



Michael L. Overby, CPA, PLLC

Certified Public Accountant

2201 Westerfield Drive, Suite C

Providence, KY 42450

RECEIVED

MAR 10 2014

PUBLIC SERVICE
COMMISSION

March 7, 2014

Kentucky Public Service Commission
PO Box 615
211 Sower Blvd
Frankfort, KY 40602-0615

Re: Nebo Water District

Dear Sir:

Enclosed please find the ten (10) copies required to be sent in addition to the original signed copy. This was an oversight on my part. If you need anything additionally, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Michael L. Overby CPA'.

Michael L. Overby, CPA

RECEIVED

MAR 10 2014

PUBLIC SERVICE COMMISSION Purchased Water Adjustment Form 1
January 2014

PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS & WATER ASSOCIATIONS
(807 KAR 5:068)

Name of Utility	NEBO WATER DISTRICT		
Date	FEBRUARY 26, 2014		
Address	45 BERNARD STREET		
City, State, Zip	NEBO	KY	42441
Telephone Number	(270) 249-3709		
Official Email Address	nwdoffice@yahoo.com		

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Supplier(s)	Base Rate	Changed Rate
CITY OF MADISONVILLE, KY	\$ 3.65/1,000	\$ 3.71/1,000
	GALLON	GALLON

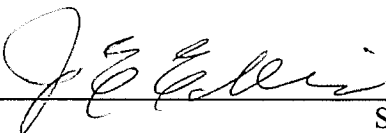
1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of the proposed effective date).

From	JANUARY, 2013	through	DECEMBER 31, 2013
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
-------------	--

CITY OF MADISONVILLE, KY	164,795,000
TOTAL PURCHASES	164,795,000
4. Total gallons sold for the 12 month period	142,638,000
5. Increased water cost	\$ 9,887.70
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	.07/1,000 GALLONS
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
NOTE: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice.	
7. Proposed effective date.	MARCH 15, 2014
NOTE: The next 2-steps only apply to water districts	
8. Date reported to the appropriate governing body	FEBRUARY 4, 2014
9. Date attended (or scheduled to attend) meeting with the appropriate governing body	FEBRUARY 12, 2014
	
Signature of Utility Officer	
CHAIRMAN	
Title	



BERRY & KINGTON, PSC
CERTIFIED PUBLIC ACCOUNTANTS

2822 North Main Street
Madisonville, KY 42431
Phone: 270-821-3355
Fax: 270-821-0101
email: cpas@berryandkington.com

January 14, 2014

Mr. Cory Alexander
City Finance Director
City of Madisonville, Kentucky
67 North Main Street
Madisonville, KY 42431

Dear Cory:

We have prepared the accompanying Cost Review Formulas for revising calendar year wholesale rate charges as per Treated Water Sale and Purchase Agreements with the Nebo Water District.

We prepared the Cost Review Formulas using June 30, 2013 audited financial statements and wholesale user consumption records as provided by the City of Madisonville. We did not audit the wholesale user consumption records during our June 30, 2013 audit due to the fact that such records were outside the scope of the audit.

The wholesale water rate to be charged to the Nebo Water District is \$3.71 per each one thousand gallons of treated water. It is my understanding that the new rate will be charged from March 15, 2014 to December 31, 2014.

We appreciate the opportunity to be of service to the City of Madisonville. Please call if you have any questions regarding these computations.

Very truly yours,

A handwritten signature in cursive script that reads "Charles A. Kington".

Charles A. Kington, CPA

Nebo Water District
Special Called Meeting
February 12, 2014
11:00 a.m.

The Nebo Water District Commissioners had a special called meeting to discuss the proposed rate increase. On February 4th the Nebo Water District received a letter from the City of Madisonville informing the District of their intention of raising the Wholesale rate by 6 cents per 1000 gallons. The Commissioners voted to increase the customer's current rate by seven cents per 1000 gallons in accordance with the formula figured by their accountant Michael L. Overby C. P. A. This increase would go into effect on March 15th 2014.

On February 18th 2014 an official from the Nebo Water District will be attending the Hopkins County Fiscal Court meeting to inform them of this increase.

Commission Chairman

A handwritten signature in black ink, appearing to read "J E Ellis". The signature is written in a cursive, flowing style.

J E Ellis