\$2.97	\$200.77
Over 10,000 Gallons - \$2.50 per th.	10	70,800	\$2.50	\$177.00
Total	24	253,500		\$1,197.53
2 inch Meter				
First 20,000 Gallons – min. charge	21	144,800	\$66.74	\$1,401.54
Over 20,000 Gallons – min. charge	27	540,000	\$66.74	\$1,801.98
-\$2.50 per thou.	27	1,120,100	\$2.50	\$2,800.25
Total	48	1,804,900		\$6,003.77
Total Revenue from Sales	3,847	16,966,200		\$94,354.82

**Symsonia Water/sewer Dist.
Rate Analysis**

Billing Cycle All Cycles
 Service Type WT WATER
 Old Rate Code 01 5/8 Inch Residential
 New Rate Code 01 5/8 Inch
 Date Range 01/01/2011 To 12/31/2011
 Use Reading Factor Yes

WT WATER 01 5/8 Inch Usage Table - Usage By Rate Increment

	Level	Bills	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total Usage
	2,000	965	1,109,700				1,109,700
	3,000	1,751	3,502,000	2,546,900			6,048,900
	5,000	724	1,448,000	2,172,000	1,201,000		4,821,000
Over	10,000	160	320,000	480,000	800,000	892,400	2,492,400
Total		3,600	6,379,700	5,198,900	2,001,000	892,400	14,472,000

WT WATER 01 5/8 Inch Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	2,000	3,600	6,379,700	\$11.65 Minimum	\$41,940.00
	3,000		5,198,900	2.91	\$15,128.80
	5,000		2,001,000	2.24	\$4,482.24
Over	10,000		892,400	1.89	\$1,686.64
Total Revenue					\$63,237.68

WT WATER 01 5/8 Inch

Usage Table - Usage By Rate Increment

	Level	Bills	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total Usage
	2,000	965	1,109,700				1,109,700
	3,000	1,751	3,502,000	2,546,900			6,048,900
	5,000	724	1,448,000	2,172,000	1,201,000		4,821,000
Over	10,000	160	320,000	480,000	800,000	892,400	2,492,400
Total		3,600	6,379,700	5,198,900	2,001,000	892,400	14,472,000

WT WATER 01 5/8 Inch

Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	2,000	3,600	6,379,700	\$11.65 Minimum	\$41,940.00
	3,000		5,198,900	2.91	\$15,128.80
	5,000		2,001,000	2.24	\$4,482.24
Over	10,000		892,400	1.89	\$1,686.64
Total Revenue					\$63,237.68

Revenue Difference	\$0.00
--------------------	--------

**Symsonia Water/sewer Dist.
Rate Analysis**

Billing Cycle All Cycles
 Service Type WT WATER
 Old Rate Code 02 5/8 Inch
 New Rate Code 02 5/8 Inch
 Date Range 01/01/2011 To 12/31/2011
 Use Reading Factor Yes

Commercial

WT WATER 02 5/8 Inch Usage Table - Usage By Rate Increment

	Level	Bills	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total Usage
	2,000	115	81,200				81,200
	3,000	33	66,000	47,700			113,700
	5,000	22	44,000	66,000	40,500		150,500
Over	10,000	5	10,000	15,000	25,000	40,400	90,400
Total		175	201,200	128,700	65,500	40,400	435,800

WT WATER 02 5/8 Inch Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	2,000	175	201,200	\$11.65 Minimum	\$2,038.75
	3,000		128,700	2.91	\$374.52
	5,000		65,500	2.24	\$146.72
Over	10,000		40,400	1.89	\$76.36
Total Revenue					\$2,636.35

WT WATER 02 5/8 Inch

Usage Table - Usage By Rate Increment

	Level	Bills	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total Usage
	2,000	115	81,200				81,200
	3,000	33	66,000	47,700			113,700
	5,000	22	44,000	66,000	40,500		150,500
Over	10,000	5	10,000	15,000	25,000	40,400	90,400
Total		175	201,200	128,700	65,500	40,400	435,800

WT WATER 02 5/8 Inch

Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	2,000	175	201,200	\$11.65 Minimum	\$2,038.75
	3,000		128,700	2.91	\$374.52
	5,000		65,500	2.24	\$146.72
Over	10,000		40,400	1.89	\$76.36
Total Revenue					\$2,636.35

Revenue Difference	\$0.00
--------------------	--------

**Symsonia Water/sewer Dist.
Rate Analysis**

Billing Cycle All Cycles
 Service Type WT WATER
 Old Rate Code 12 5/8 Double
 New Rate Code 12 5/8 Double
 Date Range 01/01/2011 To 12/31/2011
 Use Reading Factor Yes

2 customer residential

WT WATER 12 5/8 Double

Usage Table - Usage By Rate Increment

	Level	Bills	First 4,000	Next 1,000	Next 5,000	Over 10,000	Total Usage
	4,000	2	6,300				6,300
	1,000	2	8,000	800			8,800
	5,000	10	40,000	10,000	17,600		67,600
Over	10,000	10	40,000	10,000	50,000	70,800	170,800
Total		24	94,300	20,800	67,600	70,800	253,500

WT WATER 12 5/8 Double

Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	4,000	24	94,300	\$23.30 Minimum	\$559.20
	1,000		20,800	2.91	\$60.53
	5,000		67,600	2.24	\$151.42
Over	10,000		70,800	1.89	\$133.81
Total Revenue					\$904.96

WT WATER 12 5/8 Double

Usage Table - Usage By Rate Increment

	Level	Bills	First 4,000	Next 1,000	Next 5,000	Over 10,000	Total Usage
	4,000	2	6,300				6,300
	1,000	2	8,000	800			8,800
	5,000	10	40,000	10,000	17,600		67,600
Over	10,000	10	40,000	10,000	50,000	70,800	170,800
Total		24	94,300	20,800	67,600	70,800	253,500

WT WATER 12 5/8 Double

Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	4,000	24	94,300	\$23.30 Minimum	\$559.20
	1,000		20,800	2.91	\$60.53
	5,000		67,600	2.24	\$151.42
Over	10,000		70,800	1.89	\$133.81
Total Revenue					\$904.96

Revenue Difference	\$0.00
--------------------	--------

**Symsonia Water/sewer Dist.
Rate Analysis**

Billing Cycle All Cycles
 Service Type WT WATER
 Old Rate Code 04 2 Inch | Commercial
 New Rate Code 04 2 Inch
 Date Range 01/01/2011 To 12/31/2011
 Use Reading Factor Yes

WT WATER 04 2 Inch Usage Table - Usage By Rate Increment

	Level	Bills	First 20,000	Over 20,000	Total Usage
	20,000	0	0		0
Over	20,000	12	240,000	759,800	999,800
Total		12	240,000	759,800	999,800

WT WATER 04 2 Inch Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	20,000	12	240,000	\$50.48 Minimum	\$605.76
Over	20,000		759,800	1.89	\$1,436.02
Total Revenue					\$2,041.78

WT WATER 04 2 Inch

Usage Table - Usage By Rate Increment

	Level	Bills	First 20,000	Over 20,000	Total Usage
	20,000	0	0		0
Over	20,000	12	240,000	759,800	999,800
Total		12	240,000	759,800	999,800

WT WATER 04 2 Inch

Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	20,000	12	240,000	\$50.48 Minimum	\$605.76
Over	20,000		759,800	1.89	\$1,436.02
Total Revenue					\$2,041.78

Revenue Difference	\$0.00
--------------------	--------

**Symsonia Water/sewer Dist.
Rate Analysis**

Billing Cycle All Cycles
 Service Type WT WATER
 Old Rate Code 03 2 Inch
 New Rate Code 03 2 Inch
 Date Range 01/01/2011 To 12/31/2011
 Use Reading Factor Yes

3 customers *Public Residential*

WT WATER 03 2 Inch Usage Table - Usage By Rate Increment

	Level	Bills	First 20,000	Over 20,000	Total Usage
	20,000	21	144,800		144,800
Over	20,000	15	300,000	360,300	660,300
Total		36	444,800	360,300	805,100

WT WATER 03 2 Inch Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	20,000	36	444,800	\$50.48 Minimum	\$1,817.28
Over	20,000		360,300	1.89	\$680.97
Total Revenue					\$2,498.25

WT WATER 03 2 Inch

Usage Table - Usage By Rate Increment

	Level	Bills	First 20,000	Over 20,000	Total Usage
	20,000	21	144,800		144,800
Over	20,000	15	300,000	360,300	660,300
Total		36	444,800	360,300	805,100

WT WATER 03 2 Inch

Revenue Table - Revenue By Rate Increment

	Level	Bills	Total Usage	Rate / 1000	Revenue
	20,000	36	444,800	\$50.48 Minimum	\$1,817.28
Over	20,000		360,300	1.89	\$680.97
Total Revenue					\$2,498.25

Revenue Difference	\$0.00
--------------------	--------

Symsonic 2011
Sewer Depreciation

ASSET	METHOD	USEFUL LIFE	DATE	COST	PRIOR DEPR	CURRENT DEPR	TOTAL DEPR	CARRYING VALUE
Sewer								
LAND				6,061.00				6,061.00
Structures and Improve	S/L	39	1/1/1982	341,392.00	245,102.28	8,753.64	253,855.92	87,536.08
Structure Improvements	S/L	39	12/31/2009	4,138.00	-	-	-	4,138.00
Structure Improvements	S/L	39	12/31/2011	29,083.45	-	745.73	745.73	28,337.72
Structure Improvements	S/L	39	12/31/2010	53,518.00	1,372.26	1,372.26	2,744.52	50,773.48
Service to Customers	S/L	39	1/1/1982	23,460.00	16,843.08	601.54	17,444.62	6,015.38
Pumping Plant								
Receiving Wells	S/L	31.5	1/1/1982	30,189.00	26,833.76	958.38	27,792.14	2,396.86
Pumping Equipment	S/L	32.5	1/1/1982	70,441.00	60,687.84	2,167.42	62,855.26	7,585.74
Oxidation Lagoon	S/L	32.5	1/1/1982	75,504.00	65,049.40	2,323.20	67,372.60	8,131.40
Treatment and Disposal	S/L	39	1/1/1982	3,734.00	2,680.48	95.74	2,776.22	957.78
Outfall Sewer	S/L	39	1/1/1982	537,803.00	385,902.48	13,789.74	399,692.22	138,107.78
Office Equipment	S/L	5	8/13/2002	470.00	470.00	-	470.00	-
Office Furniture	S/L	7	2/10/2003	173.00	173.00	-	173.00	-
Dell Computer	S/L	5	6/14/2004	846.00	846.00	-	846.00	-
Office Equipment	S/L	5	3/6/2006	3,240.00	2,592.00	648.00	3,240.00	-
Office improvements	S/L	15	12/31/2009	2,588.00	-	-	-	2,588.00
Power Equipment	S/L	10	6/14/2004	5,500.00	3,025.00	550.00	3,575.00	1,925.00
Trencher	S/L	7	11/16/2009	7,500.00	267.88	133.94	401.82	7,098.18
Shop	S/L	39	1/1/2007	5,295.00	543.54	135.77	679.31	4,615.69
Asphalt	S/L	15	9/1/2003	6,875.00	2,749.66	458.33	3,207.99	3,667.01
Store Equipment	S/L	10	10/4/2006	475.00	190.00	47.50	237.50	237.50
Transportation Equipment	S/L	10	3/6/2006	11,531.00	4,612.20	1,153.10	5,765.30	5,765.70
Total Sewer				<u>1,219,813.45</u>	<u>819,940.86</u>	<u>33,934.29</u>	<u>853,875.15</u>	<u>365,938.30</u>

Symsonia
2011
Water Depreciation

<u>ASSET</u>	<u>METHOD</u>	<u>USEFUL LIFE</u>	<u>DATE</u>	<u>COST</u>	<u>PRIOR DEPR</u>	<u>CURRENT DEPR</u>	<u>TOTAL DEPR</u>	<u>CARRYING VALUE</u>
Water								
Structures and Improvements	S/L	39	1/1/1982	72,511.00	62,155.52	1,859.26	64,014.78	8,496.22
Structures and Improvements	S/L	39	12/31/2011	49,937.78	-	1,280.46	1,280.46	48,657.32
Wells and Springs	S/L	39	1/1/1982	11,995.00	11,995.00		11,995.00	-
Supply Mains	S/L	39	1/1/1982	793.00	793.00		793.00	-
Pumping Equipment	S/L	20	2/15/2002	7,462.00	6,146.20	373.10	6,519.30	942.70
Water Treatment Equipment	S/L	31.5	1/1/1982	92,692.00	50,607.20	2,942.60	53,549.80	39,142.20
Distribution Reservoirs	S/L	39	2/15/2002	62,410.00	29,735.52	1,600.26	31,335.78	31,074.22
Transmission & Distribution Main	S/L	39	1/1/1982	289,159.00	56,209.66	7,414.33	63,623.99	225,535.01
Meters & Meter Installation	S/L	10	2/15/1983	55,874.00	55,874.00	2,700.60	58,574.60	(2,700.60)
Hydrants	S/L	10	2/15/1983	5,919.00	5,919.00		5,919.00	-
Other Plant & Misc Equip	S/L	15	1/1/1983	67.00	67.00		67.00	-
Office Furniture & Equipment	S/L	5	7/1/2008	6,354.00	3,939.60	1,270.80	5,210.40	1,143.60
Office Improvements	S/L	15	12/31/2009	2,588.00	345.06	172.53	517.59	2,070.41
Tools & Shop	S/L	20	9/1/2008	1,182.00	340.20	59.10	399.30	782.70
Power Operated Equipment	S/L	15	2/15/2005	18,954.00	6,855.20	1,263.60	8,118.80	10,835.20
Trencher	S/L	15	11/16/2009	7,500.00	1,000.00	500.00	1,500.00	6,000.00
Other Tangible Plant	S/L	10	7/1/2006	1,359.00	562.80	135.90	698.70	660.30
Total Water				<u>686,756.78</u>	<u>292,544.96</u>	<u>21,572.54</u>	<u>314,117.50</u>	<u>372,639.28</u>

Exhibit 7 – Symsonia WD Cost of Service Study

-807 KAR 5:001 Section 10 (6)(u) requires a cost of service study for gas, electric or water utilities whose annual gross revenues exceed \$5,000,000. Symsonia Water District's gross annual revenues do not exceed this threshold. In addition, Symsonia is proposing an approximate across-the-board 32.2% water rate increase. **Therefore, we believe this requirement is not applicable in this instance.**

-In addition, Symsonia is aware that Commission Staff often performs cost-of-service studies. To the extent that such a study is required in this case, Symsonia requests a waiver to allow the processing of this case to proceed expeditiously due to our limited cash reserves, and requests Commission Staff assistance if a cost of service study is required to be done in this case.

NOTICE

Symsonia Water District has filed an application with the Public Service Commission to increase its rates for water and sewer service. Symsonia has not requested a general rate increase since 2005. Symsonia believes it can justify much larger rate increases than the amounts being requested – a 10% sewer increase and an approximate 32.3% water increase - but to reduce the burden on customers, Symsonia is instead requesting smaller increases. This proposal would increase the average sewer bill from \$25.64 to \$28.21 and the average water bill for 5,000 gallons per month from \$20.38 to \$26.96 for residential and commercial customers. The proposed effective date of the changes is December 30, 2012.

Monthly Sewer Rates:

<u>Current:</u>	<u>Proposed</u>
Residential Service	\$28.21 per month
Other	\$28.21 per residential equivalent*

*A residential equivalent is defined as 12,000 gallons per month.

Monthly Water Rates:

<u>Current:</u>	<u>Proposed</u>
<u>5/8 x 3/4 Inch Meter</u>	
First 2,000 Gallons	\$15.41 Minimum Bill
Next 3,000 Gallons	3.85 Per 1,000 Gallons
Next 5,000 Gallons	2.97 Per 1,000 Gallons
Over 10,000 Gallons	2.50 Per 1,000 Gallons

<u>MONTHLY USAGE</u>	<u>MONTHLY BILL AT CURRENT RATE</u>	<u>MONTHLY BILL AT PROPOSED RATE</u>	<u>PERCENT INCREASE OVER CURRENT</u>
2,000	\$11.65	\$15.41	32.3%
5,000	\$20.38	\$26.96	32.3%
10,000	\$31.58	\$41.81	32.4%
20,000	\$50.48	\$66.81	32.3%
30,000	\$69.38	\$91.81	32.3%
50,000	\$107.18	\$141.81	32.3%
100,000	\$201.68	\$266.81	32.3%

2 Inch Meter

First 20,000 Gallons	\$66.74 Minimum Bill
Over 20,000 Gallons	2.50 Per 1,000 Gallons

<u>MONTHLY USAGE</u>	<u>MONTHLY BILL AT CURRENT RATE</u>	<u>MONTHLY BILL AT PROPOSED RATE</u>	<u>PERCENT INCREASE OVER CURRENT</u>
20,000	\$50.48	\$66.74	32.2%
30,000	\$69.38	\$91.74	32.2%
50,000	\$107.18	\$141.74	32.2%
100,000	\$201.68	\$266.74	32.3%

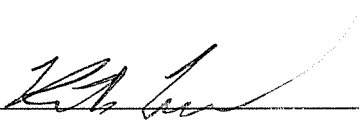
The rates contained in this notice are the rates proposed by Symsonia Water District. However, the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice.

Any corporation, association, body politic, or person may request leave to intervene, by motion within thirty (30) days after notice of the proposed rate change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Public Service Commission, 211 Sower Blvd. Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion, including the status and interest of the party movant. Copies of the application may be obtained at no charge from the utility office at Symsonia Water District, 11105 State Route 131, Symsonia, KY 42082. Upon request from an intervenor, the utility shall furnish to the intervenor a copy of the application and supporting documents.

Symsonia Water District

Written Statement of Verification

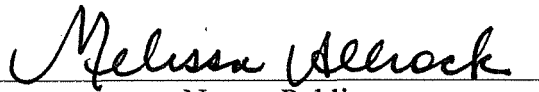
I, Keith Cooper, being the Chairman of Symsonia Water District, do hereby verify that the attached notice of proposed rate increases was mailed to Symsonia's water and sewer customers on November 27, 2012.


Name

11-26-12
Date

Subscribed and sworn to before me by Keith Cooper, Chairman of Symsonia Water District on this November 26, 2012

My Commission Expires March 7, 2013


Notary Public
In and for said County and State

SYMSONIA WATER DISTRICT

FINANCIAL REPORT

For The Year Ended
December 31, 2011

INDEPENDENT ACCOUNTANT'S REPORT	1
FINANCIAL STATEMENTS:	
STATEMENT OF NET ASSETS- REGULATORY BASIS	2
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS- REGULATORY BASIS	3
STATEMENT OF CASH FLOWS- REGULATORY BASIS	4
NOTES TO FINANCIAL STATEMENTS	5
REQUIRED SUPPLEMENTAL INFORMATION:	
COMBINED STATEMENTS OF NET ASSETS- REGULATORY BASIS	11
COMBINED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS- REGULATORY BASIS	12
COMBINED STATEMENTS OF CASH FLOWS- REGULATORY BASIS	13
SUPPLEMENTAL INFORMATION:	
COMMONWEALTH OF KENTUCKY-PUBLIC SERVICE COMMISSION ANNUAL REPORTS	14



INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Commissioners

Symsonia Water District
Symsonia, Kentucky

We have compiled the accompanying statement of net assets of the Symsonia Water District as of December 31, 2011, and the related statement of revenues, expenses and changes in net assets, and cash flows for the year then ended. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the accounting principles prescribed or permitted by the Public Service Commission, which practices differ from accounting principles generally accepted in the United States of America.

The management of the Symsonia Water District, is responsible for the preparation and fair presentation in accordance with the prescribed accounting principles by the Public Service Commission and for designing, implementing, and maintain internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management of the Symsonia Water District, in presenting financial information in the form of financial statements without undertaking to obtain or provide assurance that there are no material modifications that should be made to the financial statements.

Management has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements. We have compiled supplementary information from information that is the representation of management, without audit or reviewed. Accordingly we do not express an opinion or provide any assurance on the supplementary information.

Romaine & Associates, PLLC

March 24, 2012

SYMSONIA WATER DISTRICT
STATEMENT OF NET ASSETS-REGULATORY BASIS
DECEMBER 31, 2011

CURRENT ASSETS	
Cash and cash equivalents	\$ 117,351
Customer accounts receivable	15,662
Total current assets	133,013
 NONCURRENT ASSETS	
Restricted cash	12,169
 CAPITAL ASSETS	
Depreciable capital assets:	
Utility plant in service, at cost	1,906,570
Less accumulated provision for depreciation computed by the straight-line method	(1,167,992)
Total capital assets	738,578
TOTAL NONCURRENT ASSETS	750,747
TOTAL ASSETS	\$ 883,760
 CURRENT LIABILITIES	
Accounts payable and accrued expenses	\$ 4,138
Customer deposits	6,420
Total current liabilities	10,558
 NET ASSETS	
Invested in capital assets, net of related debt	738,578
Restricted	12,169
Unrestricted	122,455
Total net assets	873,202
TOTAL LIABILITIES AND NET ASSETS	\$ 883,760

SYMSONIA WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS-
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011

OPERATING REVENUE	\$	164,467
OPERATING EXPENSE		
Bank charges		80
Office supplies		5,632
Payroll and related expenses		74,974
Reg. commission fees		264
Utilities		2,262
Purchased power		15,096
Chemicals		11,071
Materials and supplies		17,173
Contractual services		5,311
Insurance		10,458
Miscellaneous		1,656
Telephone		2,104
Bad debt		36
Depreciation and amortization		55,507
Tax & license		600
Total operating expenses		<u>202,224</u>
Operating income (loss)		<u>(37,757)</u>
NONOPERATING REVENUES (EXPENSES)		
Interest income		364
Nonoperating revenues (expenses)		<u>364</u>
Income before capital contributions		(37,393)
Capital contributions		79,175
Increase (Decrease) in net assets		<u>41,782</u>
NET ASSETS		
Beginning of year, restated		<u>831,420</u>
End of year	\$	<u><u>873,202</u></u>

**SYMSONIA WATER DISTRICT
STATEMENT OF CASH FLOWS-REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 165,351
Cash payments to suppliers for goods and services	(146,872)
Customer deposits received	1,525
Net cash provided by operating activities	20,004

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Utility plant additions and improvements	(79,021)
Contributions in aid of construction	79,175
Interest income	364
Net cash provided by (used for) capital and related financing activities	518

Net increase in cash and cash equivalents 20,522

CASH AND CASH EQUIVALENTS - BEGINNING OF THE YEAR

108,998

CASH AND CASH EQUIVALENTS - END OF THE YEAR

\$ 129,520

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income (loss)	\$ (37,757)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization	55,507
Changes in assets and liabilities:	
Accounts receivable	884
Accounts payable and accrued expenses	(155)
Customer deposits	1,525
Net cash provided by operating activities	\$ 20,004

**SYMSONIA WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2011**

Note 1. Description of Entity & Significant Accounting Policies

The Symsonia Water District is engaged in providing water and sewer supply to approximately 319 customers who live in the Symsonia community in The Graves County, Kentucky area. The water district was created in 1964 and the sewer district in 1980 under Chapter 14 of the Kentucky Revised Statutes.

In evaluating how to define Symsonia Water District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, the District has no component units.

Basis of Presentation and Accounting:

As stated in Kentucky Revised Statutes (KRS) 278.012, "any water association formed for the purpose of furnishing water services to the general public pursuant to KRS Chapter 273 is deemed to be and shall be a public utility and shall be subject to the jurisdiction of the Public Service Commission". In KRS 278.220, it is outlined that the Public Service Commission may establish a system of accounts to be kept by the utilities subject to its jurisdiction, and may prescribe the manner in which such accounts shall be kept. This uniform system of accounts is presented on the accrual basis in accordance with practices prescribed by the Public Service Commission. In accordance with the Public Service Commission's regulations, costs associated with hook-up fees are capitalized as meters, installations and services. This practice differs from generally accepted accounting principles under which these costs and the related fees are recorded as operating expenses and revenues. Except for this regulatory difference, the Public Service Commission prescribes the use of Governmental Accounting Standards Board (GASB) pronouncements as well as Financial Accounting Standards Board (FASB) statements and interpretations, and the Accounting Principles Board (APB) of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The District has not adopted the provisions of FASB No. 71, *Accounting for the Effects of Certain Types of Regulations*.

The District's financial statements (including the related notes) reflected the District's initial financial implementation and statement presentation in accordance with GASB No. 34, Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments and related standards, except as noted herein.

This standard provided significant required changes in terminology; recognition of contributions in the statement of revenues, expenses and changes in net assets; inclusion of a management's discussion and analysis as supplementary information; and other changes.

The Symsonia Water District is operated as a proprietary and/or enterprise fund. Proprietary Funds are used to account for operations (a) which are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of

**SYMSONIA WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2011
(Continued)**

Note 1. Description of Entity & Significant Accounting Policies- (Continued)

Basis of Presentation and Accounting: (Continued)

providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The accounting and financial reporting treatment applied to the District is determined by its measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statements of net assets regulatory basis. Net assets (i.e., total assets net of total liabilities) are segregated into invested in capital assets, net of related debt; restricted, constraints imposed by creditors/grantors/laws/or contributions; and unrestricted components, all other. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, unrestricted resources are used first.

Revenues and Expenses:

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities.

Property and Equipment:

Property and equipment purchased or constructed are stated at cost. The cost of meters, including installation, is capitalized. Interest related to costs, and major improvements, renewals and replacements is capitalized as a cost of the project. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets. Expenses for maintenance and repairs that do not increase the useful life of the asset are charged to operations as they are incurred. The District does not have a particular dollar amount threshold for capitalization purposes.

Income Taxes:

The Symsonia Water District is not subject to income taxes.

Contributed Capital:

The District has adopted Governmental Accounting Standards Board's (GASB) Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. This statement requires governments to recognize capital contributions to proprietary funds as revenues, instead of contributed capital. Prior to implementation GASB No. 33, the fair market value of donated property received by the District, impact fees, tap on fees and grants which were restricted for the acquisition or construction of capital assets, were recorded as contributed capital. Grants of \$79,175 were received by the District for the year ended December 31, 2011.

**SYMSONIA WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2011
(Continued)**

Note 1. Description of Entity & Significant Accounting Policies- (Continued)

Statement of Cash Flows:

For purposes of reporting cash flows, the District considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Reclassifications:

For clarification purposes, reclassifications have been made to certain previously reported amounts.

Net Assets:

Net assets comprise the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions. Net assets are classified in the following three components:

Invested in capital assets – This component of net assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributed to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather that portion of the debt is included in the same net assets component as the unspent proceeds.

Restricted – This component of net assets consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets- This component of net assets consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Note 2. Cash and Investments

KRS 66.480 authorizes the District to invest in obligations of the United States and its agencies and instrumentalities including repurchase agreements, through sources including national and state banks chartered in Kentucky, obligations and contracts for future delivery backed by the full faith of the United States or its Agency, certificates of deposit and interest bearing accounts in institutions insured by the Federal Depository Insurance Corporation and other investments described therein provided that approved securities are pledged to secure those funds on deposit in an amount equal to the amount of those funds. The District may also invest in mutual funds meeting the requirements of the statute.

Symsonia Water District’s policies regarding deposits of cash are discussed above. The table presented below is designed to disclose the level of custody credit risk assumed by the District based upon how its deposits were insured or secured with collateral at December 31, 2011. The categories of credit risk are defined as follows:

Category 1 – Insured by FDIC or collateralized with securities held by the District (public trust) or by its agent in its name.

**SYMSONIA WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2011
(Continued)**

Note 2. Cash and Investments- (Continued)

Category 2 – Uninsured but collateralized with securities held by the pledging financial institution’s trust department or agent in the District’s name.

Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the Pledging financial institution, or by its trust department or agent, but not in the District’s name; or collateralized with no written or approved collateral agreement.

December 31, 2011

<u>Type of Deposits</u>	<u>Total Bank Balance</u>	<u>Custody Credit Risk Category</u>		
		<u>1</u>	<u>2</u>	<u>3</u>
Demand Deposits-CFSB	\$ 51,483	\$ 51,483	\$ -	\$ -
Demand Deposits-CFSB	6,420	6,420	-	-
Demand Deposits-CFSB	12,169	12,169	-	-
Demand Deposits-CFSB	<u>59,448</u>	<u>59,448</u>	<u>-</u>	<u>-</u>
Total Deposits	<u>129,520</u>	<u>129,520</u>	<u>\$ -</u>	<u>\$ -</u>

Note 3. Restricted Assets

Restricted cash and investments consist of the following:

	<u>December 31, 2011</u>
Grant Account	<u>\$ 12,169</u>
Total	<u><u>\$ 12,169</u></u>

Note 4. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 5. Grants/Loans

In the normal course of operations, the District receives grant/loan funds from various Federal and/or State agencies. The grant/loan programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting/loaning of funds. Any liability for reimbursement which may arise as the result of an audit is not believed to be material.

SYMSONIA WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2011
(Continued)

Note 6. Budget

The budget for the proprietary fund operation is prepared on the cash and expenditures basis. Revenues are budgeted in the year receipt is expected; and expenditures are budgeted in the year that the applicable expenditure is expected to be made. Budgeted appropriations lapse at year-end.

Note 7. Customer Accounts Receivable

The District provides an allowance for doubtful collections that is based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Normal contracts receivable are due 30 days after billing. Receivables past due are considered delinquent. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer. No provision for doubtful accounts has been made at December 31, 2011, as management considers all amounts fully collectible.

Note 8. Capital Assets

A summary of Symsonia Water District's change in capital assets during 2011 is as follows:

<u>Water System</u>				
<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Structures & Improvements	\$ 72,511	\$ 49,937	\$ -	\$ 122,448
Distribution System	526,304	-	-	526,304
Machinery & Equipment	38,004	-	-	38,004
Total at Historical Cost	<u>636,819</u>	<u>49,937</u>	<u>-</u>	<u>686,756</u>
Less: Accumulated Depreciation				
Structures & Improvements	(62,155)	(3,139)	-	(65,294)
Distribution System	(217,278)	(15,030)	-	(232,308)
Machinery & Equipment	(13,112)	(3,403)	-	(16,515)
Total Accumulated Depreciation	<u>(292,545)</u>	<u>(21,572)</u>	<u>-</u>	<u>(314,117)</u>
Capital Assets, Net	<u>\$ 344,274</u>	<u>\$ 28,365</u>	<u>\$ -</u>	<u>\$ 372,639</u>

SYMSONIA WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2011
(Continued)

Note 8. Capital Assets-(Continued)

A summary of Symsonia Water District's change in capital assets during 2011 is as follows:

<u>Sewer System</u>				
<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Land	\$ 6,061	\$ -	\$ -	\$ 6,061
Structures & Improvements	399,048	29,084	-	428,132
Distribution System	741,128	-	-	741,128
Machinery & Equipment	44,493	-	-	44,493
Total at Historical Cost	1,190,730	29,084	-	1,219,814
Less: Accumulated Depreciation				
Structures & Improvements	(246,475)	(10,873)	-	(257,348)
Distribution System	(557,997)	(19,936)	-	(577,933)
Machinery & Equipment	(15,468)	(3,126)	-	(18,594)
Total Accumulated Depreciation	(819,940)	(33,935)	-	(853,875)
Capital Assets, Net	\$ 370,790	\$ (4,851)	\$ -	\$ 365,939

Note 9. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and natural disasters. The District carries commercial insurance for risk of loss. The District did not settle claims that exceeded the District's commercial insurance coverage in any of the past three years.

Note 10. Net Assets Restated

The District's beginning net assets were restated to reflect the correction of overstated accounts receivable in the sewer fund in the prior year. The amount of restatement was \$12,152.

SYMSONIA WATER DISTRICT
 COMBINED STATEMENTS OF NET ASSETS-REGULATORY BASIS
 DECEMBER 31, 2011

	Water Fund	Sewer Fund	Totals
CURRENT ASSETS			
Cash and cash equivalents	\$ 13,039	\$ 104,312	\$ 117,351
Customer accounts receivable	6,428	9,234	15,662
Interfund receivable	-	64,608	64,608
Total current assets	<u>19,467</u>	<u>178,154</u>	<u>197,621</u>
NONCURRENT ASSETS			
Restricted cash	<u>12,169</u>	<u>-</u>	<u>12,169</u>
CAPITAL ASSETS			
Depreciable capital assets:			
Utility plant in service, at cost	686,756	1,219,814	\$ 1,906,570
Less accumulated provision for depreciation computed by the straight-line method	<u>(314,117)</u>	<u>(853,875)</u>	<u>(1,167,992)</u>
Total capital assets	<u>372,639</u>	<u>365,939</u>	<u>738,578</u>
TOTAL NONCURRENT ASSETS	<u>384,808</u>	<u>365,939</u>	<u>750,747</u>
TOTAL ASSETS	<u>\$ 404,275</u>	<u>\$ 544,093</u>	<u>\$ 948,368</u>
CURRENT LIABILITIES			
Accounts payable and accrued expenses	\$ 2,898	\$ 1,240	\$ 4,138
Customer deposits	6,420		6,420
Interfund payable	<u>64,608</u>	<u>-</u>	<u>64,608</u>
Total current liabilities	<u>73,926</u>	<u>1,240</u>	<u>75,166</u>
NET ASSETS			
Invested in capital assets, net of related debt	372,639	365,939	738,578
Restricted	12,169	-	12,169
Unrestricted	<u>(54,459)</u>	<u>176,914</u>	<u>122,455</u>
Total net assets	<u>330,349</u>	<u>542,853</u>	<u>873,202</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 404,275</u>	<u>\$ 544,093</u>	<u>\$ 948,368</u>

**SYMSONIA WATER DISTRICT
COMBINED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS-
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Water Fund	Sewer Fund	Totals
OPERATING REVENUE	<u>\$ 81,915</u>	<u>\$ 82,552</u>	<u>\$ 164,467</u>
OPERATING EXPENSE			
Bank charges	80	-	80
Office supplies	2,816	2,816	5,632
Payroll and related expenses	37,487	37,487	74,974
Reg. commission fees	132	132	264
Utilities	717	1,545	2,262
Purchased power	3,262	11,834	15,096
Chemicals	6,780	4,291	11,071
Materials and supplies	7,225	9,948	17,173
Contractual services	3,810	1,501	5,311
Insurance	5,229	5,229	10,458
Miscellaneous	544	1,112	1,656
Telephone	1,052	1,052	2,104
Bad debt	-	36	36
Depreciation and amortization	21,572	33,935	55,507
Tax & license	-	600	600
Total operating expenses	<u>90,706</u>	<u>111,518</u>	<u>202,224</u>
Operating income (loss)	<u>(8,791)</u>	<u>(28,966)</u>	<u>(37,757)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest income	182	182	364
Non-operating revenues (expenses)	<u>182</u>	<u>182</u>	<u>364</u>
Income before capital contributions	(8,609)	(28,784)	(37,393)
Capital contributions	50,092	29,083	79,175
Increase (Decrease) in net assets	<u>41,483</u>	<u>299</u>	<u>41,782</u>
NET ASSETS			
Beginning of year, restated	<u>288,866</u>	<u>542,554</u>	<u>831,420</u>
End of year	<u>\$ 330,349</u>	<u>\$ 542,853</u>	<u>\$ 873,202</u>

SYMSONIA WATER DISTRICT
 COMBINED STATEMENTS OF CASH FLOWS-REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Water Fund	Sewer Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 83,194	\$ 82,157	\$ 165,351
Cash payments to suppliers for goods and services	(69,315)	(77,557)	(146,872)
Customer deposits received	1,525		1,525
Net cash provided by operating activities	<u>15,404</u>	<u>4,600</u>	<u>20,004</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Utility plant additions and improvements	(49,938)	(29,083)	(79,021)
Contributions in aid of construction	50,092	29,083	79,175
Interest income	182	182	364
Net cash provided by (used for) capital and related financing activities	<u>336</u>	<u>182</u>	<u>518</u>
Net increase in cash and cash equivalents	15,740	4,782	20,522
CASH AND CASH EQUIVALENTS - BEGINNING OF THE YEAR	<u>9,468</u>	<u>99,530</u>	<u>108,998</u>
CASH AND CASH EQUIVALENTS - END OF THE YEAR	<u>\$ 25,208</u>	<u>\$ 104,312</u>	<u>\$ 129,520</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (8,791)	\$ (28,966)	\$ (37,757)
Adjustments to reconcile operating income (loss) to cash provided by operating activities:			
Depreciation and amortization	21,572	33,935	55,507
Changes in assets and liabilities:			
Accounts receivable	1,279	(395)	884
Accounts payable and accrued expenses	(181)	26	(155)
Customer deposits	1,525	-	1,525
Net cash provided by operating activities	<u>\$ 15,404</u>	<u>\$ 4,600</u>	<u>\$ 20,004</u>

31000 Symsonia Water District

History-Location (Ref Pg. 4)

	Name	Address	City	State	Zip	Phone
Give the location, including street and number, and TELEPHONE NUMBER of the principal office in KY.						
principal office in KY	Symsonia Water District	11105 State Route 131	Symsonia	KY	42082	2708514470
Give name, title, address and TELEPHONE NUMBER of the officer						
to whom correspondence concerning this report should be addressed.						
	Keith Cooper	11105 State Route 131	Symsonia	KY	42082	2708514470
Location where books are located	Symsonia Water District	11105 State Route 131	Symsonia	KY		2708514470



1002 MEDICAL DRIVE
P.O. BOX 588
MAYFIELD, KY 42066

LETTER OF TRANSMITTAL

270-247-7171
FAX: 270-251-6110

DATE: July 18, 2012

ATTENTION

Ms. Tammy McCall
Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601

SUBJECT

Symsonia Water District
Fund B application

WE ARE TRANSMITTING
 HEREWITH UNDER SEPARATE COVER
THESE ARE TRANSMITTED
 AS REQUESTED FOR YOUR USE
 FOR REVIEW AND COMMENT

COPIES
1
1

DESCRIPTION
Authorizing Resolution Map

REMARKS

COPIES TO

BY *Jeremy A. Buchanan*
Jeremy Buchanan
 Project Administrator

IF ENCLOSURES ARE NOT AS NOTED, PLEASE INFORM US IMMEDIATELY

WHEREAS, Symsonia Water District proposes to provide upgraded drinking water service for industrial, institutional, commercial, and residential growth in the Symsonia area, and

WHEREAS, the Symsonia Water District endorses said proposed service, and,

WHEREAS, under the terms of the Safe Drinking Water Act Amendments of 1996 (Public Law 104-182) and amendments to KRS 224A, the State is authorized to render financial assistance to eligible project applicants by way of capitalization grants from the U. S. Environmental Protection Agency and State match funds comprising the Federally Assisted Drinking Water Revolving Fund (State Revolving Loan Program). The program is established to aid in the construction of drinking water treatment facilities improvements and certain related facilities with consideration for approval to be based on applications submitted through the Kentucky Energy and Environment Cabinet and the Kentucky Infrastructure Authority, and,

WHEREAS, the improvements proposed for construction by the Symsonia Water District within the Symsonia area are considered eligible for such loan assistance.

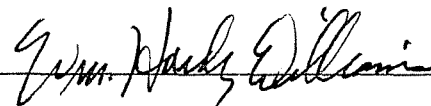
NOW THEREFORE, BE IT RESOLVED by the Symsonia Water District that the Chairman and Successors-in-Title are hereby authorized to execute and submit an application through the Kentucky Energy and Environment Cabinet and the Kentucky Infrastructure Authority with such assurances and required supporting data as is necessary to obtain loan assistance from the Federally Assisted Drinking Water Revolving Fund (State Revolving Loan Program) for the proposed water treatment facilities improvements, and are hereby authorized as Symsonia Water District's Official Project Representative to carry out necessary negotiations for and administer the loan assistance the applicant may obtain from the Federally Assisted Drinking Water Revolving Fund (State Revolving Loan Program).

Adopted this 16 day of JULY, 2012.

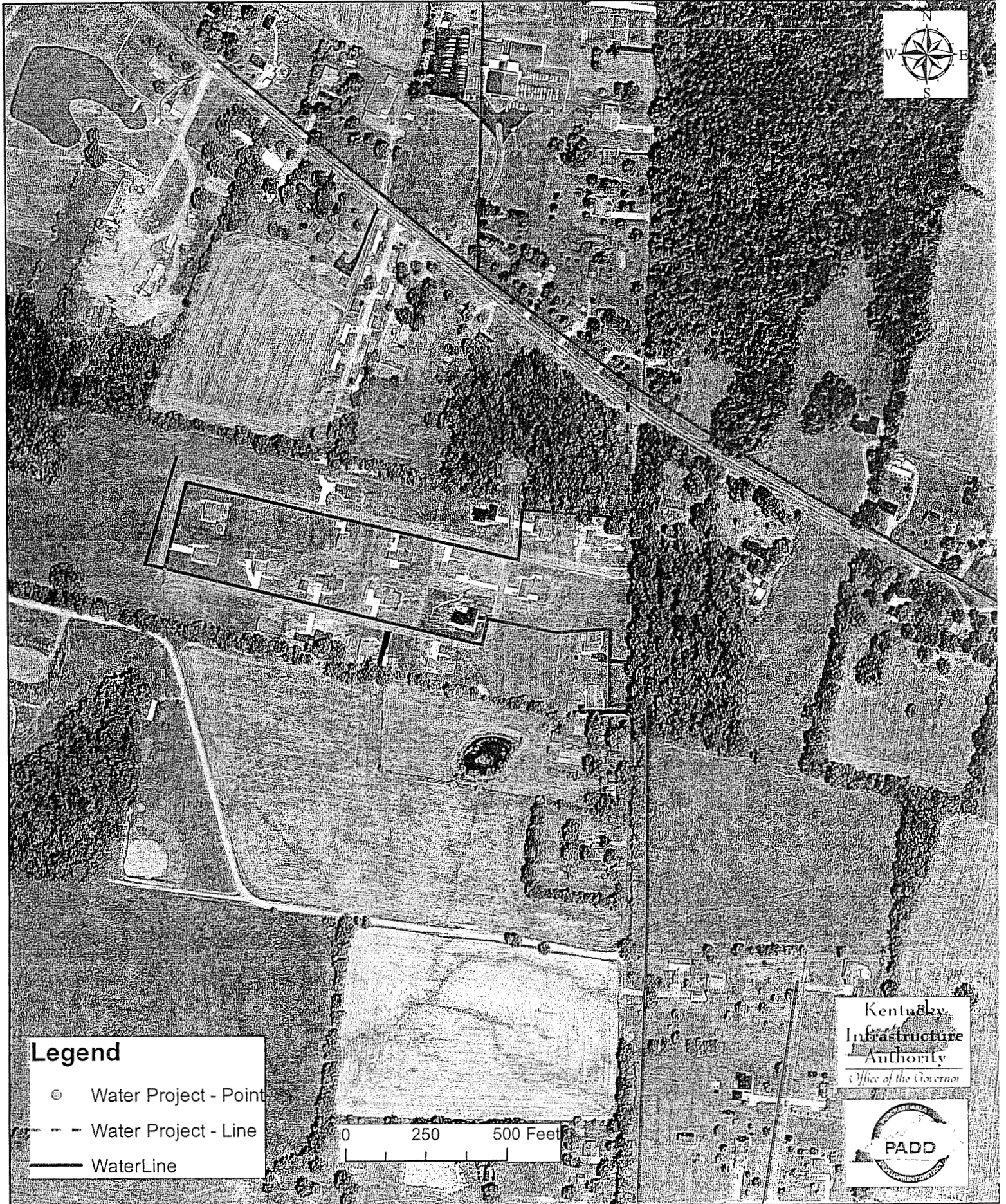


Keith Cooper, Chairman

Symsonia Water District

ATTEST: 

Symsonia Water District Project Map (WX21083055)



Legend

- Water Project - Point
- - - Water Project - Line
- WaterLine

0 250 500 Feet

Kentucky
Infrastructure
Authority
Office of the Governor





1002 MEDICAL DRIVE
P.O. BOX 588
MAYFIELD, KY 42066

LETTER OF TRANSMITTAL

270-247-7171
FAX: 270-251-6110

DATE: July 5, 2012

ATTENTION

Ms. Sandy Williams
Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601

SUBJECT

Symsonia Water District
WX21083055

WE ARE TRANSMITTING
 HEREWITH UNDER SEPARATE COVER
THESE ARE TRANSMITTED
 AS REQUESTED FOR YOUR USE
 FOR REVIEW AND COMMENT

COPIES

DESCRIPTION

Fund F application

REMARKS

COPIES TO

BY *Jeremy Buchanan*
Jeremy Buchanan
Project Administrator

IF ENCLOSURES ARE NOT AS
NOTED, PLEASE INFORM US
IMMEDIATELY

**CLEAN WATER STATE REVOLVING FUND (FUND A) &
DRINKING WATER STATE REVOLVING FUND (FUND F)
LOAN APPLICATION CHECKLIST**

- Current application – Available on KIA website
- EPA Form 4700-4 (Civil Rights Compliance) – Available on KIA website
- Authorizing Resolution (must include successors in title) - Available on KIA website
- Assurances – Available on KIA website
- Debarment Certification – Available on KIA website
- Engineering Procurement Certification - Available on KIA website
- Copy of Engineering Contract (required if engineering fees to be paid with SRF funds)
- Water/Sewer Rate Ordinances (current and proposed)
- Audit Reports/Financial Statements (Most recent 3 years)
- Project Maps
- Current letter from Clearinghouse
- Letters of Commitment from other funding sources
- Copy of service agreement, if applicable (if project serves more than one community or is being served by another community) Not applicable



COMMONWEALTH OF KENTUCKY
DRINKING WATER STATE REVOLVING FUND
APPLICATION FOR FINANCIAL ASSISTANCE
FUND F



An Equal Opportunity Employer M/F/D

Part I – General Project Summary

1. PROJECT NAME: New Storage Tank, Wells, and Treatment Facility

2. WRIS NUMBER: WX21083055

3. AMOUNT REQUESTED: Fund F (DWSRF): \$ 300,000

4. LEGAL APPLICANT

Organization: Symsonia Water District

Street/P.O. Box: P. O. Box 99

City & Zip Code: Symsonia, Kentucky 42082

County: Graves

Name: Keith Cooper

Title: Chairman

Telephone: 270-851-4470

Email Address: jim@symsoniawater.com

5. PROJECT ADMINISTRATOR (Consulting Engineer, Area Development District, etc.)

Name: Jeremy Buchanan

Title: Project Manager

Firm: Purchase Area Development District

Street/P.O. Box: P. O. Box 588

City & Zip Code: Mayfield, Kentucky 42066

Telephone: 270-251-6161

Email Address: Jeremy.buchanan@purchaseadd.org

6. CONSULTING ENGINEER (complete if different from No. 4 above)

Name of Firm: Austin Engineering

Contact Person: Mary Austin

Street/P.O. Box: 110 South Third Street

City & Zip Code: Paducah, Kentucky 42001

Telephone: 270-442-0906

Email Address: maustin@austinengineeringinc.com

To the best of my knowledge and belief, data contained in this application are true and correct, the document has been duly authorized by the legal applicant.

Keith Cooper, Chairman
Typed Name and Title


Signature of Legal Applicant

June 28, 2012
Date

7. PROJECT DESCRIPTION

A. Describe the project and identify what is being constructed. Briefly explain the need for the project. Refer to Environmental Information Document (EID) if necessary (attach maps).

See attached profile

B. Is this project consistent with the EID approved by DOW?

Yes

C. Discuss the environmental benefits that will result from this project

Current well source experiences problems in drought conditions. Preliminary testing on the new wells indicates no problems with water quality or quantity.

8. PROJECT SCHEDULE (Indicate Actual or Target dates)

A. Environmental Information Document submitted to DOW	<u>7/15/2012</u>
B. Plans/Specs submitted to DOW	<u>Complete</u>
C. Bid advertisement	<u>Complete</u>
D. Bid opening	<u>Complete</u>
E. Construction start	<u>9/17/2012</u>
F. Construction completion	<u>3/16/2013</u>

9. Does the Public Service Commission (PSC) have jurisdiction over this project?

Yes No

If yes, describe their role and estimated schedule of review:

They would need to approve any additional debt service or associated rates prior to construction beginning. Preliminary contacts have been made to determine the schedule of approval.

10. Is the system under sanction from any enforcement agency?

Yes No

If yes, describe below, listing amounts and dates of any fines paid to date:

If under enforcement, is the project schedule in accordance with the court order?

Yes No

11. Will the applicant utilize its own workforce to perform any services on the proposed project (Force Account)? Yes No

If yes, you must receive prior approval from DOW.

12. If new service is proposed, will the users have access to a public sewer system? Yes No

If not, how will sewer service be handled?

No new service is anticipated immediately. Any new water customers would be sewer customers where feasible or be required to have an approved septic system by the local Health Dept.

13. **DEMOGRAPHICS**

A. Current Population of Service Area: 927

B. Projected Population of Service Area: 5 Year 934 20 Year 937

C. Number of Households in Service Area remaining unserved: 0

D. Median Household Income of Applicant's Jurisdiction \$ 37,526

Part II – Financial Analysis

1. List all sources of water. If water is received from another system, describe the contractual relationship (e.g.; usage, price per gallon) and attach a copy of the agreement.

All water is produced by the Symsonia Water District. The district has an interconnection with Benton for emergencies only.

2. Is the applicant's water being treated by another system? Yes No

If yes, describe the contractual relationship (e.g.; usage, price per gallon) and attach a copy of the agreement.

3. Does the applicant treat another system's water? Yes No

If yes, describe the contractual relationship (e.g.; usage, price per gallon) and attach a copy of the agreement.

4. Does the applicant supply water to any other system/community? Yes No

If yes, complete the following and attach a copy of the agreement:

<u>Community</u>	<u># of Customers</u>	<u>Revenue Derived</u>
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

5. A. Number of entities currently served (Please answer with exact number):
301 Residential 15 Commercial _____ Industrial
- B. Number of entities to be added to customer base as a result of proposed project (qualify if numbers are approximate)
- No. of **Residential** Area:
0 _____

- No. of **Commercial** Area:
0 _____

- No. of **Industrial** Area:
0 _____

- C. Attach evidence of new customers' willingness to connect, such as signup sheets, letters of interest or news articles.
- D. If legal action is required to force connection, under what legal authority will it be accomplished?

6. **RATE STRUCTURE** (attach 2 copies each of current and proposed water **and** wastewater rate ordinances)

- A. Date of last rate adjustment/amount of adjustment for an average residential customer.

Water: \$ 1.40 / 1,000 gal Date: 7/20/05

Wastewater: \$ 2.34 flat / 1,000 gal Date: 7/20/05

Note: If billing is based on cubic feet please convert to gallons.

- B. Current monthly charge for 4,000 gallons.

Water: \$ 17.47 / 4,000 gal

Wastewater: \$ 25.64 flat / 4,000 gal

- C. Have any public meetings been held on the proposed project for rate increases? Yes No
 If yes, attach a copy of the minutes.

- D. Do any users provide more than 5% of the service revenue for the system? Yes No
 If yes, list below:

Name	% Service Revenue
_____	_____
_____	_____
_____	_____

7. List any proposed new businesses or housing developments in your service area including projected start date, anticipated usage and revenue impact.

Not applicable

8. Who performs service billings and collection services? If not the applicant, explain and provide a copy of any agreements.

Applicant

9. How many present or proposed customers have unmetered service? 0
How will their services be billed?

10. Are revenues and expenses for the system accounted for separately? Yes No

If no, explain accounting procedures used: _____

SEPARATION OF ACCOUNTS IS REQUIRED FOR LOAN APPROVAL

11. A. Is the applicant required to have an annual audit performed? Yes No

If not, explain below:

The District is required to have an audit completed every 5 years with the most recent
being completed in 2009.

- B. What is the date of the last audit completed? 2009

- C. Provide two copies of each of the last three annual audit reports and/or the audited financial statements.
-

12. How does the applicant anticipate paying the increased debt service, operation and maintenance expenses required for this loan (e.g.; existing revenues, increased customers, higher rates or other special assistance)?

Rate increase

13. Please calculate additional operation and maintenance expenses needed for first year of operation.

<u>O & M</u> <u>as of last audit</u>	<u>O & M</u> <u>first year of operation</u>	<u>Difference</u>
\$ 209,430	\$ 225,000	\$ 15,570

14. Describe any operating expense changes that will occur as a result of this project.

The District will have to work through transitioning the current system to the new system. The additional operations is based upon unforeseen costs on that transition period.

15. Provide the following information for any state or federal funds for water and wastewater construction projects received during the past five years.

<u>Date</u> <u>Awarded</u>	<u>Project</u>	<u>Funding</u> <u>Source</u>	<u>Amount</u>	<u>Type of</u> <u>Assistance</u>
2008	New tank, wells, & treatment plant	HB608	\$ 575,000	Grant
			\$	
			\$	

16. Please calculate the amount of funds to be set aside annually for replacement costs. This amount should be based on the design life of the system.

5% of construction should be set aside for replacement.

17. LONG-TERM DEBT – Provide the following information on all outstanding debt secured by the Enterprise Fund (water and wastewater and any other utility in the fund)

<u>WATER</u>							
<u>Creditor/ Issuer</u>	<u>Date of Issue</u>	<u>Orig Loan/ Bond Size</u>	<u>Principal Balance Outstanding</u>	<u>Interest Rate</u>	<u>Annual Principal Payment</u>	<u>Annual Interest Payment</u>	<u>Date of Final Maturity</u>
N/A							

<u>WASTEWATER</u>							
<u>Auditor/ Issuer</u>	<u>Date of Issue</u>	<u>Orig Loan/ Bond Size</u>	<u>Principal Balance Outstanding</u>	<u>Interest Rate</u>	<u>Annual Principal Payment</u>	<u>Annual Interest Payment</u>	<u>Date of Final Maturity</u>
N/A							

<u>OTHER</u>							
<u>Auditor/ Issuer</u>	<u>Date of Issue</u>	<u>Orig Loan/ Bond Size</u>	<u>Principal Balance Outstanding</u>	<u>Interest Rate</u>	<u>Annual Principal Payment</u>	<u>Annual Interest Payment</u>	<u>Date of Final Maturity</u>
N/A							

**Part III - Budget Information
Project Cost Summary**

WRIS# WX:21083055

Project Title New Storage Tank, Wells, and Treatment Facility

Project Budget: Estimated As Bid Revised

Cost Classification		DWSRF KIA Loan	Funding Source 1	Funding Source 2	Funding Source 3	Funding Source 4	Funding Source 5	Local Funds	Unfunded Costs	Total
			32,725							32,725
1	Administrative Expenses									-
2	Legal Expenses									-
3	Land, Appraisals, Easements									25,000
4	Relocation Expense & Payments									72,310
5	Planning		25,000							-
6	Engineering Fees - Design		72,310							-
7	Engineering Fees - Construction									21,600
8	Engineering Fees - Inspection		21,600							700,000
9	Engineering Fees - Other									-
10	Construction	256,635	443,365							-
11	Equipment									43,365
12	Miscellaneous									895,000
13	Contingencies	43,365								-
Total		300,000	595,000	-	-	-	-	-	-	

Funding Sources		Amount	Date Committed
1	Funding Source 1	595,000	
2	Funding Source 2	-	
3	Funding Source 3	-	
4	Funding Source 4	-	
5	Funding Source 5	-	
Total		595,000	

Local Funding Sources		Amount	Date Committed
1			
2			
3			
Total		-	

Total Funding 895,000

Cost Categories	Funding Source	Total Cost
Treatment		324,000
Transmission and Distribution		71,000
Source		305,000
Storage		
Purchase of Systems		
Restructuring		
Land Acquisition		
TOTAL COSTS		700,000



Drinking Water Project Profile

Legal Applicant: **Symsonia Water District**

Project Title: **Symsonia Water District - New Storage Tank, Wells, and Treatment**

Project Number: **WX21083055** [View Map](#)

Submitted By: **PUADD**

Funding Status: **Partially Funded**

Primary County: **Graves**

Project Status: **Under Construction**

Planning Unit: **Graves**

Project Schedule: **0-2 Years**

Multi-County: **No**

E-Clearinghouse SAI: **KY201002180222**

ECH Status: **Endorse With Condition**

Applicant Entity Type: **Water District (KRS 74)**

Date Approved (AWMPC): **05-27-2008**

Project Description:

The **Symsonia Water District** needs to add a new storage tank, two wells, and a treatment facility due to the growth of the community. These upgrades would allow the water district to better serve the community and its growth.

Need for Project:

Briefly describe how this project promotes public health or achieves and/or maintains compliance with the Clean Water Act or Safe Drinking Water Act:

This project will upgrade the facilities of the Sysmsonia Water District

Project Alternatives:

Alternate A:

Run extension to Paducah Water Works

Alternate B:

Do nothing

Alternate C:

Do nothing

Legal Applicant:

Entity Type: **Water District (KRS 74)**

PSC Group ID: **31000**

Entity Name: **Symsonia Water District**

Web URL:

Office EMail: **jim@symsoniawater.com**

Office Phone: **270-851-4470**

Toll Free:

Fax: **270-851-4474**

Mail Address Line 1: **PO Box 99**

Phys Address Line 1:

Mail Address Line 2:

Phys Address Line 2:

Mail City, State Zip: **Symsonia, KY 42082**

Phys City, State Zip:

Contact: **Jimmy Waid**

Manager: **Jimmy Waid**

Contact Title:

Manager Title:

Contact EMail: **jim@symsoniawater.com**

Manager EMail: **jim@symsoniawater.com**

Contact Phone: **270-851-4470**

Manager Phone: **270-851-4470**

Contact Cell:

Manager Cell:

Authorized Official: **Jimmy Waid**

Auth. Official Title:

Auth. Official EMail: **jim@symsoniawater.com**

Auth. Official Phone: **270-851-4470**

Auth. Official Cell:

Data Source: **KENTUCKY INFRASTRUCTURE AUTHORITY**

Date Last Modified: **04.20.2011**



Drinking Water Project Profile

WX21083055 - Symsonia Water District
Symsonia Water District - New Storage Tank, Wells, and Treatment

Project Administrator (PA) Information

Name: Jeremy R Buchanan

Title: Project Development Specialist

Organization: Purchase Area Development District

Address Line 1: 1002 Medical Dr

Address Line 2: PO Box 588

City: Mayfield State: KY Zip: 42066

Phone: 270-251-6161 Fax: 270-251-6110

Applicant Contact (AC) Information

Name: Jimmy Waid

Title: Superintendent

Organization: Symsonia Water District

Address Line 1: 180 Reid Lane

Address Line 2:

City: Symsonia State: KY Zip: 42082

Phone: 270-851-3669 Fax: 270-851-4470

Project Engineer (PE) Information:

This project requires a licensed Professional Engineer.

License No: PE 25096

PE Name: Mary Elizabeth Austin

Phone: 270-442-0906 Fax: 270-442-3361

E-Mail: maustin@austinengineeringinc.com

Firm Name: Austin Engineering

Addr Line 1: Austin Engineering Inc

Addr Line 2: 110 S 3rd St

Addr Line 3:

City: Paducah State: KY Zip: 42001

Status: Current Disciplinary Actions: NO

Issued: 01-17-2007 Expires: 06-30-2013

Engineering Firm Information:

Permit No. 2953

Firm Name: Austin Engineering

Phone: 270-442-0906 Fax: 270-442-3361

Web URL: <http://www.austinengineeringinc.com/>

E-Mail: maustin@austinengineeringinc.com

Addr Line 1: 110 South Third Street

Addr Line 2:

City: Paducah State: KY Zip: 42001

Status: Current Disciplinary Actions: NO

Issued: 06-17-2009 Expires: 12-31-2012



Drinking Water Project Profile

WX21083055 - Symsonia Water District
Symsonia Water District - New Storage Tank, Wells, and Treatment

Project Cost Classification:

Administrative Exp.:	
Legal Exp.:	
Land, Appraisals, Easements:	
Relocation Exp. & Payments:	
Planning:	
Engineering Fees - Design:	
Engineering Fees - Construction:	
Engineering Fees - Inspection:	
Engineering Fees - Other:	
Construction:	\$ 1,250,000
Equipment:	
Miscellaneous:	
Contingencies:	
Total Project Cost:	\$ 1,250,000

Construction Cost Categories:

Treatment:	
Transmission & Distribution:	
Source:	
Storage:	
Purchase of Systems:	
Restructuring:	
Land Acquisition:	
Non-Catagorized:	\$ 1,250,000
Total Construction:	\$ 1,250,000

Total Sustainable Infrastructure Costs:

Note: Total Sustainability Infrastructure Costs are included within construction and other costs reported in this section. This breakout is provided for SRF review purposes.

Project Funding Sources:

Total Project Cost:	\$1,250,000
Total Committed Funding:	\$595,000
Funding Gap:	\$655,000 (Partially Funded)

This project will be requesting SRF funding for Federal FY 2013.

Funding Source	Amount	Funding Status	Applicable Date
HB 608 NonCoal Grant	\$595,000	Committed	4/7/2010
Total:	\$595,000		

Detailed Project Schedule:

Environmental Review Status:
RD Approval Date:
CDBG Approval Date:
No approval, but Cross-Cutter Scoping Completed:
Construction Permit Application Date:
Construction Permit Application Status:
Estimated Bid Date:
Estimated Construction Start Date:



Drinking Water Project Profile

WX21083055 - Symsonia Water District
Symsonia Water District - New Storage Tank, Wells, and Treatment

The following systems are beneficiaries of this project:

DOW PERMIT ID	System Name
KY0420423	Symsonia Water District

Project Ranking by AWMPC:

Regional Ranking(s):	PUADD	2
Planning Unit Ranking:		1
Total Points:		54

Plans and Specifications:

- Plans and specs have been sent to DOW.
- Plans and specs have been reviewed by DOW.
- Plans and specs have been sent to PSC.
- Plans and specs have been reviewed by PSC.

Demographic Impacts:

	For Project Area	For Included Systems(s)
Serviceable Population	370	927
Serviceable households	203	460
Med. Household Income	\$37,526	\$40,128

New or Improved Service:

	Survey Based	GIS Census Overlay
To Unserved Households		
To Underserved Households		203
To Total Households		203

Economic Impacts:

Jobs Created	1
Jobs Retained	1

DW Specific Impacts:

- This project relates to a public health emergency.
- This project will assist a non-compliant system to achieve compliance.
- This project will assist a compliant system to meet future requirements
- This project will provide assistance not compliance related.
- This project will address the terms of the Court Order and/or Agreed Order.
- The system(s) involved with this project have achieved voluntary compliance with violations before being referred for an enforcement case.



Drinking Water Project Profile

WX21083055 - Symsonia Water District
Symsonia Water District - New Storage Tank, Wells, and Treatment

Project Inventory (Mapped Features):

Point Features:

DOW Permit ID	Count	FeatureType	Purpose	Status	Existing Capacity	Proposed Capacity	Units
KY0420423	1	WATER TANK	TANK - INCREASE STORAGE	NEW		150,000.00	GALLONS

Line Features:

DOW Permit ID	Line Type	Purpose	Activity	Size (in.)	Material	Length (LF)
KY 0420423	WATER LINE: FINISHED	DISTRIBUTION	REHAB - REPLACE PROBLEM LINES	6.00	PVC	15,917
Total Length						15,917

Administrative Components:

- Planning
 Design
 Construction
 Management

Regionalization Components:

Public Water Systems Eliminated:

- This project includes the elimination of public water system(s) through merger or acquisition.

Water Treatment Plants Eliminated:

- This project includes the elimination of water treatment plant(s) through interconnect(s).

Supplementation of Raw Water Supply:

- This project includes supplementing the existing raw water supply.

Supplementation of Potable Water Supply:

- This project includes supplementing the existing potable water supply.

Emergency Only Water Supply:

- This project provides emergency only water supply.

Water Source Protection:

- This project includes land acquisition for water source protection.



Drinking Water Project Profile
WX21083055 - Symsonia Water District
Symsonia Water District - New Storage Tank, Wells, and Treatment

Water Treatment Components:

- This project includes water treatment components

Treatment Activities:

- This project includes a new water treatment plant.
- This project includes an expansion of an existing water treatment plant.
- This project includes rehabilitation of an existing water treatment plant.
- This project includes upgrades to an existing water treatment plant.
- This project includes emergency power generators for treatment activities.
- This project includes redundant treatment processes.

Acute Public Health Risk:

- This project includes infrastructure options to meet Cryptosporidium removal/inactivation requirements.
- This project includes infrastructure options to meet CT inactivation requirements.

Chronic Public Health Risk:

- This project includes treatment modifications to meet the Disinfectants/Disinfection Byproducts Rule at the water treatment plant.
- This project will provide treatment modifications for VOCs, IOCs, SOC, or Radionuclides.

Secondary Contaminants:

- This project includes treatment modifications to address Secondary Contaminants.

Security:

- This project includes security components for water treatment facilities.

Water Distribution and Storage:

- This project includes water distribution and/or storage components

Water Line Extensions:

- This project includes water line extension(s)

Redundancy Components:

- This project includes emergency power generators for distribution and/or storage activities.

Number of units provided. 0

- This project includes redundant distribution and/or storage processes



Drinking Water Project Profile

WX21083055 - Symsonia Water District
Symsonia Water District - New Storage Tank, Wells, and Treatment

Finished Water Quality:

- This project includes infrastructure to address inadequate water turnover and disinfection byproducts (DBPs).

Number of loops created:

- This project includes a tank mixing system.

This project will create a loop within the system.

- This project includes infrastructure to address inability to maintain disinfection residual.

Water Line Replacement:

- This project replaces problem water lines (breaks, leaks, or restrictive flows due to age), water lines consisting of lead and/or asbestos-cement (AC), and/or inadequately sized water lines.

Total length of line replacement: 15,917

Water Storage and Pressure Components:

- This project includes the construction of new water tank(s).

Number of new tank(s): 1

Proposed storage capacity of new tank(s): 150,000

The system does not have the need storage.

- This project includes the replacement of existing water tank(s).

- This project includes the rehabilitation of existing water tank(s).

Number of rehabilitated tanks: 0

- This project includes the construction of new pump station(s).

Number of new pump stations: 0

- This project includes the rehabilitation of existing pump station(s).

Number of rehabilitated pump stations: 0

Security:

- This project includes security components for water distribution infrastructure.

Sustainable Infrastructure - Green Infrastructure:

Green stormwater infrastructure includes a wide array of practices at multiple scales that manage wet weather and that maintains and restores natural hydrology by infiltrating, evapotranspiring and harvesting and using stormwater. On a regional scale, green infrastructure is the preservation and restoration of natural landscape features, such as forests, floodplains, and wetlands, coupled with policies such as infill and redevelopment that reduce overall imperviousness in a watershed. On the local scale, green infrastructure consists of site and neighborhood-specific practices, such as:

Component	Cost
<input type="checkbox"/> Bioretention	\$0
<input checked="" type="checkbox"/> Trees	\$0
<input type="checkbox"/> Green Roofs	\$0
<input type="checkbox"/> Permeable Pavement	\$0
<input type="checkbox"/> Cisterns	\$0
Total Green Infrastructure Cost:	
	\$0

There are no Green Infrastructure components specified for this project.



Drinking Water Project Profile

WX21083055 - Symsonia Water District
Symsonia Water District - New Storage Tank, Wells, and Treatment

Sustainable Infrastructure - Water Efficiency:

The use of improved technologies and practices to deliver equal or better services with less water. Water efficiency encompasses conservation and reuse efforts, as well as water loss reduction and prevention, to protect water resources for the future. Examples include:

Component	Cost
<input type="checkbox"/> Installing or retrofitting water efficient devices such as plumbing fixtures and appliances (toilets, showerheads, urinals).	\$0
<input type="checkbox"/> Installing any type of water meter in previously unmetered areas (can include backflow prevention if in conjunction with meter replacement).	\$0
<input type="checkbox"/> Replacing existing broken/malfunctioning water meters with AMR or smart meters, meters with leak detection, backflow prevention.	\$0
<input type="checkbox"/> Retrofitting/adding AMR capabilities or leak equipment to existing meters.	\$0
<input type="checkbox"/> Conducting water utility audits, leak detection studies, and water use efficiency baseline studies, which are reasonably expected to result in a capital project or in a reduction in demand to alleviate the need for additional capital investment.	\$0
<input type="checkbox"/> Developing conservation plans/programs reasonable expected to result in a water conserving capital project or in a reduction in demand to alleviate the need for capital investment.	\$0
<input type="checkbox"/> Recycling and water reuse projects that replace potable sources with non-potable sources (Gray water, condensate, and wastewater effluent reuse systems, extra treatment or distribution costs associated with water reuse).	\$0
<input type="checkbox"/> Retrofit or replacement of existing landscape irrigation systems to more efficient landscape irrigation systems.	\$0
<input checked="" type="checkbox"/> Water meter replacement with traditional water meters.*	\$0
<input type="checkbox"/> Distribution pipe replacement or rehabilitation to reduce water loss and prevent water main breaks.*	\$0
<input type="checkbox"/> Storage tank replacement/rehabilitation to reduce water loss.*	\$0
<input checked="" type="checkbox"/> New water efficient landscape irrigation system, where there currently is not one.*	\$0
Total Water Efficiency Cost:	\$0

* Indicates a business case may be required for this item.

There are no Water Efficiency components specified for this project.

Sustainable Infrastructure - Energy Efficiency:

Energy efficiency is the use of improved technologies and practices to reduce the energy consumption of water projects, use energy in a more efficient way, and/or produce/utilize renewable energy. Examples include:

Component	Cost
<input type="checkbox"/> Renewable energy projects, which are part of a public health project, such as wind, solar, geothermal, and micro-hydroelectric that provides power to a utility.	\$0
<input type="checkbox"/> Utility-owned or publicly-owned renewable energy projects.	\$0
<input type="checkbox"/> Utility energy management planning, including energy assessments, energy audits, optimization studies, and sub-metering of individual processes to determine high energy use areas.	\$0
<input checked="" type="checkbox"/> Energy efficient retrofits, upgrades, or new pumping systems and treatment processes (including variable frequency drives (VFDs)).*	\$0
<input type="checkbox"/> Pump refurbishment to optimize pump efficiency.*	\$0
<input type="checkbox"/> Projects that result from an energy efficient related assessment.*	\$0
<input type="checkbox"/> Projects that cost effectively eliminate pumps or pumping stations.*	\$0
<input type="checkbox"/> Projects that achieve the remaining increments of energy efficiency in a system that is already very efficient.*	\$0
<input type="checkbox"/> Upgrade of lighting to energy efficient sources.*	\$0
<input checked="" type="checkbox"/> Automated and remote control systems (SCADA) that achieve substantial energy savings *	\$0
Total Energy Efficiency Cost:	\$0

* Indicates a business case may be required for this item.

There are no Energy Efficiency components specified for this project.



Drinking Water Project Profile

WX21083055 - Symsonia Water District
Symsonia Water District - New Storage Tank, Wells, and Treatment

Sustainable Infrastructure - Environmentally Innovative:

Environmentally innovative projects include those that demonstrate new and/or innovative approaches to delivering services or managing water resources in a more sustainable way. Examples include:

Component	Cost
<input type="checkbox"/> Total integrated water resources management planning, or other planning framework where project life cycle costs are minimized, which enables communities to adopt more efficient and cost-effective infrastructure solutions.	\$0
<input type="checkbox"/> Plans to improve water quantity and quality associated with water system technical, financial, and managerial capacity.	\$0
<input type="checkbox"/> Source water protection planning (delineation, monitoring, modeling).	\$0
<input type="checkbox"/> Planning activities to prepare for adaptation to the long-term effects of climate change and/or extreme weather.	\$0
<input type="checkbox"/> Utility sustainability plan consistent with EPA's sustainability policy.	\$0
<input type="checkbox"/> Greenhouse gas inventory or mitigation plan and submission of a GHG inventory to a registry as long as it is being done for an SRF eligible facility.	\$0
<input type="checkbox"/> Construction of US Building Council LEED certified buildings, or renovation of an existing building.	\$0
<input type="checkbox"/> Projects that significantly reduce or eliminate the use of chemicals in water treatment.*	\$0
<input type="checkbox"/> Treatment technologies or approaches that significantly reduce the volume of residuals, minimize the generation of residuals, or lower the amount of chemicals in the residuals.*	\$0
<input type="checkbox"/> Trenchless or low impact construction technology.*	\$0
<input type="checkbox"/> Using recycled materials or re-using materials on-site.*	\$0
<input checked="" type="checkbox"/> Educational activities and demonstration projects for water or energy efficiency (such as rain gardens).*	\$0
<input type="checkbox"/> Projects that achieve the goals/objectives of utility asset management plans.*	\$0
Total Environmentally Innovative Cost:	\$0

* Indicates a business case may be required for this item.

There are no Environmentally Innovative components specified for this project.

Sustainable Infrastructure - Asset Management:

If a category is selected, the applicant must provide proof to substantiate claims. The documents must be submitted to Amanda Yeary (Amanda.Yeary@ky.gov) for DW projects.

Component
<input type="checkbox"/> The system(s) has a Capital Improvement Plan or similar planning document.
<input type="checkbox"/> The system(s) involved in this project have developed appropriate rate structures to build, operate, and maintain.
<input type="checkbox"/> The system(s) involved in this project have specifically allocated funds for the rehabilitation and replacement of aging and deteriorating infrastructure.

There are no Asset Management components specified for this project.

Project Notes:

Date	Notes
12/29/2011	Converted to mixed case Added applicant contact Changed PA to Jeremy Buchanan

Project Status: Under Construction

Date Approved: 05-27-2008

Date Revised:

GENERAL INSTRUCTIONS FUND F

1. **Use of this Application** - The form and the documents listed in instruction Number 8 are part of the application package and are to be used to apply for a loan from the Drinking Water State Revolving Fund (DWSRF).
2. **Project Eligibility** - Questions regarding the eligibility of a project should be directed to the Division of Water (DOW) by calling (502) 564-3410.
3. **Application Assistance** - Assistance with completion of this application may be obtained from the Kentucky Infrastructure Authority (KIA) by calling (502) 573-0260.
4. **Submission** - Submit the original and one copy of the application to the Kentucky Infrastructure Authority, 1024 Capital Center Drive, Suite 340, Frankfort, Kentucky 40601. If an item cannot be answered or does not appear to be relevant to your request, write "NA" for not applicable. When a request is made for supplemental assistance or amendments to an approved loan, submit only those pages that are appropriate. KIA will review applications for financial and administrative compliance. The Drinking Water Branch and the Resource Planning & Program Support Branch will review applications for technical and environmental compliance and recommendations will be made to KIA accordingly.
5. **Assistance Regulations** - Applicants are expected to understand and comply with all regulations applicable to the loan program, both state and federal.
6. **Completing the Application** -
 - a. This application form consists of three parts: General Project Summary (Part I); Financial Analysis (Part II); Budget Information (Part III).
 - b. All dollar amounts requested in this application should be rounded to the nearest dollar.
7. **Project** - The term "project," as used in this application, refers to the scope of work for all DWSRF related activities.
8. **Other documents required for submission with the application forms are listed below and are included in the application package.** Please provide original signatures as applicable.
 - a. Authorizing Resolution of Legal Applicant.
 - b. Title VI Compliance Report (EPA form 4700-4).
 - c. Debarment Certification.
 - d. Procurement Certification.
 - e. Assurances.
 - f. Copy of Engineering Contract if the SRF loan will be used to reimburse engineering fees.
 - g. Current and proposed Water and Sewer Rate Ordinances.
 - h. Two copies of each of the last three annual Audit Reports/Financial Statements.
 - i. Project maps.
 - j. Current letter from the State e-Clearinghouse.
 - k. Letters of commitment for all other funding sources.

CONTACT INFORMATION

Kentucky Infrastructure Authority

1024 Capital Center Drive
Suite 340
Frankfort, Kentucky 40601
502.573.0260

Energy and Environment Cabinet

Division of Water
200 Fair Oaks, 4th Floor
Frankfort, Kentucky 40601
502.564.3410

**Preaward Compliance Review Report for
All Applicants and Recipients Requesting EPA Financial Assistance**
Note: Read instructions on other side before completing form.

I Applicant/Recipient (Name, Address, State, Zip Code) Symsonia Water District, P.O. Box 99, Symsonia, Kentucky 42082	DUNS No
II. Is the applicant currently receiving EPA assistance? No	
III List all civil rights lawsuits and administrative complaints pending against the applicant/recipient that allege discrimination based on race, color, national origin, sex, age, or disability. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7. See instructions on reverse side) Not Applicable	
IV List all civil rights lawsuits and administrative complaints decided against the applicant/recipient within the last year that allege discrimination based on race, color, national origin, sex, age, or disability and enclose a copy of all decisions. Please describe all corrective action taken. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7. See instructions on reverse side.) Not Applicable	
V List all civil rights compliance reviews of the applicant/recipient conducted by any agency within the last two years and enclose a copy of the review and any decisions, orders, or agreements based on the review. Please describe any corrective action taken. (40 C.F.R. § 7.80(c)(3)) Not Applicable	
VI Is the applicant requesting EPA assistance for new construction? If no, proceed to VII, if yes, answer (a) and/or (b) below. <div style="display: flex; justify-content: space-around;"> ✓ Yes No </div> a. If the grant is for new construction, will all new facilities or alterations to existing facilities be designed and constructed to be readily accessible to and usable by persons with disabilities? If yes, proceed to VII, if no, proceed to VI(b). ✓ Yes No b. If the grant is for new construction and the new facilities or alterations to existing facilities will not be readily accessible to and usable by persons with disabilities, explain how a regulatory exception (40 C.F.R. § 7.70) applies. ✓ Yes No	
VII * Does the applicant/recipient provide initial and continuing notice that it does not discriminate on the basis of race, color, national origin, sex, age, or disability in its programs or activities? (40 C.F.R. § 5.140 and § 7.95) Yes ✓ No a. Do the methods of notice accommodate those with impaired vision or hearing? Yes No b. Is the notice posted in a prominent place in the applicant's offices or facilities or, for education programs and activities, in appropriate periodicals and other written communications? Yes No c. Does the notice identify a designated civil rights coordinator? Yes No	
VIII * Does the applicant/recipient maintain demographic data on the race, color, national origin, sex, age, or handicap of the population it serves? (40 C.F.R. § 7.85(a)) Symsonia Water District serves the community without regard to race +	
IX.* Does the applicant/recipient have a policy/procedure for providing access to services for persons with limited English proficiency? (40 C.F.R. Part 7, E.O. 13166) No +	
X * If the applicant/recipient is an education program or activity, or has 15 or more employees, has it designated an employee to coordinate its compliance with 40 C.F.R. Parts 5 and 7? Provide the name, title, position, mailing address, e-mail address, fax number, and telephone number of the designated coordinator. Not applicable +	
XI* If the applicant/recipient is an education program or activity, or has 15 or more employees, has it adopted grievance procedures that assure the prompt and fair resolution of complaints that allege a violation of 40 C.F.R. Parts 5 and 7? Provide a legal citation or Internet address for, or a copy of, the procedures. Not applicable +	
For the Applicant/Recipient	
I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law. I assure that I will fully comply with all applicable civil rights statutes and EPA regulations.	
A. Signature of Authorized Official	B. Title of Authorized Official Keith Cooper Chairman
C. Date 6/28/2012	
For the U.S. Environmental Protection Agency	
I have reviewed the information provided by the applicant/recipient and hereby certify that the applicant/recipient has submitted all preaward compliance information required by 40 C.F.R. Parts 5 and 7; that based on the information submitted, this application satisfies the preaward provisions of 40 C.F.R. Parts 5 and 7; and that the applicant has given assurance that it will fully comply with all applicable civil rights statutes and EPA regulations.	
A. Signature of Authorized EPA Official	B. Title of Authorized EPA Official
C. Date	
See ** note on reverse side	

Instructions for EPA FORM 4700-4 (Rev. 04/2009)

General

Recipients of Federal financial assistance from the U.S. Environmental Protection Agency must comply with the following statutes and regulations.

Title VI of the Civil Rights Acts of 1964 provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. The Act goes on to explain that the statute shall not be construed to authorize action with respect to any employment practice of any employer, employment agency, or labor organization (except where the primary objective of the Federal financial assistance is to provide employment)

Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act provides that no person in the United States shall on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the Federal Water Pollution Control Act, as amended. Employment discrimination on the basis of sex is prohibited in all such programs or activities.

Section 504 of the Rehabilitation Act of 1973 provides that no otherwise qualified individual with a disability in the United States shall solely by reason of disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Employment discrimination on the basis of disability is prohibited in all such programs or activities.

The Age Discrimination Act of 1975 provides that no person on the basis of age shall be excluded from participation under any program or activity receiving Federal financial assistance. Employment discrimination is not covered. Age discrimination in employment is prohibited by the Age Discrimination in Employment Act administered by the Equal Employment Opportunity Commission.

Title IX of the Education Amendments of 1972 provides that no person in the United States on the basis of sex shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance. Employment discrimination on the basis of sex is prohibited in all such education programs or activities. Note: an education program or activity is not limited to only those conducted by a formal institution.

40 C.F.R. Part 5 implements Title IX of the Education Amendments of 1972.

40 C.F.R. Part 7 implements Title VI of the Civil Rights Act of 1964, Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act, and Section 504 of The Rehabilitation Act of 1973.

The Executive Order 13166 (E.O. 13166) entitled; "Improving Access to Services for Persons with Limited English Proficiency" requires Federal agencies work to ensure that recipients of Federal financial assistance provide meaningful access to their LEP applicants and beneficiaries.

Items

"Applicant" means any entity that files an application or unsolicited proposal or otherwise requests EPA assistance. 40 C.F.R. §§ 5.105, 7.25.

"Recipient" means any entity, other than applicant, which will actually receive EPA assistance. 40 C.F.R. §§ 5.105, 7.25.

"Civil rights lawsuits and administrative complaints" means any lawsuit or administrative complaint alleging discrimination on the basis of race, color, national origin, sex, age, or disability pending or decided against the applicant and/or entity which actually benefits from the grant, but excluding employment complaints not covered by 40 C.F.R. Parts 5 and 7. For example, if a city is the named applicant but the grant will actually benefit the Department of Sewage, civil rights lawsuits involving both the city and the Department of Sewage should be listed.

"Civil rights compliance review" means any review assessing the applicant's and/or recipient's compliance with laws prohibiting discrimination on the basis of race, color, national origin, sex, age, or disability.

Submit this form with the original and required copies of applications, requests for extensions, requests for increase of funds, etc. Updates of information are all that are required after the initial application submission.

If any item is not relevant to the project for which assistance is requested, write "NA" for "Not Applicable."

In the event applicant is uncertain about how to answer any questions, EPA program officials should be contacted for clarification.

* Questions VII – XI are for informational use only and will not affect an applicant's grant status. However, applicants should answer all questions on this form. (40 C.F.R. Parts 5 and 7)

** Note: Signature appears in the Approval Section of the EPA Comprehensive Administrative Review For Grants/Cooperative Agreements & Continuation/Supplemental Awards form.

Approval indicates, in the reviewer's opinion, questions I – VI of Form 4700-4 comply with the preaward administrative requirements for EPA assistance.

"Burden Disclosure Statement"

EPA estimates public reporting burden for the preparation of this form to average 30 minutes per response. This estimate includes the time for reviewing instructions, gathering and maintaining the data needed and completing and reviewing the form. Send comments regarding the burden estimate, including suggestions for reducing this burden, to U.S. EPA, Attn: Collection Strategies Division (MC 2822T), Office of Information Collection, 1200 Pennsylvania Ave., NW, Washington, D.C. 20460; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

The information on this form is required to enable the U.S. Environmental Protection Agency to determine whether applicants and prospective recipients are developing projects, programs and activities on a nondiscriminatory basis as required by the above statutes and regulations.

WHEREAS, Symsonia Water District proposes to provide upgraded drinking water service for industrial, institutional, commercial, and residential growth in the Symsonia area, and

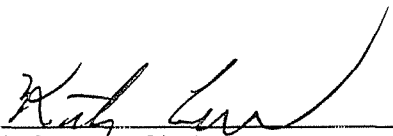
WHEREAS, the Symsonia Water District endorses said proposed service, and,

WHEREAS, under the terms of the Safe Drinking Water Act Amendments of 1996 (Public Law 104-182) and amendments to KRS 224A, the State is authorized to render financial assistance to eligible project applicants by way of capitalization grants from the U. S. Environmental Protection Agency and State match funds comprising the Federally Assisted Drinking Water Revolving Fund (State Revolving Loan Program). The program is established to aid in the construction of drinking water treatment facilities improvements and certain related facilities with consideration for approval to be based on applications submitted through the Kentucky Energy and Environment Cabinet and the Kentucky Infrastructure Authority, and,

WHEREAS, the improvements proposed for construction by the Symsonia Water District within the Symsonia area are considered eligible for such loan assistance.

NOW THEREFORE, BE IT RESOLVED by the Symsonia Water District that the Chairman and Successors-in-Title are hereby authorized to execute and submit an application through the Kentucky Energy and Environment Cabinet and the Kentucky Infrastructure Authority with such assurances and required supporting data as is necessary to obtain loan assistance from the Federally Assisted Drinking Water Revolving Fund (State Revolving Loan Program) for the proposed water treatment facilities improvements, and are hereby authorized as Symsonia Water District's Official Project Representative to carry out necessary negotiations for and administer the loan assistance the applicant may obtain from the Federally Assisted Drinking Water Revolving Fund (State Revolving Loan Program).

Adopted this _____ day of _____, 20__.



Keith Cooper, Chairman

Symsonia Water District

ATTEST: _____

ASSURANCES

As the duly authorized representative of the applicant, I certify that the applicant agrees to comply with the laws, regulations, policies and conditions relating to the Federally Assisted Drinking Water Revolving Fund for this project. I also certify that the applicant:

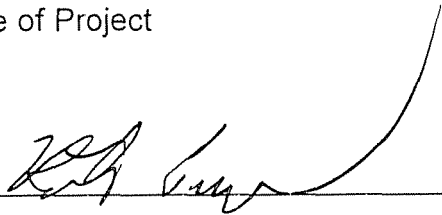
1. Has the legal authority to apply for Federal/State assistance, and the institutional, financial, managerial and technical capability to ensure proper planning, management and completion of the project described in this application.
2. Will give the U.S. Environmental Protection Agency (EPA), the Comptroller General of the United States, and the State, and any other authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (PL 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683 and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination on the basis of disabilities; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) KRS Chapter 344 Civil Rights Act; (f) 1990 Americans with Disabilities Act; (g) Uniform Federal Accessibility Standards (U.F.A.S.) 40 CFR 7.70 (as applicable); (h) any other nondiscrimination provisions in the specific statute(s) under which application for assistance is being made, and (l) the requirements of any other nondiscrimination statute(s) which may apply to the application.

6. Will comply, or has already complied, with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646) as amended by the Surface Transportation and Uniform Relocation Assistance of 1987 set forth in 49 CFR Part 24 which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participating in purchases.
7. Will comply with the provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
8. Will comply, as applicable, with the provisions of the Copeland Act (40 U.S.C. 276c and 18 U.S.C. 874) and the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333); regarding labor standards for federally assisted construction sub-agreements.
9. Will comply with all provisions of 40 CFR 32.510 that ensures all prime construction contractors shall certify that subcontracts have not and will not be awarded to any firm that is currently on the List of Parties Excluded from Federal Procurement or Non-procurement Program.
10. Has adopted or will adopt the attached Procurement Guidance on all purchases including consultants and contractors.
11. Will cause to be performed the required financial and compliance audits and submit to the Kentucky Infrastructure Authority.
12. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the completed work conforms with the approved plans and specifications and will furnish progress reports and such other information as required.
13. Will operate and maintain the publicly-owned treatment works in accordance with the minimum standards as required by the cognizant Federal, State and local agencies for the operation and maintenance of such facilities; and in accordance with the standards of the Safe Drinking Water Act.

14. Will provide service to any community or area so designated in the approved County Water Supply Plan developed pursuant to 401 KAR 4:220 or identified by a capacity development strategy developed pursuant to PL 104-182, the Safe Drinking Water Act as amended in 1996, without regard to any condition other than user charges developed on an equitable cost basis as acceptable by the Kentucky Infrastructure Authority and the Division of Water.

Symsonia Water District New Storage Tank, Wells, and Treatment Facility

Name of Project



Signature of Authorized Certifying Official

Chairman

Title

Symsonia Water District

Applicant Organization

6/28/2012

Date Submitted

_____ DWSRF Project Control Number

United States Environmental Protection Agency
Washington, D.C. 20460

**CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

The prospective participant certifies to the best of its knowledge and belief that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
- (d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

Symsonia Water District
Loan Recipient

Keith Cooper, Chairman
Typed Name & Title of Authorized Representative


Signature of Authorized Representative

_____ Date

_____ I am unable to certify to the above statements. My explanation is attached.

Energy and Environment Cabinet
Department for Environmental Protection
Division of Water
200 Fair Oaks Lane, 4th Floor
Frankfort, Kentucky 40601

ENGINEERING PROCUREMENT SYSTEM CERTIFICATION

PROJECT NAME Symsonia Water District New Storage Tank, Wells, and Treatment Facility	PROJECT NUMBER WX21083055
APPLICANT'S ADDRESS/PHONE NO. P.O. Box 99 Symsonia, Kentucky 42082 270-851-4470	

SECTION I – INSTRUCTIONS

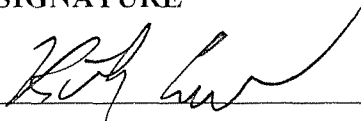
The applicant must complete and submit a copy of this form with each application for State Revolving Fund (SRF) Assistance. If the applicant has certified its procurement system to DOW within the past two (2) years and the system has not been substantially revised, complete **Section II.A**, then sign and date the form.

SECTION II – CERTIFICATION

- A. I affirm that the applicant has within the past two (2) years certified to DOW that its procurement system complies with the Kentucky Model Procurement Code 45A or KRS 424.260 and that the system meets the requirements in Kentucky Model Procurement Code 45A or KRS 424.260. The date of the applicant's latest certification is _____.
- B. Based upon my evaluation of the applicant's procurement system, I, as authorized representative of the applicant: *(check one of the following:)*

1. **CERTIFY** that the applicant's procurement system *will meet the requirements of Kentucky state law by following either the Model Procurement Code 45A or KRS 424.260 before undertaking any procurement action with SRF assistance.*
2. **DO NOT CERTIFY THE APPLICANT'S PROCUREMENT SYSTEM.** The applicant agrees to follow the requirements of the Kentucky Model Procurement Code 45A or KRS 424.260 and allow DOW pre-award review of proposed procurement actions that will use the SRF.

If your community has followed a different Kentucky procurement law, please discuss it with your project administrator at the Division of Water.

TYPED NAME AND TITLE Keith Cooper, Chairman	SIGNATURE 	DATE 6/28/2012
---	--	--------------------------

ENGINEERING SERVICE CONTRACT

THIS AGREEMENT, made and entered into this 28 day of January, 2010, between the **CITY OF SYMSONIA, KENTUCKY**, (hereinafter called the "OWNER"), and **AUSTIN ENGINEERING, INC.** (hereinafter called the "ENGINEER").

WITNESSETH

THAT WHEREAS, the OWNER intends to construct a new well, treatment building, water line, and elevated storage tank. (hereinafter called the "PROJECT"); and

WHEREAS, professional engineering services are required in the design and construction of the project; and

WHEREAS, the ENGINEER has in its employ, persons experienced in the above-mentioned areas of expertise;

NOW THEREFORE, the OWNER and the ENGINEER, in consideration of the mutual covenants hereinafter set forth, agree as follows:

1. PROJECT DESCRIPTION

The PROJECT consists of the design of the well pumps, filters required, building, water line, tank and required modeling of system.

2. SERVICES TO BE PROVIDED

2.1. MODELING OF SYSTEM

2.2. SURVEY SERVICES

- 2.1 Topographical survey of tank location, well location, and discharge line
- 2.1 Property information
- 2.1 Easement Descriptions (if required)

2.3. FEASABILITY STUDY OF WELL

- 2.1 Review the report from the driller and prepare the plan for treatment
- 2.1 Includes test well up to 300 feet

2.4. WATER IMPROVEMENT DESIGN SERVICES

- 2.1 Design of the treatment facility
- 2.1 Design of the well pumps.
- 2.1 Design of the discharge line

2.5. WATER IMPROVEMENT PERMITTING

- 2.1 Preparations and filling of all required permits for design
- 2.1 This item DOES NOT include regulatory fees for permits

2.6. WATER IMPROVEMENT ENGINEERING DURING CONSTRUCTION

- 2.1 Bidding documents preparation and administration
- 2.1 Assist in contractors' interpretation of the drawings, specifications, and contract documents.
- 2.1 Provide monthly progress meetings and regular site visits
- 2.1 Testing observation
- 2.1 Approving and maintaining all construction documents, including, insurance, bonds, pay request, etc.

2.7. STORAGE TANK DESIGN SERVICES

- 2.1 Design of the storage tank and drawings per DOW
- 2.1 Preparation of permits required (NOT regulatory fees)

2.8. STORAGE TANK ENGINEERING DURING CONSTRUCTION

- 2.1 Bidding documents preparation and administration
- 2.1 Assist in contractors' interpretation of the drawings, specifications, and contract documents.
- 2.1 Provide monthly progress meetings and regular site visits
- 2.1 Testing observation
- 2.1 Approving and maintaining all construction documents, including, insurance, bonds, pay request, etc.

3. DUTIES OF THE OWNER

- 3.1. Provide necessary information concerning requirements for the PROJECT.
- 3.2. Furnish the ENGINEER all valuable information pertinent to the site and design of the PROJECT, including previous reports, plans, and specifications, if any.
- 3.3. Provide legal, fiscal, real estate appraisal and accounting services as may be required for the PROJECT.
- 3.4. Promptly notify the ENGINEER if the OWNER obtains knowledge of any difficulty concerning the PROJECT.
- 3.5. Acquire all rights of way and easements necessary for construction of the PROJECT.
- 3.6. Provide for whatever level of public involvement may be desired.

4. COMPENSATION

4.1	MODELING OF SYSTEM	\$5,500.00
4.2	SURVEY SERVICES	\$8,500.00
4.3	FEASABILITY STUDY OF WELL	\$8,000.00
4.4	WATER IMPROVEMENT DESIGN SERVICES	\$31,720.00
4.5	WATER IMPROVEMENT PERMITTING	\$3,000.00

4.6	WATER IMPROVEMENT ENGINEERING DURING CONSTRUCTION	\$10,800.00
4.7	STORAGE TANK DESIGN SERVICES	\$34,280.00
4.8	STORAGE TANK ENGINEERING DURING CONSTRUCTION	\$6,500.00

LUMP SUM TOTAL - \$108,300.00

- 4.5. Compensation for engineering services for Design and Survey Services shall be payable in progress billings no more frequent than monthly with both parties agreeing to a percentage completion for each billing stage.
- 4.6. In the event there are additions to the project scope, compensation payable to the ENGINEER shall be determined on the basis of ENGINEER'S hourly rate schedule, cost plus fixed fee or lump sum, whichever method may be mutually agreed to by the OWNER and the ENGINEER prior to effecting the change.
- 4.7. In the event of termination under Paragraph 5.0, compensation due the ENGINEER shall include the full amount due for all work completed prior to termination and an appropriate percentage of the work in progress at the time of termination as mutually agreed to by the OWNER and the ENGINEER.

5. TERMINATION

The obligation to provide further services under this Agreement may be terminated by either party upon seven days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.

6. REUSE OF DOCUMENTS

All documents including drawings and specifications prepared by the ENGINEER pursuant to this Agreement are instruments of service in respect of the PROJECT. The completed plans and specifications for the project will become the property of the OWNER. Their future use on any subsequent related projects will be for reference only.

7. INDEMNIFICATION

As part of the consideration of this agreement, it is expressly agreed and understood that the ENGINEER shall at all times indemnify and save the OWNER harmless from any and all loss or damage which may be sustained by the OWNER by reason of any negligent act or omission committed by the ENGINEER and/or its employees and agents, in the performance of its work hereunder. Additionally, the ENGINEER shall indemnify and save the OWNER harmless from any and all claims, demands, and causes of action arising either directly or indirectly from any of such negligent act or omission including, but not limited to claims by third parties for property damage or personal injury. Notwithstanding, the foregoing provisions, in the event loss or damage incurred by the OWNER or claims, demands, or causes of action asserted against the OWNER attributable, in part, to the negligence shall have such rights and remedies as provided by law. Said indemnification shall also include reimbursement to the OWNER for any attorney fees and court costs

FOR Northeastern Portion of Graves County
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

Symsonia Water District
(Name of Utility)

RATES AND CHARGES

Monthly Water Rates

5/8 x 3/4 Inch Meter

First 2,000 Gallons
Next 3,000 Gallons
Next 5,000 Gallons
Over 10,000 Gallons

\$11.65 Minimum Bill
2.91 per 1,000 Gallons
2.24 per 1,000 Gallons
1.89 per 1,000 Gallons

2 Inch Meter

First 20,000 Gallons
Over 20,000 Gallons

\$50.48 Minimum Bill
1.89 per 1,000 Gallons

Connection Fees

5x8 x 3/4 Inch Connection
2 Inch Connection

\$375.00
Actual Cost of Installation

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE 7-20-05
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2005-00197 DATED 7/20/05

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/20/2005
PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

By [Signature]
Executive Director

FOR Northeastern portion of Graves county
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

Symsonia Sewer District
(Name of Utility)

RATES AND CHARGES

Monthly Sewer Rates

Residential Service	\$25.64
Other	25.64 per residential equivalent*

* A residential equivalent is defined as 12,000 gallons per month.

DATE OF ISSUE _____

Month / Date / Year

DATE EFFECTIVE 7-20-05

Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2005-00197 DATED 7/20/05

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/20/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By [Signature]
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00343 DATED August 8, 2006.

The following rates, charges and policies are prescribed for the customers in the area served by Symsonia Water District. All other rates, charges, and policies not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Non-Recurring Charges

Meter Connection/Tap-on Charge	
5/8" x 3/4" Meter	\$615.00
Re-Connection Charge	40.00
Returned Check Charge	25.00

12:29 PM
11/09/10
Accrual Basis

SYMSONIA WATER DISTRICT
Balance Sheet
As of October 31, 2010

	Oct 31, 10
ASSETS	
Current Assets	
Checking/Savings	
Cash in Bank-CFSB	40,561.61
CFSB-Customer Deposit	4,645.00
CFSB - Grant Assistance	11,957.87
Total Checking/Savings	<u>57,164.48</u>
Total Current Assets	57,164.48
Fixed Assets	
Accumulated Depreciation-Sewer	-802,684.04
Accumulated Depreciation-Water	-288,222.41
Utility Plant-Sewer	1,137,212.12
Utility Plant-Water	636,818.64
Total Fixed Assets	<u>683,124.31</u>
Other Assets	
Accounts Receivable-Sewer	12,199.76
Accounts Receivable-Water	14,942.34
Investment-CFSB	51,157.03
Total Other Assets	<u>78,299.13</u>
TOTAL ASSETS	<u>818,587.92</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accounts Payable-Sewer	1,747.03
Accounts Payable-Water	2,089.62
Customer Meter Deposits	4,645.00
Payroll Liabilities	1,581.22
Sales tax payable	70.30
Utility tax payable	213.43
Total Other Current Liabilities	<u>10,346.60</u>
Total Current Liabilities	<u>10,346.60</u>
Total Liabilities	10,346.60
Equity	
Contributions in Aid of Con-Sew	1,113,578.00
Contributions in Aid of Con-Wat	383,575.00
Retained Earnings	-61,811.04
Retained Earnings-Sewer	-587,318.08
Retained Earnings-Water	-36,957.50
Net Income	-2,825.06
Total Equity	<u>808,241.32</u>
TOTAL LIABILITIES & EQUITY	<u>818,587.92</u>

12:25 PM
11/09/10
Accrual Basis

SYMSONIA WATER DISTRICT
Profit & Loss
January through October 2010

	<u>Jan - Oct 10</u>
Income	
Grant Revenues	39,886.28
Interest Income-Checking-Sewer	34.62
Interest Income-Checking-Water	34.65
Interest Income-Investment-Sewer	127.48
Interest Income-Investments-Water	127.52
Metered Water Rev-Residential	65,437.29
Miscellaneous Service Rev-Water	38.49
Non Utility Income-Sewer	2,000.00
Reconnect Fee-Sewer	72.50
Reconnect Fee-Water	60.00
Return Check Fee-Water	87.50
Returned Check Fee-Sewer	87.50
Sewer Revenue	75,904.93
Total Income	183,898.76
Expense	
Bad Debt-Sewer	253.15
Bank Charges	80.00
Chemical-Sewer	1,858.52
Chemicals	5,165.34
Contractual Service-Other-Water	1,671.67
Contractual Services-Other-Sewer	2,741.33
deposit refunds water	15,932.10
Depreciation Expense-Sewer	15,932.10
Grant Expenditures	35,768.00
Insurance-Other-Water	587.93
Insurance-Worker Compen-Sewer	1,465.00
Insurance-Workers Compen-Water	1,465.00
Insurance Other-Sewer	587.95
Materials Supplies-Sewer	5,113.65
Materials Supplies-Water	12,493.16
mileage	398.83
mileage - sewer	398.89
Miscellaneous-Water	266.03
Office Supplies Sewer	3,851.26
Office Supplies Water	3,851.34
Payroll Expenses	58,540.10
Purchased Power-Sewer	8,952.81
Purchased Power-Water	2,573.52
Regulatory Comm Fess-Sewer	134.13
Regulatory Commission Exp-Water	134.14
Salaries-Sewer	2,000.00
Telephone-Sewer	1,115.20
Telephone-Water	1,115.24
Utilities-Sewer	1,618.80
Utilities-Water	658.63
Total Expense	186,723.82
Net Income	<u>-2,825.06</u>



STEVEN L. BESHEAR
GOVERNOR

DEPARTMENT FOR LOCAL GOVERNMENT
OFFICE OF THE GOVERNOR
1024 CAPITAL CENTER DRIVE, SUITE 340
FRANKFORT, KENTUCKY 40601-8204
PHONE (502) 573-2382 FAX (502) 573-2939
TOLL FREE (800) 346-5606
WWW.DLG.KY.GOV

TONY WILDER
COMMISSIONER

March 24, 2010

Mr. Jeremy Buchanan
Purchase ADD
1002 Medical Drive
Mayfield, KY 42066

RE: SYMSONIA WATER DISTRICT - NEW STORAGE TANK, WELLS, AND
TREATMENT FACILITY
WX21083055
SAI# KY20100218-0222

Dear Mr. Buchanan:

The Kentucky State Clearinghouse, which has been officially designated as the Commonwealth's Single Point of Contact (SPOC) pursuant to Presidential Executive Order 12372, has completed its evaluation of your proposal. The clearinghouse review of this proposal indicates there are no identifiable conflicts with any state or local plan, goal, or objective. Therefore, the State Clearinghouse recommends this project be approved for assistance by the cognizant federal agency.

Although the primary function of the State Single Point of Contact is to coordinate the state and local evaluation of your proposal, the Kentucky State Clearinghouse also utilizes this process to apprise the applicant of statutory and regulatory requirements or other types of information which could prove to be useful in the event the project is approved for assistance. Information of this nature, if any, concerning this particular proposal will be attached to this correspondence.

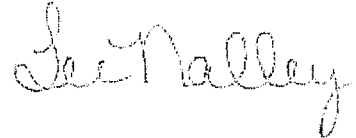
You should now continue with the application process prescribed by the appropriate funding agency. This process may include a detailed review by state agencies that have authority over specific types of projects.

This letter signifies only that the project has been processed through the State Single Point of Contact. It is neither a commitment of funds from this agency or any other state or federal agency.

The results of this review are valid for one year from the date of this letter.
Continuation or renewal applications must be submitted to the State Clearinghouse annually. An application not submitted to the funding agency, or not approved within one year after completion of this review, must be re-submitted to receive a valid intergovernmental review.

If you have any questions regarding this letter, please feel free to contact my office at 502-573-2382.

Sincerely,

A handwritten signature in cursive script that reads "Lee Nalley".

Lee Nalley
Kentucky State Clearinghouse

Attachments

The Kentucky Housing Corporation has made the following advisory comment pertaining to State Application Identifier Number KY201002180222
No comments.

The Natural Resources has made the following advisory comment pertaining to State Application Identifier Number KY201002180222

Mapping of the wells in the e-clearinghouse mapping portal with a point attribute must be completed. The system must contact the Division of Water, Water Withdrawal Permitting program for further instruction, guidance and application to withdraw groundwater from the proposed new well(s). ENDORSE WITH CONDITIONS

This review was based upon the information that was provided by the applicant through the Clearinghouse for this project. An endorsement of this project does not satisfy, or imply, the acceptance or issuance of any permits, certifications or approvals that may be required from this agency under Kentucky Revised Statutes or Kentucky Administrative Regulations. Such endorsement means this agency has found no major concerns from the review of the proposed project as presented other than those stated as conditions or comments.

The proposed project is subject to Division of Water (DOW) jurisdiction because the following are or appear to be involved: ADD A NEW STORAGE TANK, TWO WELLS, AND A TREATMENT FACILITY. Prior approval must be obtained from the DOW before construction can begin. The applicant must cite the State Application Identifier: SAI #KY201002180222 when submitting plans and specifications. This project is consistent with the Graves County Water Management Plan. It is approved for water management planning. It is approved for water withdrawal by the Water Quantity Management Section of DOW. From the application data, DOW ascertains that the proposed project is located in a floodplain area; therefore, a floodplain construction permit is required for this project. Mapping of the wells in the e-clearinghouse mapping portal with a point attribute must be completed. The system must contact the Division of Water, Water Withdrawal Permitting program for further instruction, guidance and application to withdraw groundwater from the proposed new well(s). ENDORSE WITH CONDITIONS

THE SYMSONIA WATER DISTRICT NEEDS TO ADD A NEW STORAGE TANK, TWO WELLS, AND A TREATMENT FACILITY DUE TO THE GROWTH OF THE COMMUNITY. THESE UPGRADES WOULD ALLOW THE WATER DISTRICT TO BETTER SERVE THE COMMUNITY AND ITS GROWTH. Completion of this project will result in improved services to 50 households, 2 commercial entities, and 1 other entity. Completion of this project will result in new service to 75 households, 3 commercial entities and 1 other entity.

Archived documents indicated an interconnect with the Benton system, but there was no indication whether any water is actually purchased from Benton. MORs from both Benton and Symsonia do not indicate any sales/purchases. It is assumed this interconnect is for emergency situations and this project will be supplementing the existing Symsonia PWS. This project has been reviewed by the Drinking Water Capacity Development Section and is endorsed.

The Water Infrastructure Branch Engineering Section has no objection to the proposed project. A comprehensive preliminary engineering report shall be submitted for review and approval by a registered professional engineer in Kentucky prior to the submittal of the final plans and specifications for new/modification/expansion of water treatment plants. Preliminary engineering report shall consist of raw water sampling results (if a new source water is proposed, see the Drinking Water website for sampling requirements), feasibility study information together with the justification why the proposed treatment option selected, and pilot study information if applicable.

Water System/Consulting engineers must contact Division of Water's "Water Shed Management Branch" to ensure adequate water quantity available for the proposed expansion and receive water withdrawal permit prior to the submittal of final plans and specifications to DOW. Final Plans and Specifications must be approved by Division of Water and a written approval shall be received prior to the beginning of the construction.

Plans and specifications along with hydraulic analysis of the proposed water storage tank project (including fill/drain cycles of the tank to justify adequate tank turn over) must be submitted to the Division of Water's Water Infrastructure Branch by a registered professional engineer in Kentucky. A written approval must be received from the Division of Water prior to the beginning of construction.

If the construction area disturbed is equal to or greater than 1 acre, the applicant will need to apply for a Kentucky Pollutant Discharge Elimination System (KPDES) storm water discharge permit.

Utility line projects that cross a stream will require a Section 404 permit from the US Army Corps of Engineers and a 401 Water Quality Certification from DOW.

The Kentucky DOW supports the goals of EPA's Sustainable Infrastructure Initiative. This Initiative seeks to promote sustainable practices that will help to reduce the potential gap between funding needs and spending at the local and national level. The Sustainable Infrastructure Initiative will guide our efforts in changing how Kentucky views, values, manages, and invests in its water infrastructure. This website, www.epa.gov/waterinfrastructure/, contains information that will help you ensure your facility and operations are consistent with and can benefit from

The Purchase ADD has made the following advisory comment pertaining to State Application Identifier Number KY201002180222
no comments

The Housing, Building, Construction has made the following advisory comment pertaining to State Application Identifier Number KY201002180222
no comment

The Fish & Wildlife has made the following advisory comment pertaining to State Application Identifier Number KY201002180222

To minimize impacts to the aquatic environment the Kentucky Dept. of Fish & Wildlife Resources recommends that erosion control measures be developed and implemented prior to construction to reduce siltation into waterways located within the project area. Such erosion control measures may include, but are not limited to silt fences, staked straw bales, brush barriers, sediment basins, and diversion ditches. Erosion control measures will need to be installed prior to construction and should be inspected and repaired regularly as needed.

The Transportation has made the following advisory comment pertaining to State Application Identifier Number KY201002180222

Oatman (D1), Susan:

The Kentucky Department of Highways is responsible for controlling both public and private usage of right-of-way of the State road system. Any firm, individual, or government agency desiring access to a State road or desiring to perform any type of work (including signage, boring, entrances, etc.) on or adjacent to State right-of-way must obtain a permit from the Department.

Any proposed access or encroachment of a State maintained road right-of-way should be coordinated at the earliest stage with:

Chris Kuntz, P.E.
Permits Engineer
Kentucky Department of Highways, District 1
5501 Kentucky Dam Road
Paducah, Kentucky 42003
Telephone: (270) 898-2431 or 1 (800) 338-4283
Fax: (272) 898-7457

The Heritage Council has made the following advisory comment pertaining to State Application Identifier Number KY201002180222

The applicant must ensure compliance with the Advisory Council on Historic Preservation's Rules and Regulations for the Protection of Historic and Cultural Properties (36CRF, Part 800) pursuant to the National Historic Preservation Act of 1966, the National Environmental Policy Act of 1969, and Executive Order 11593.

The right of way lines and infrastructure do not require an archaeological survey; however, the lines and infrastructure outside of the right of way must be surveyed by a professional archaeologist to determine if sites eligible for listing in the National Register of Historic Places will be affected by the undertaking. Where a given project area or portions thereof have been disturbed by prior construction, the applicant may file documentation of that disturbance with the State Historic Preservation Officer and may request an opinion concerning the need of an archaeological survey (note: farming does not constitute disturbance). The State Historic Preservation Officer must review and approve the survey report.

If you have any questions, please contact Philip Mink at 502-564-7005, extension 140.

The Health and Family Services has made the following advisory comment pertaining to State Application Identifier Number KY201002180222

The Cabinet for Health and Family Services supports this grant project application and would encourage the project coordinators, to the extent possible and/or necessary, to coordinate their project activities with the public health resources in the region.

The Labor Cabinet has made the following advisory comment pertaining to State Application Identifier Number KY201002180222

PW RATES MAY APPLY-CONTACT KY LABOR CABINET AT 502 564 3534



Steven L. Beshear
Governor

KENTUCKY INFRASTRUCTURE AUTHORITY

1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601
Phone (502) 573-0260
Fax (502) 573-0157
<http://kia.ky.gov>

John E. Covington III
Executive Director

August 7, 2012

Mr. Keith Cooper, Chairman
Symsonia Water District
P.O. Box 99
Symsonia, KY 42082

**KENTUCKY INFRASTRUCTURE AUTHORITY
INFRASTRUCTURE REVOLVING LOAN FUND
CONDITIONAL COMMITMENT LETTER (B12-07)**

Dear Chairman Cooper:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On August 2, 2012, the Authority approved your loan for the New Storage Tank, Wells, and Treatment Facility Project subject to the conditions stated below. The total cost of the project shall not exceed \$895,000 of which the Authority loan shall provide \$300,000 of the funding. Other anticipated funding for the project is reflected in Attachment A. The final loan amount will be equal to the Authority's portion of estimated project cost applied to the actual project cost. Attachment A incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the Symsonia Water District upon satisfactory performance of the conditions set forth in this letter. A period of twelve months from the date of this letter (8/7/2013) will be allowed for you to meet the conditions set forth in this letter and enter into an Assistance Agreement. A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after execution of the Assistance Agreement.

The Assistance Agreement and this commitment shall be subject, but not limited to, the following terms:

1. The Authority project loan shall not exceed \$300,000.
2. The loan shall bear interest at the rate of 1.75% per annum commencing with the first draw of funds.

3. The loan shall be repaid over a period not to exceed 20 years from the date the loan is closed.
4. Interest shall be payable on the amount of actual funds received. The first payment shall be due on June 1 or December 1 immediately succeeding the date of the initial draw of funds, provided that if such June 1 or December 1 shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1 or December 1 which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid.
5. Full principal payments will commence on June 1 or December 1 immediately succeeding the date of the last draw of funds, provided that if such June 1 or December 1 shall be less than three months since the date of the last draw of funds, then the first principal payment date shall be the June 1 or December 1 which is at least six months from the date of the last draw of funds. Full payments will be due each six months thereafter until the loan is repaid.
6. A loan servicing fee of 0.20% of the annual outstanding loan balance shall be payable to the Authority as a part of each interest payment.
7. Loan funds will be disbursed after execution of the Assistance Agreement as project costs are incurred.
8. The final Assistance Agreement must be approved by ordinance or resolution, as applicable, of the city council or appropriate governing board.

The following is a list of the standard conditions to be satisfied prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. Any required documentation must be submitted to the party designated.

1. Upon completion of final design of the facilities in the attached project description, favorable approval shall be obtained of such design by all appropriate parties as required by Kentucky statute or administrative regulation.
2. Applicant must provide certification from their legal counsel stating that they have prepared construction specifications in accordance with all applicable state or federal wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable federal, state and local procurement laws.

3. Documentation of final funding commitments from all parties other than the Authority as reflected in the Attachment A description shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding or any new sources of funding not reflected in Attachment A shall be immediately reported and may cause this loan to be subject to further consideration.
4. Upon receipt of construction bids a tabulation of such bids and engineer's recommendations on compliance with bid specifications and recommendation for award, shall be forwarded to the Authority for final approval and sizing of this loan and the project.
5. Based on the final "as bid" project budget, the community must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The "as bid" project budget shall be reviewed and approved by your consultant engineer
6. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.
7. All easements or purchases of land shall be completed prior to commencement of construction. Certification of all land or easement acquisitions shall be provided to the Authority.
8. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the state's execution of the Assistance Agreement. The committee meets monthly on the third Tuesday. At this time we know of no further submission required for their review; however, they may request information as needed.
9. Documentation of Clearinghouse Endorsement and Clearinghouse Comments.
10. The Borrower must complete and return to the Authority the attached "Authorization For Electronic Deposit of Vendor Payment" Form.

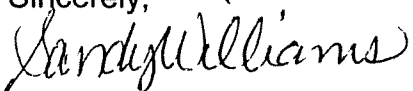
Chairman Keith Cooper
August 7, 2012
Page 4

11. Implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
12. Final Design Plans in an AutoCAD Drawing File Format (DWG), referenced to the appropriate (North, South or Single) Kentucky State Plane Coordinate System (NAD83-Survey Feet) on a Compact Disc (CD). If there is a significant deviation from the Final Design Plan during construction, As-built plans shall also be provided to the Authority in the same format.

Any special conditions listed below and/or stated in Attachment A must be resolved.

Please inform the Authority of any changes in your financing plan as soon as possible. We will assist you in a final evaluation of the financing plan when construction bids are available. We wish you every success for this project which will benefit both your community and the Commonwealth as a whole.

Sincerely,



Sandy Williams
Financial Analyst

Attachments

cc: Jeremy Buchanan, Purchase Area Development District
Mary Austin, Austin Engineering
Dirk Bedarff, Peck, Shaffer & Williams LLP
State and Local Debt Office, DLG
Borrower File - Symsonia Water District - B12-07

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms. Also attach the completed "Authorization For Electronic Deposit of Vendor Payment" Form.

Accepted

Date

**SYMSONIA WATER DISTRICT
B12-07 - \$300,000**

Checklist of Required Documents to Send to KIA

1. Conditional Commitment Letter:
 - a. Send original signed Conditional Commitment Letter to KIA
 - b. Send original signed Electronic Funds Transfer Form
2. Send copies of documentation of Public Service Commission approval to incur debt and/or Certificate of Public Convenience and Necessity.
3. Send certification of acquisition of all easements or purchases of land prior to the commencement of construction.
4. Send Legal Counsel Procurement and Wage Certification - (Certification from legal counsel stating construction specifications have been prepared in accordance with all applicable state or federal wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional service that are a part of the project, are in compliance with applicable federal, state and local procurement laws.)
5. Send documentation of approval of plans and specifications by appropriate party.
6. Send "As bid" tabulations and Engineer's recommendation on compliance with bid specifications and recommendation for award.
7. Send "As bid" project budget; must be reviewed and approved by consulting engineer.
8. Send certification from city/district that revenues and expenses projections (as presented to KIA Board in Cash Flow and Balance Sheets) are still attainable based on existing conditions and "as bid" budget.
9. Upon completion of project, send final design plans in an AutoCAD Drawing File Format (DWG), referenced to the appropriate (North, South or Single) Kentucky State Plane Coordinate System (NAD83-Survey Feet) on a compact disc (CD). If there is a significant deviation from the Final Design Plan during construction, As-built plans shall also be provided to KIA in the same format.

**AUTHORIZATION FOR ELECTRONIC DEPOSIT
OF BORROWER PAYMENT
KENTUCKY INFRASTRUCTURE AUTHORITY
(FUND B12-07)**

Borrower Information:

Name: _____

Address: _____

City: _____ State: KY Zip: _____

Telephone: _____ Contact: _____

Federal I.D. # _____

Financial Institution Information:

Bank Name: _____

Branch: _____ Phone No: _____

City: _____ State: _____ Zip: _____

Transit / ABA No.: _____

Account Name: _____

Account Number: _____

I, the undersigned, authorize payments directly to the account indicated above and to correct any errors which may occur from the transactions. I also authorize the Financial Institution to post these transactions to that account.

Signature: _____ Date: _____

Name Printed: _____ Job Title: _____

Please return completed form to: **Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340
Frankfort, KY 40601
phone: 502-573-0260
fax: 502-573-0157**

ATTACHMENT A

**Symsonia Water District
B12-07**

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

Reviewer: Sandy Williams
Date: August 2, 2012
KIA Loan Number: B12-07
WRIS Number: WX21083055

BORROWER: SYMSONIA WATER DISTRICT
GRAVES COUNTY

BRIEF DESCRIPTION:

This project is for the construction of a new 150,000 gallon ground storage tank, two groundwater wells, a booster pump station and a treatment building. The existing treatment facility and the ground wells will be taken off line when the new facilities are completed.

PROJECT FINANCING:		PROJECT BUDGET	RD Fee %	Budget %	
Fund B Loan	\$300,000	Administrative Expenses			\$32,725
HB608 (166N-2008)	595,000	Planning		3.4%	25,000
- CPBOC on 6-15-12		Eng - Design	9.3%	9.7%	72,310
		Eng - Inspection	6.2%	2.9%	21,600
		Construction			700,000
		Contingency			43,365
TOTAL	\$895,000	TOTAL			\$895,000

REPAYMENT

Rate	1.75%	Est. Annual Payment	\$18,443
Term	20 years	1st Payment	6 Mo. after first draw

PROFESSIONAL SERVICES

Engineer	Austin Engineering
Bond Counsel	Peck, Shaffer, & Williams

PROJECT SCHEDULE

Bid Opening:	Mar-12
Construction Start:	Sep-12
Construction Stop:	Mar-13

DEBT PER CUSTOMER

Existing:	\$0
Proposed:	\$949

RESIDENTIAL RATES

	Users	Avg. Bill	
Current	316	\$17.47	(for 4,000 gallons)
Additional	0	\$17.47	(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
PSC 2009	2,956	0	2,956	n/a
PSC 2010	6,264	0	6,264	n/a
PSC 2011	12,963	0	12,963	n/a
Projected 2012	13,350	0	13,350	n/a
Projected 2013	18,747	9,222	9,525	2.0
Projected 2014	24,784	18,443	6,341	1.3
Projected 2015	23,114	18,443	4,671	1.3
Projected 2016	21,410	18,443	2,967	1.2

Reviewer: Sandy Williams
Date: August 2, 2012
Loan Number: B12-07

**KENTUCKY INFRASTRUCTURE AUTHORITY
INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")
SYMSONIA WATER DISTRICT, GRAVES COUNTY
PROJECT REVIEW
WX21083055**

I. PROJECT DESCRIPTION

The Symsonia Water District is requesting a Fund B loan in the amount of \$300,000 for the New Storage Tank, Wells and Treatment Facility project. The District currently has a treatment building, two groundwater wells, and a 75,000 gallon storage tank. The project will include a new 150,000 gallon ground storage tank, two groundwater wells, a booster pump station and a treatment building. The existing treatment facility and ground wells will be taken off line when the new facilities are completed. The existing tank needs some repairs and may be taken off line temporarily for the repairs. The new groundwater wells will be pumped through the chemical feed manhole and into the ground storage tank for contact time. The booster pumps will pull from the ground tank and pump it into the system. They are capable of supplying the system and filling the existing tank.

The District provides water and sewer service to approximately 320 customers. The Water District was created in 1964 and the Sewer District in 1980 and their activities are subject to PSC jurisdiction. The District produces all of its finished water. It has an interconnect with the City of Benton for emergency water needs.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$32,725
Planning	25,000
Eng - Design	72,310
Eng – Const & Insp	21,600
Construction	700,000
Contingency	43,365
TOTAL	\$895,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$ 300,000	34%
HB608	595,000	66%
Total	\$ 895,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$	300,000
Interest Rate		1.75%
Loan Term (Years)		20
Estimated Annual Debt Service	\$	17,843
Administrative Fee (0.20%)	\$	600
Total Estimated Annual Debt Service	\$	18,443

V. PROJECT SCHEDULE

Bid Opening	March 2012
Construction Start	September 2012
Construction Stop	March 2013

VI. RATE STRUCTURE

A. Customers

<u>Customers</u>	<u>Current</u>
Residential	301
Commercial	15
Total	316

B. Rates

	<u>Current</u>
Date of Last Rate Increase	07/20/2005
Minimum (2,000 gallons)	\$11.65
Next 3,000 Gallons	2.91
Next 5,000 Gallons	2.24
Over 10,000 Gallons	1.89
Cost for 4,000 gallons	\$17.47
Affordability Index (Rate/MHI)	0.5%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2006-2010, the City's population was 651 with a Median Household Income (MHI) of \$39,313. The median household income for the Commonwealth is \$41,576. The project will qualify for a 1.75% interest rate.

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the District was obtained from PSC filings for the water component for the years ended December 31, 2009 through 2011. An independent audit is required by the Public Service Commission every 5 years and the District's last audit was conducted in 2009 per the requirement.

HISTORY

Revenues increased \$5,612 (7%) from \$76,303 in 2009 to \$81,915 in 2011. Most of the increase is from miscellaneous income (which is not reported separately in the financial statements) with the balance coming from volume fluctuations and a slight customer increase.

Operating expenses declined 6% from \$73,652 to \$69,134. Cash flow from operations increased from \$2,956 to \$12,963. The District has no long term debt.

The balance sheet reflects a current ratio of 0.4 and a debt to equity ratio of 0.2 at the end of 2011. Current liabilities include a \$64,608 payable to the sewer fund. If this amount were excluded from the calculation the current ratio would be 3.4 at the end of 2011. Unrestricted cash has increased from 0.3 months of operating expenses in 2009 to 4.4 months in 2011.

Projections are based on the following assumptions:

- 1) Revenues will be flat for growth based on an analysis of gallons of water sold from 2003 through 2011.
- 2) Expenses are estimated to increase 2% per year for inflation. Additional operating expenses are estimated at \$8,000 per year as a result of this project.
- 3) A rate increase of about \$23,000 (27%) will be necessary in mid 2013 to offset the new debt service, reserve funding and additional operating expenses. This will allow the District to maintain its current level of free cash flow.
- 4) A replacement reserve of \$750 will be funded annually for ten years.
- 5) The new debt service is estimated at \$18,443 annually
- 6) Debt service coverage is estimated at 1.3 in 2014 when full year 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 \$750. This amount should be added to the replacement account each December 1 until the balance reaches \$7,500 and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

None

X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
Storage Tank, Wells, and Filler House	HB608	595,000	Grant

XI. CONTACTS

Applicant	
Name	Symsonia Water District
Address	P.O. Box 99 Symsonia, KY 42082
County	Graves
Contact	Keith Cooper, Chairman
Phone	(270) 851-4470
Email	jim@symsoniawater.com

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
Address	110 South Third Street Paducah, KY 42001
Phone	(270) 442-0906
Email	maustin@austinengineeringinc.com

XII. RECOMMENDATIONS

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

**SYMSONIA WATER DISTRICT
BALANCE SHEETS (DECEMBER YEAR END)**

	<u>PSC 2009</u>	<u>PSC 2010</u>	<u>PSC 2011</u>	<u>Projected 2012</u>	<u>Upon Completion 2013</u>
ASSETS					
Current Assets					
Cash	1,910	9,468	25,208	38,558	48,083
Accounts Receivable	8,666	19,859	6,428	6,500	10,000
Total Current Assets	10,576	29,327	31,636	45,058	58,083
Utility Plant					
Land, System, Building and Equipment	636,819	636,819	686,756	686,756	1,581,756
Less Accumulated Depreciation ()	(272,253)	(292,545)	(314,117)	(336,117)	(373,017)
Net Fixed Assets	364,566	344,274	372,639	350,639	1,208,739
Total Assets	375,142	373,601	404,275	395,697	1,266,822
LIABILITIES					
Current Liabilities					
Accounts Payable	3,874	3,079	2,898	2,898	3,500
Customer Deposits	4,220	4,895	6,420	6,420	6,420
Payable to Sewer Fund	64,154	76,761	64,608	64,608	64,608
Total Current Liabilities	72,248	84,735	73,926	73,926	74,528
Long Term Liabilities					
Notes Payable - KIA	0	0	0	0	300,000
Total Long Term Liabilities	0	0	0	0	300,000
Total Liabilities	72,248	84,735	73,926	73,926	374,528
Retained Earnings:					
Donated Capital	384,325	384,325	434,417	434,417	1,029,417
Unrestricted	(81,431)	(95,459)	(104,068)	(112,646)	(137,123)
Total Retained Earnings	302,894	288,866	330,349	321,771	892,294
Total Liabilities and Equities	375,142	373,601	404,275	395,697	1,266,822
Balance Sheet Analysis					
Current Ratio	0.1	0.3	0.4	0.6	0.8
Debt to Equity	0.2	0.3	0.2	0.2	0.4
Days Sales in Accounts Receivable	41.5	92.5	28.6	27.7	37.5

**EXHIBIT 1
SYMSONIA WATER DISTRICT
CASH FLOW ANALYSIS (DECEMBER YEAR END)**

	PSC	%	PSC	%	PSC	%	Projected	Projected	Projected	Projected	Projected
	2009	Change	2010	Change	2011	Change	2012	2013	2014	2015	2016
Operating Revenues											
Water Revenues	76,303	3%	78,359	5%	81,915	5%	85,700	85,700	85,700	85,700	85,700
Rate Increase								11,597	23,193	23,193	23,193
Total Revenues	76,303	3%	78,359	5%	81,915	5%	85,700	97,297	108,893	108,893	108,893
Operating Expenses											
Operating Expenses	73,652	-2%	72,290	-4%	69,134	5%	72,500	77,950	83,509	85,179	86,883
Depreciation	23,179	-12%	20,292	6%	21,572	2%	22,000	36,900	51,800	51,800	51,800
Replacement Reserve								750	750	750	750
Total Expenses	96,831	-4%	92,582	-2%	90,706	4%	94,500	115,600	136,059	137,729	139,433
Net Operating Income	(20,528)	-31%	(14,223)	-38%	(8,791)	0%	(8,800)	(18,303)	(27,166)	(28,836)	(30,540)
Non-Operating Income and Expenses											
Interest Income	305	-36%	195	-7%	182	-18%	150	150	150	150	150
Total Non-Operating Income & Expenses	305	-36%	195	-7%	182	-18%	150	150	150	150	150
Add Non-Cash Expenses											
Depreciation	23,179	-12%	20,292	6%	21,572	2%	22,000	36,900	51,800	51,800	51,800
Cash Available for Debt Service	2,956	112%	6,264	107%	12,963	3%	13,350	18,747	24,784	23,114	21,410
Debt Service (enter as positive #'s)											
Existing Principal	0		0		0		0	0	0	0	0
Existing Interest	0		0		0		0	0	0	0	0
Proposed KIA Loan	0		0		0		0	9,222	18,443	18,443	18,443
Total Debt Service	0		0		0		0	9,222	18,443	18,443	18,443
Income After Debt Service	2,956		6,264		12,963		13,350	9,525	6,341	4,671	2,967
Debt Coverage Ratio	n/a		n/a		n/a		n/a	2.0	1.3	1.3	1.2

KENTUCKY INFRASTRUCTURE AUTHORITY
 REPAYMENT SCHEDULE
 LOAN #A B12-07
 SYMSONIA WATER DISTRICT
 PRELIMINARY

1.75% Rate \$8,921.34 P & I Calculation
--

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$300,000.00		
12/01/13	\$6,296.34	\$2,625.00	1.75%	\$8,921.34	\$300.00	\$0.00	\$9,221.34	\$293,703.66	\$750.00	\$750.00
06/01/14	\$6,351.43	\$2,569.91	1.75%	\$8,921.34	\$293.70	\$0.00	\$9,215.04	\$287,352.23	\$0.00	\$750.00
12/01/14	\$6,407.01	\$2,514.33	1.75%	\$8,921.34	\$287.35	\$0.00	\$9,208.69	\$280,945.22	\$750.00	\$1,500.00
06/01/15	\$6,463.07	\$2,458.27	1.75%	\$8,921.34	\$280.95	\$0.00	\$9,202.29	\$274,482.15	\$0.00	\$1,500.00
12/01/15	\$6,519.62	\$2,401.72	1.75%	\$8,921.34	\$274.48	\$0.00	\$9,195.82	\$267,962.53	\$750.00	\$2,250.00
06/01/16	\$6,576.67	\$2,344.67	1.75%	\$8,921.34	\$267.96	\$0.00	\$9,189.30	\$261,385.86	\$0.00	\$2,250.00
12/01/16	\$6,634.21	\$2,287.13	1.75%	\$8,921.34	\$261.39	\$0.00	\$9,182.73	\$254,751.64	\$750.00	\$3,000.00
06/01/17	\$6,692.26	\$2,229.08	1.75%	\$8,921.34	\$254.75	\$0.00	\$9,176.09	\$248,059.38	\$0.00	\$3,000.00
12/01/17	\$6,750.82	\$2,170.52	1.75%	\$8,921.34	\$248.06	\$0.00	\$9,169.40	\$241,308.56	\$750.00	\$3,750.00
06/01/18	\$6,809.89	\$2,111.45	1.75%	\$8,921.34	\$241.31	\$0.00	\$9,162.65	\$234,498.67	\$0.00	\$3,750.00
12/01/18	\$6,869.48	\$2,051.86	1.75%	\$8,921.34	\$234.50	\$0.00	\$9,155.84	\$227,629.19	\$750.00	\$4,500.00
06/01/19	\$6,929.59	\$1,991.76	1.75%	\$8,921.34	\$227.63	\$0.00	\$9,148.97	\$220,699.61	\$0.00	\$4,500.00
12/01/19	\$6,990.22	\$1,931.12	1.75%	\$8,921.34	\$220.70	\$0.00	\$9,142.04	\$213,709.39	\$750.00	\$5,250.00
06/01/20	\$7,051.38	\$1,869.96	1.75%	\$8,921.34	\$213.71	\$0.00	\$9,135.05	\$206,658.00	\$0.00	\$5,250.00
12/01/20	\$7,113.08	\$1,808.26	1.75%	\$8,921.34	\$206.66	\$0.00	\$9,128.00	\$199,544.92	\$750.00	\$6,000.00
06/01/21	\$7,175.32	\$1,746.02	1.75%	\$8,921.34	\$199.54	\$0.00	\$9,120.89	\$192,369.60	\$0.00	\$6,000.00
12/01/21	\$7,238.11	\$1,683.23	1.75%	\$8,921.34	\$192.37	\$0.00	\$9,113.71	\$185,131.49	\$750.00	\$6,750.00
06/01/22	\$7,301.44	\$1,619.90	1.75%	\$8,921.34	\$185.13	\$0.00	\$9,106.47	\$177,830.05	\$0.00	\$6,750.00
12/01/22	\$7,365.33	\$1,556.01	1.75%	\$8,921.34	\$177.83	\$0.00	\$9,099.17	\$170,464.72	\$750.00	\$7,500.00
06/01/23	\$7,429.77	\$1,491.57	1.75%	\$8,921.34	\$170.46	\$0.00	\$9,091.81	\$163,034.95	\$0.00	\$7,500.00
12/01/23	\$7,494.78	\$1,426.56	1.75%	\$8,921.34	\$163.03	\$0.00	\$9,084.38	\$155,540.17	\$0.00	\$7,500.00
06/01/24	\$7,560.36	\$1,360.98	1.75%	\$8,921.34	\$155.54	\$0.00	\$9,076.88	\$147,979.80	\$0.00	\$7,500.00
12/01/24	\$7,626.52	\$1,294.82	1.75%	\$8,921.34	\$147.98	\$0.00	\$9,069.32	\$140,353.28	\$0.00	\$7,500.00
06/01/25	\$7,693.25	\$1,228.09	1.75%	\$8,921.34	\$140.35	\$0.00	\$9,061.69	\$132,660.03	\$0.00	\$7,500.00
12/01/25	\$7,760.57	\$1,160.78	1.75%	\$8,921.34	\$132.66	\$0.00	\$9,054.00	\$124,899.47	\$0.00	\$7,500.00
06/01/26	\$7,828.47	\$1,092.87	1.75%	\$8,921.34	\$124.90	\$0.00	\$9,046.24	\$117,071.00	\$0.00	\$7,500.00
12/01/26	\$7,896.97	\$1,024.37	1.75%	\$8,921.34	\$117.07	\$0.00	\$9,038.41	\$109,174.03	\$0.00	\$7,500.00
06/01/27	\$7,966.07	\$955.27	1.75%	\$8,921.34	\$109.17	\$0.00	\$9,030.51	\$101,207.96	\$0.00	\$7,500.00
12/01/27	\$8,035.77	\$885.57	1.75%	\$8,921.34	\$101.21	\$0.00	\$9,022.55	\$93,172.19	\$0.00	\$7,500.00
06/01/28	\$8,106.08	\$815.26	1.75%	\$8,921.34	\$93.17	\$0.00	\$9,014.51	\$85,066.11	\$0.00	\$7,500.00
12/01/28	\$8,177.01	\$744.33	1.75%	\$8,921.34	\$85.07	\$0.00	\$9,006.41	\$76,889.10	\$0.00	\$7,500.00
06/01/29	\$8,248.56	\$672.78	1.75%	\$8,921.34	\$76.89	\$0.00	\$8,998.23	\$68,640.53	\$0.00	\$7,500.00
12/01/29	\$8,320.74	\$600.60	1.75%	\$8,921.34	\$68.64	\$0.00	\$8,989.98	\$60,319.80	\$0.00	\$7,500.00
06/01/30	\$8,393.54	\$527.80	1.75%	\$8,921.34	\$60.32	\$0.00	\$8,981.66	\$51,926.26	\$0.00	\$7,500.00
12/01/30	\$8,466.99	\$454.35	1.75%	\$8,921.34	\$51.93	\$0.00	\$8,973.27	\$43,459.27	\$0.00	\$7,500.00
06/01/31	\$8,541.07	\$380.27	1.75%	\$8,921.34	\$43.46	\$0.00	\$8,964.80	\$34,918.20	\$0.00	\$7,500.00
12/01/31	\$8,615.81	\$305.53	1.75%	\$8,921.34	\$34.92	\$0.00	\$8,956.26	\$26,302.39	\$0.00	\$7,500.00
06/01/32	\$8,691.19	\$230.15	1.75%	\$8,921.34	\$26.30	\$0.00	\$8,947.64	\$17,611.20	\$0.00	\$7,500.00
12/01/32	\$8,767.24	\$154.10	1.75%	\$8,921.34	\$17.61	\$0.00	\$8,938.95	\$8,843.96	\$0.00	\$7,500.00
06/01/33	\$8,843.96	\$77.38	1.75%	\$8,921.34	\$8.84	\$0.00	\$8,930.18	\$0.00	\$0.00	\$7,500.00
Totals	\$300,000.00	\$56,853.62		\$356,853.62	\$6,497.56	\$0.00	\$363,351.18		\$7,500.00	

Symsonia WD Supplemental Exhibit Index

Exhibit Number and Title

12. Engineering plans, specs, etc. (One copy filed separately).

CASE NO: 2012-00517

CONTAINS

LARGE OR OVERSIZED

MAP(S)