

CASE NUMBER:

99-346

missing AT Time of filming

CASE

NUMBER:

99-346

INDEX FOR CASE: 99-346

AS OF : 10/13/99

JESSAMINE-SOUTH ELKHORN WATER DISTRICT

Rates - NRC

IN THE MATTER OF THE APPLICATION OF JESSAMINE-SOUTH ELKHORN
WATER DISTRICT FOR A NON-RECURRING CHARGE

SEQ NBR	ENTRY DATE	REMARKS
0001	08/11/99	Application.
0002	08/19/99	Acknowledgement letter.
0003	09/08/99	No deficiency letter.
0004	10/13/99	Final Order approving charges in Appendix A on and after 10/12/99.



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 99-346
JESSAMINE-SOUTH ELKHORN WATER DISTRICT

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on October 12, 1999.

Parties of Record:

Jerry Haws
Chairman
Jessamine-South Elkhorn Water
District
117 South Main Street
Nicholasville, KY. 40356

L. Christopher Horne
P.E.
Horne Engineering, Inc.
216 South Main Street
Nicholasville, KY. 40356

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JESSAMINE-SOUTH ELKHORN WATER DISTRICT'S)
APPLICATION TO INCREASE CERTAIN) CASE NO. 99-346
NON-RECURRING CHARGES)

ORDER

On August 11, 1999, Jessamine-South Elkhorn Water District ("Jessamine") applied for authority to increase certain non-recurring charges. Jessamine has provided adequate evidence of the individual expenses incurred to provide the services associated with the proposed charges.

The Commission, having reviewed the record and being sufficiently advised, finds that the proposed charges are equal to the expenses incurred to provide the associated services and should be approved.

IT IS THEREFORE ORDERED that the charges in Appendix A are approved for services rendered on and after the date of this Order.

Done at Frankfort, Kentucky, this 12th day of October, 1999.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 99-346 DATED OCTOBER 12, 1999

The following rates and charges are prescribed for the customers in the area served by Jessamine South Elkhorn Water District. All other rates and charges 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.

Meter Connection Charges

5/8 inch x 3/4 Inch Meter	\$650.00
1" Meter	775.00



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

September 8, 1999

Jerry Haws
Chairman
Jessamine-South Elkhorn Water
District
117 South Main Street
Nicholasville, KY. 40356

L. Christopher Horne
P.E.
Horne Engineering, Inc.
216 South Main Street
Nicholasville, KY. 40356

RE: Case No. 99-346
JESSAMINE-SOUTH ELKHORN WATER DISTRICT

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Stephanie D. Bell
Stephanie Bell
Secretary of the Commission

SB/lc
Enclosure

Horne Engineering, Inc.

216 SOUTH MAIN STREET • NICHOLASVILLE, KENTUCKY 40356 • (606)885-9441 • FAX (606)885-5160

August 6, 1999

FILED

AUG 11 1999

**PUBLIC SERVICE
COMMISSION**

AUG 11 1999

Helen Helton, Executive Director
Kentucky Public Service Commission
730 Schenkel Lane
P.O. Box 615
Frankfort, Kentucky 40602

Re: *CASE 99-346*
Jessamine South Elkhorn Water District
Formal Application for Tariff Increase

FILED

AUG 11 1999

**PUBLIC SERVICE
COMMISSION**

Dear Ms. Helton:

Please find attached, the original and ten (10) copies of an application for connection fee tariff revision on behalf of the Jessamine South Elkhorn Water District. If you have any questions regarding this submittal, please contact me at this office.

Sincerely,

HORNE ENGINEERING, INC.



L. Christopher Horne, P.E.

LCH/lgc

cc: ENGR/3143



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

August 19, 1999

Jerry Haws
Chairman
Jessamine-South Elkhorn Water
District
117 South Main Street
Nicholasville, KY. 40356

L. Christoper Horne
P.E.
Horne Engineering, Inc.
216 South Main Street
Nicholasville, KY. 40356

RE: Case No. 99-346
JESSAMINE-SOUTH ELKHORN WATER DISTRICT
(Rates - NRC)

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received August 11, 1999 and has been assigned Case No. 99-346. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/jc

Horne Engineering, Inc.

216 SOUTH MAIN STREET • NICHOLASVILLE, KENTUCKY 40356 • (606)885-9441 • FAX (606)885-5160

August 6, 1999

Helen Helton, Executive Director
Kentucky Public Service Commission
730 Schenkel Lane
P.O. Box 615
Frankfort, Kentucky 40602

FILED

AUG 11 1999

**PUBLIC SERVICE
COMMISSION**

RECEIVED

AUG 11 1999

**PUBLIC SERVICE
COMMISSION**

Re: *CASE 99-346*
Jessamine South Elkhorn Water District
Formal Application for Tariff Increase

FILED

AUG 11 1999

**PUBLIC SERVICE
COMMISSION**

Dear Ms. Helton:

Please find attached, the original and ten (10) copies of an application for connection fee tariff revision on behalf of the Jessamine South Elkhorn Water District. If you have any questions regarding this submittal, please contact me at this office.

Sincerely,

HORNE ENGINEERING, INC.



L. Christopher Horne, P.E.

LCH/lgc

cc: ENGR/3143

Jessamine South Elkhorn Water District
117 South Main Street
Nicholasville, Kentucky 40356
606-881-0589

RECEIVED
AUG 11 1999
PUBLIC SERVICE
COMMISSION

August 4, 1999

Helen Helton, Executive Director
KY Public Service Commission
730 Schenkel Lane
P.O. Box 615
Frankfort, Kentucky 40602

Re: Formal Application for Tariff Increases

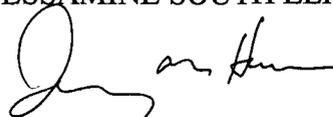
Dear Ms. Helton:

This is a non-recurring charge application for the Jessamine South Elkhorn Water District. Please find attached the proposed new tariff along with the necessary information.

A copy of this application and related filings has been sent to the office of the Kentucky Attorney General.

Sincerely,

JESSAMINE SOUTH ELKHORN WATER DISTRICT



Jerry Haws, Chairman

Enclosure

APPLICATION FOR TARIFF REVISION
CONNECTION FEE SCHEDULE

to:
THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PURSUANT TO 807 KAR:5:001

AUGUST, 1999

Applied for by:

JESSAMINE SOUTH ELKHORN WATER DISTRICT
117 South Main Street
Nicholasville, Kentucky 40356
(606) 881-0589

Prepared by:

HORNE ENGINEERING, INC.
216 South Main Street
Nicholasville, Kentucky 40356

ADJUSTMENT TO
JESSAMINE SOUTH ELKHORN WATER DISTRICT
TARIFF CONNECTION FEE ADJUSTMENT

In effort to recapture actual costs incurred, the Jessamine South Elkhorn Water District is requesting a price adjustment for the connection fee currently in place. The current connection fee schedule, found on sheet No. 1 of the District's Tariff and attached hereto, was issued and made effective in March of 1994. Changes in material costs as well as wage inflation have necessitated an increase in the fee for a service installation. Attached to this report is a copy of the new connection fee schedule that the District is submitting for issuance. Justification for these price increases is included as Attachment A, which summarizes the costs that the District will recover through the connection fee. Material prices in the Construction Cost Summary were provided by the District's contractor. Items included in the Materials Summary were taken from the typical drawing of a service installation (Attachment B). It should be noted that the charges included on the fee schedule apply to services of any length up to 50 feet. Customers with services requiring service pipe of greater than 50 feet in length or any other special conditions not covered on the typical drawing (Attachment B) will be charged the cost of construction. No change will be made to the connection fee for fire hydrants by this application. A typical drawing of a fire hydrant installation has been included as Attachment C to clarify what is involved with such an installation.

Attachment D includes a balance sheet and income statement from January 1, 1999 to June 30, 1999 and for entire year 1998. These sheets satisfy the requirement of this financial information for a 12 month period ending not more than 90 days prior. Attachment E is a copy of the public notice scheduled to run for the next 3 weeks in the local newspaper, The Jessamine

Journal. The non-recurring fee adjustment was not included in the most previous general rate case because the District has experienced an increase in costs since that time. These costs are summarized in the attachments. The District does not anticipate that the additional revenue from this proposed tariff revision will exceed five percent of the total revenues provided by all miscellaneous and non-recurring charges.

JESSAMINE SOUTH ELKHORN WATER DISTRICT



Jerry Haws, Chairman

117 South Main Street
Nicholasville, Kentucky 40356

FOR: Northwestern Jessamine Co.

P S C NO. 2

Lexington-South Elkhorn Water District
Name of Issuing Corporation

1ST REVISED SHEET NO. 1

CANCELLING P S C NO. 2

ORIGINAL SHEET NO. 1

CLASSIFICATION OF SERVICE

		RATE PER UNIT
APPLICABLE:		
AVAILABILITY OF SERVICE:		
CONNECTION FEE SCHEDULE		
* 5/8 x 3/4 Meter (20 GPM Capacity)	\$550.00	per Connect
* 1" Meter (50 GPM Capacity)	\$675.00	per Connect
(\$30.00 monthly minimum)		
* All Meters larger than 1"	Actual Cost of Construction	
Fire Hydrant	Actual Cost of Construction	per Hydrant
* District does not currently maintain any meter larger than 1".		

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAR 18 1994

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

Date of Issue 3/23/94 Date Effective 3/18/94
Issued By [Signature] Title Chairman

Issued by authority of an Order of the Public Service Commission
in Case No. 93-478 dated 3/18/94.

ATTACHMENT A

JUSTIFICATION FOR PRICE INCREASE

ATTACHMENT A

COST SUMMARY FOR CONNECTION FEE
JESSAMINE SOUTH ELKHORN WATER DISTRICT
AUGUST, 1999

	3/4" SERVICE	1" SERVICE
CONSTRUCTION COSTS	\$600.00	\$700.00
ADMINISTRATIVE COSTS		
record keeping	5.00	5.00
work order management	5.00	5.00
general administration	10.00	15.00
INSPECTION OF INSTALLATION	15.00	30.00
ENGINEERING		
location inspection	10.00	15.00
revision of as-builts	5.00	5.00
	<hr/>	<hr/>
	\$650.00	\$775.00

JUNE 29, 1999

STEPHENSON CONSTRUCTION COMPANY
3352 UNION MILL ROAD
NICHOLASVILLE, KENTUCKY 40356
PHONE : 606-885-5272 FAX : 606-887-8725

JESSAMINE SOUTH ELKHORN WATER DISTRICT
200 WEST MAPLE STREET
NICHOLASVILLE, KENTUCKY 40356
PHONE : 606-885-9314 FAX : 606-885-5930

CURRENT PRICES (LONG OR SHORT) . 3/4" = \$500.00 1" = \$600.00

PRICE FOR 3/4" WATER SERVICE (LONG OR SHORT) .

25 FEET 3/4" SERVICE LINE @ \$.25 PER FOOT =	\$ 6.25
1 - 10" X 3/4" BRASS TAPPING SADDLE =	\$ 94.13
1 - 3/4" BRASS CORPORATION STOP =	\$ 18.27
1 - 5/8" X 3/4" METER SETTER W/CHECK-VALVE =	\$ 60.02
2 - DUAL-PURPOSE SETTER NUTS =	\$ 16.94
1 - 18" X 24" ROUND METER BOX =	\$ 31.04
1 - 18" ROUND CAST-IRON RAISED METER BOX LID =	\$ 29.00
TAX ON MATERIAL =	\$ 15.34
2 - MEN AND TRUCK 3 HOURS =	\$180.00
<u>BACKHOE AND OPERATOR 3 HOURS =</u>	<u>\$180.00</u>
TOTAL =	\$630.99

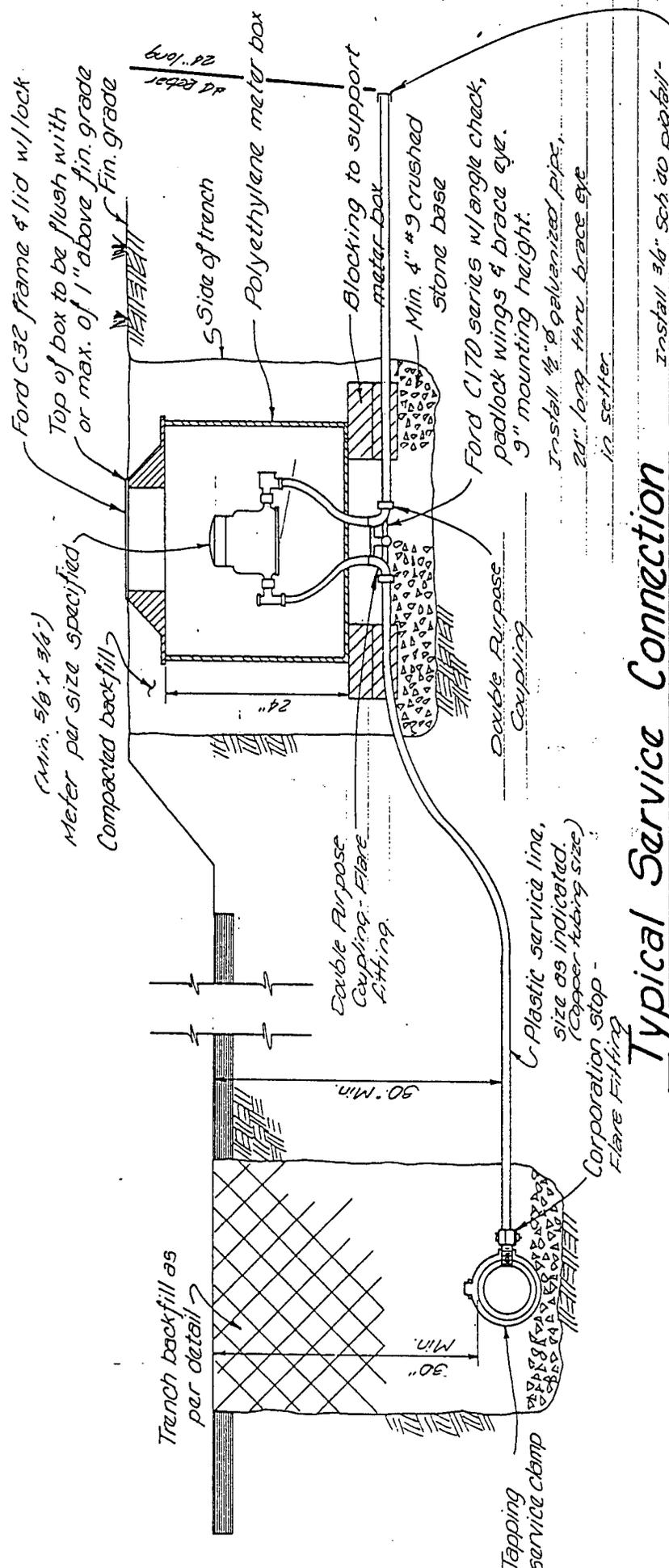
PRICE FOR 1" WATER SERVICE (LONG OR SHORT) .

25 FEET 1" SERVICE LINE @ \$.36 PER FOOT =	\$ 9.00
1 - 10" X 1" BRASS TAPPING SADDLE =	\$ 94.13
1 - 1" BRASS CORPORATION STOP =	\$ 27.66
1 - 1" METER SETTER W/CHECK-VALVE =	\$102.75
2 - DUAL PURPOSE SETTER NUTS =	\$ 25.46
1 - 20" X 24" ROUND METER BOX =	\$ 37.45
1 - 20" ROUND CAST-IRON RAISED METER BOX LID =	\$ 52.91
TAX ON MATERIAL =	\$ 20.96
2 - MEN AND TRUCK 3 HOURS =	\$180.00
<u>BACKHOE AND OPERATOR 3 HOURS =</u>	<u>\$180.00</u>
TOTAL	\$730.32

THESE PRICES INCLUDE INSTALLATION OF THE 1ST 50 FEET OF LINE AS ALWAYS.

I REQUEST A \$100.00 INCREASE ON THE EXISTING PRICES. BRINGING THE NEW PRICES TO:

3/4" (LONG OR SHORT) = \$600.00 1" (LONG OR SHORT) = \$700.00

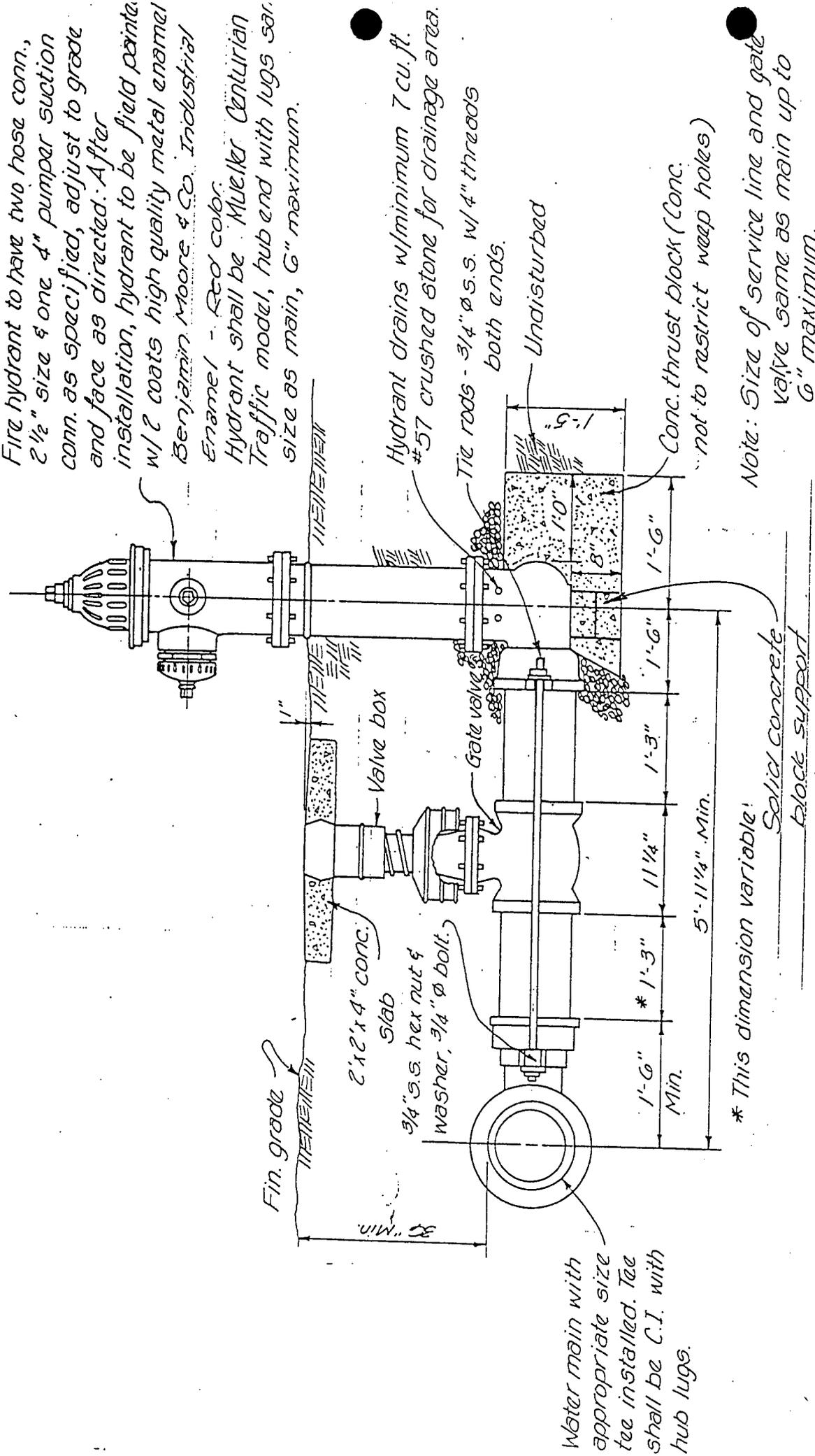


Typical Service Connection

5/8" thru 1" ~ Non-Traffic Bearing
 Not to Scale

Attachment B

Fire hydrant to have two hose conn., 2 1/2" size & one 4" pumper suction conn. as specified, adjust to grade and face as directed. After installation, hydrant to be field painted w/2 coats high quality metal enamel Benjamin Moore & Co. Industrial Enamel - Red color. Hydrant shall be Mueller Centurian Traffic model, hub end with lugs size as main, 6" maximum.



Hydrant drains w/minimum 7 cu. ft. #57 crushed stone for drainage area.

Tie rods - 3/4" Ø S.S. w/ 4" threads both ends.

Undisturbed

Conc. thrust block (Conc. not to restrict weep holes)

Note: Size of service line and gate valve same as main up to 6" maximum.

* This dimension variable!

Solid concrete block support

Fire Hydrant Valve & Valve Box

Not to Scale

Attachment C

Water main with appropriate size tee installed. Tee shall be C.I. with hub lugs.

ATTACHMENT D

BALANCE SHEET & INCOME
STATEMENT JAN 1 - JUNE 30, 1999

BALANCE SHEET & INCOME
STATEMENT ENTIRE YEAR 1998

JESSAMINE SOUTH ELKHORN WATER DISTRICT
Income Statement
For the Six Months Ending June 30, 1999

	Current Month		Year to Date	
Revenues				
Water sales	\$ 364,830.49	54.25	\$ 364,830.49	54.25
Water sales	0.00	0.00	0.00	0.00
Penalties	4,408.12	0.66	4,408.12	0.66
Service charges	675.00	0.10	675.00	0.10
Miscellaneous service revenues	0.00	0.00	0.00	0.00
Sales tax compensation	9.82	0.00	9.82	0.00
Miscellaneous income	0.00	0.00	0.00	0.00
Interest earned	997.21	0.15	997.21	0.15
Interest earned	484.65	0.07	484.65	0.07
Interest earned	143.79	0.02	143.79	0.02
Interest earned	350.30	0.05	350.30	0.05
Interest earned	0.00	0.00	0.00	0.00
Interest earned	653.13	0.10	653.13	0.10
Received from another fund	180,000.00	26.76	180,000.00	26.76
Received from another fund	5,000.00	0.74	5,000.00	0.74
Received from another fund	0.00	0.00	0.00	0.00
Received from another fund	0.00	0.00	0.00	0.00
Received from another fund	115,000.00	17.10	115,000.00	17.10
Total Revenues	<u>672,552.51</u>	<u>100.00</u>	<u>672,552.51</u>	<u>100.00</u>
 Cost of Sales				
Total Cost of Sales	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Gross Profit	<u>672,552.51</u>	<u>100.00</u>	<u>672,552.51</u>	<u>100.00</u>
 Expenses				
Transfer to another fund	300,876.88	44.74	300,876.88	44.74
Transfer to another fund	0.00	0.00	0.00	0.00
Transfer to another fund	0.00	0.00	0.00	0.00
Transfer to another fund	0.00	0.00	0.00	0.00
Transfer to another fund	0.00	0.00	0.00	0.00
Transfer to another fund	0.00	0.00	0.00	0.00
Payroll	35,223.19	5.24	35,223.19	5.24
Commissioners' salary	5,239.77	0.78	5,239.77	0.78
Payroll taxes	1,208.49	0.18	1,208.49	0.18
Taxes	0.00	0.00	0.00	0.00
Water purchased	127,846.42	19.01	127,846.42	19.01
Engineering	17,024.50	2.53	17,024.50	2.53
Engineering	0.00	0.00	0.00	0.00
Accounting fees	5,965.00	0.89	5,965.00	0.89
Legal fees	8,343.79	1.24	8,343.79	1.24
Legal fees	0.00	0.00	0.00	0.00
Bookkeeping-customer accounts	500.00	0.07	500.00	0.07
General bookkeeping	35,801.52	5.32	35,801.52	5.32
EPA monitoring	77.00	0.01	77.00	0.01
EPA Monitoring	649.00	0.10	649.00	0.10
EPA monitoring	0.00	0.00	0.00	0.00
Meter reading	0.00	0.00	0.00	0.00
Meter reading	0.00	0.00	0.00	0.00
Meter testing	0.00	0.00	0.00	0.00
Meter testing	491.00	0.07	491.00	0.07
Pressure testing	0.00	0.00	0.00	0.00
Pressure testing	0.00	0.00	0.00	0.00
Administrative costs	0.00	0.00	0.00	0.00

For Management Purposes Only

JESSAMINE SOUTH ELKHORN WATER DISTRICT
Income Statement
For the Six Months Ending June 30, 1999

	Current Month		Year to Date	
Maintenance and repairs	50.00	0.01	50.00	0.01
Maintenance and repairs	10,695.92	1.59	10,695.92	1.59
Rent	2,179.00	0.32	2,179.00	0.32
Travel expense	0.00	0.00	0.00	0.00
Insurance	9,249.11	1.38	9,249.11	1.38
Bad debt expense	0.00	0.00	0.00	0.00
Bad debt expense	0.00	0.00	0.00	0.00
Utilities	1,908.36	0.28	1,908.36	0.28
Telephone	2,078.92	0.31	2,078.92	0.31
Service fee	450.00	0.07	450.00	0.07
Service fee	1,585.79	0.24	1,585.79	0.24
Office expense-customer accts	10,136.36	1.51	10,136.36	1.51
General office expense	5,591.44	0.83	5,591.44	0.83
Administrative costs	0.00	0.00	0.00	0.00
Miscellaneous expense	24.24	0.00	24.24	0.00
Miscellaneous expense	312.25	0.05	312.25	0.05
Miscellaneous expense	<0.22>	0.00	<0.22>	0.00
Miscellaneous expense	1,118.00	0.17	1,118.00	0.17
Miscellaneous expense	<0.21>	0.00	<0.21>	0.00
Miscellaneous expense	<0.21>	0.00	<0.21>	0.00
Depreciation expense	0.00	0.00	0.00	0.00
Amortization of bond costs	0.00	0.00	0.00	0.00
Interest expense	26.12	0.00	26.12	0.00
Interest expense	0.00	0.00	0.00	0.00
Interest expense	0.00	0.00	0.00	0.00
Interest expense	0.00	0.00	0.00	0.00
Interest expense	0.00	0.00	0.00	0.00
Interest expense	43,225.23	6.43	43,225.23	6.43
Total Expenses	<u>627,876.66</u>	<u>93.36</u>	<u>627,876.66</u>	<u>93.36</u>
Net Income	<u>\$ 44,675.85</u>	<u>6.64</u>	<u>\$ 44,675.85</u>	<u>6.64</u>

JESSAMINE SOUTH ELKHORN WATER DISTRICT

Balance Sheet

June 30, 1999

ASSETS

Current Assets		
Cash on hand	\$	50.00
Farmers Bank-revenue		81,599.69
Farmers Bank-oper & maint		13,227.82
Farmers Bank-bond		14,260.65
Farmers Bank-depreciation		33,484.25
Farmers Bank-agent acct		4,598.10
Farmers Bank-construction acct		3,051.73
Citizens Natl-construction		4,524.20
Jess First Federal-cert of dep		36,762.03
Jess First Federal-cert of dep		31,777.75
Citizens Natl-Southeast proj		63,223.33
Accounts receivable		32,314.78
Accounts receivable		1,051.98
Interest receivable		0.88
Prepaid insurance		5,252.00
		<hr/>
Total Current Assets		325,179.19
Property and Equipment		
Constructed system		896,337.00
Contributed system		1,561,661.00
Meters		1,995.00
Services		9,571.50
Extensions		15,250.80
Extensions		2,233,979.00
Extensions-Southeast project		181.26
Extensions-Southeast project		33,160.00
Accumulated depreciation		<1,098,078.00>
		<hr/>
Total Property and Equipment		3,654,057.56
Other Assets		
Debt service reserve fund		222,334.64
Unamortized bond costs		31,993.00
		<hr/>
Total Other Assets		254,327.64
		<hr/>
Total Assets	\$	<u>4,233,564.39</u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts payable	\$	13,382.81
Accounts payable		11,530.00
Customer deposits		6,739.21
Sales tax payable		528.93
Utility tax payable		4,061.95
FICA withholding		1,726.38
Federal withholding		2,740.99
State withholding		473.81
City withholding		141.29
County withholding		225.07
Unemployment taxes payable		128.46
Accrued interest payable		13,785.00
		<hr/>

Unaudited - For Management Purposes Only

JESSAMINE SOUTH ELKHORN WATER DISTRICT

Balance Sheet

June 30, 1999

Total Current Liabilities		55,463.90
Long-Term Liabilities		
Bonds payable	99,000.00	
KY infrastructure authority	1,514,658.69	
Notes payable-Citizens Natl	330,494.95	
	<hr/>	
Total Long-Term Liabilities		1,944,153.64
Total Liabilities		1,999,617.54
Capital		
Fund balances	37,250.00	
Fund balances	89,572.00	
Fund balances	9,117.00	
Fund balances	83,899.00	
Fund balances	31,778.00	
Fund balances	<352,391.00>	
Connection fees	34,552.00	
Connection fees-Southeast proj	36,425.00	
Cont in aid of construction	2,014,069.00	
Government grant	205,000.00	
Net Income	44,675.85	
	<hr/>	
Total Capital		2,233,946.85
Total Liabilities & Capital	\$	<u>4,233,564.39</u>

JESSAMINE SOUTH ELKHORN WATER DISTRICT
BALANCE SHEET
DECEMBER 31, 1998
(with comparative totals for December 31, 1997)

	Revenue Fund	Operations and Maintenance Fund	Bond and Interest Sinking Fund	Depreciation Fund	Reserve Fund	Construction Fund	Totals 1998	Totals 1997
ASSETS								
Utility Plant:								
Pumping Plant and Distribution System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,725,137	\$ 4,725,137	\$ 4,290,715
Less, accumulated depreciation	-	-	-	-	-	1,098,078	1,098,078	985,380
Net Plant and Distribution System	-	-	-	-	-	3,627,059	3,627,059	3,305,331
Current Assets:								
Cash	28,724	98,146	-	58,667	-	8,434	193,971	292,230
Certificates of deposit and savings	-	-	9,117	36,762	31,778	60,449	138,106	73,950
Accounts receivable	16,233	1,052	-	-	-	-	17,285	23,264
Prepaid expenses	-	5,252	-	-	-	-	5,252	1,338
Total Current Assets	44,957	104,450	9,117	95,429	31,778	68,883	354,614	390,782
Deferred Debits:								
Unamortized bond costs	-	-	-	-	-	31,993	31,993	34,199
Debt service reserve fund	-	-	-	-	-	222,335	222,335	211,853
Total Assets	\$ 44,957	\$ 104,450	\$ 9,117	\$ 95,429	\$ 31,778	\$ 3,950,270	\$ 4,236,001	\$ 3,942,165

EQUITIES AND LIABILITIES

	Revenue Fund	Operations and Maintenance Fund	Bond and Interest Sinking Fund	Depreciation Fund	Reserve Fund	Construction Fund	Totals 1998	Totals 1997
Equities:								
Fund Balances	\$ 37,250	\$ 89,572	\$ 9,117	\$ 83,899	\$ 31,778	\$ (352,391)	\$ (100,775)	\$ (120,421)
Contributions in Aid of Construction	-	-	-	-	-	2,273,596	2,273,596	2,219,069
Total Equities	37,250	89,572	9,117	83,899	31,778	1,921,205	2,172,821	2,098,648
Long-Term Debt:								
Note payable	-	-	-	-	-	330,495	330,495	-
Revenue bonds	-	-	-	-	-	1,613,659	1,613,659	1,684,785
Total Long-Term Debt	-	-	-	-	-	1,944,154	1,944,154	1,684,785
Current Liabilities:								
Current portion of revenue bonds	-	-	-	-	-	71,126	71,126	76,472
Accounts payable	-	13,383	-	11,530	-	-	24,913	64,854
Sales, utilities and payroll taxes payable	1,697	1,495	-	-	-	-	3,192	3,822
Accrued interest	-	-	-	-	-	13,785	13,785	7,459
Customer deposits	6,010	-	-	-	-	-	6,010	6,125
Total Current Liabilities	7,707	14,878	-	11,530	-	84,911	119,026	158,732
Total Equities and Liabilities	\$ 44,957	\$ 104,450	\$ 9,117	\$ 95,429	\$ 31,778	\$ 3,950,270	\$ 4,236,001	\$ 3,942,165

The accompanying notes are an integral part of these financial statements

JESSAMINE SOUTH ELKHORN WATER DISTRICT
STATEMENT OF RECEIPTS, EXPENDITURES AND EQUITIES
FOR THE YEAR ENDED DECEMBER 31, 1998
(with comparative totals for the year ended December 31, 1997)

	Revenue Fund	Operations & Maintenance Fund	Bond and Interest Sinking Fund	Depreciation Fund	Reserve Fund	Construction Fund	Eliminations	Totals 1998	Totals 1997
Receipts:									
Water sales	\$ 734,064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 734,064	\$ 719,807
Interest	2,812	1,325	474	2,421	1,499	11,483	-	20,014	20,572
Penalties	13,903	-	-	-	-	-	-	13,903	12,343
Service charges	3,225	-	-	-	-	-	-	3,225	3,425
Transfers	-	471,318	12,300	131,960	-	192,000	(807,578)	-	-
Total Receipts	754,004	472,643	12,774	134,381	1,499	203,483	(807,578)	771,206	756,147
Expenditures:									
Water purchased	-	284,632	-	-	-	-	-	284,632	274,566
Interest	267	1	5,300	-	-	105,108	-	110,676	62,125
Engineering	-	5,644	-	-	-	-	-	5,644	28,053
EPA monitoring	-	1,874	-	158	-	-	-	2,032	1,497
Customer bookkeeping	-	27,282	-	-	-	-	-	27,282	26,414
General bookkeeping	-	28,059	-	-	-	-	-	28,059	27,389
Professional fees	-	16,633	-	-	-	-	-	16,633	9,347
Commissioners' salaries	-	9,000	-	-	-	-	-	9,000	9,000
Maintenance and repairs	-	338	-	53,705	-	-	-	54,043	42,199
Meter readings and testing	-	120	-	-	-	-	-	120	10,039
Travel	-	146	-	-	-	-	-	146	6,708
Office and miscellaneous	175	17,858	-	1,594	-	135	-	19,762	12,812
Payroll	-	47,921	-	-	-	-	-	47,921	39,302
Payroll taxes	-	3,477	-	-	-	-	-	3,477	4,394
Insurance	-	8,377	-	-	-	-	-	8,377	8,644
Utilities and telephone	-	7,706	-	-	-	-	-	7,706	6,553
Rent	-	4,200	-	-	-	-	-	4,200	4,200
Bad debts	3,709	-	-	-	-	-	-	3,709	525
Service fees - KIA bond	-	-	-	-	-	3,241	-	3,241	3,376
Transfers	785,618	21,960	-	-	-	-	(807,578)	-	-
Total Expenditures	789,769	485,228	5,300	55,457	-	108,484	(807,578)	636,660	577,203
Operating Income or (Loss)	(35,765)	(12,585)	7,474	78,924	1,499	94,999	-	134,546	178,944
Equities, beginning of year	73,015	105,161	8,643	93,007	30,279	1,788,543	-	2,098,648	1,996,883
Additions to system	-	(3,004)	-	(108,334)	-	111,338	-	-	-
Connection fees	-	-	-	20,302	-	34,225	-	54,527	28,715
Bonds paid	-	-	(7,000)	-	-	7,000	-	-	-
Depreciation and amortization	-	-	-	-	-	(114,900)	-	(114,900)	(105,894)
Equities, end of year	\$ 37,250	\$ 89,572	\$ 9,117	\$ 83,899	\$ 31,778	\$ 1,921,205	\$ -	\$ 2,172,821	\$ 2,098,648

The accompanying notes are an integral part of these financial statements.

JESSAMINE SOUTH ELKHORN WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1998
(with comparative totals for the year ended December 31, 1997)

	Revenue Fund	Operations & Maintenance Fund	Bond and Interest Sinking Fund	Depreciation Fund	Reserve Fund	Construction Fund	Totals 1998	Totals 1997
Increase (Decrease) in Cash and Cash Equivalents:								
Cash Flows from Operating Activities:								
Cash received from customers	\$ 753,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 753,745	\$ 730,874
Cash paid to suppliers and service providers	(175)	(486,298)	-	(77,194)	-	(3,376)	(567,043)	(475,304)
Interest received	2,812	1,325	474	2,421	1,499	11,483	20,014	20,572
Interest paid	(267)	(1)	(5,300)	-	-	(98,782)	(104,350)	(62,356)
Transfers	(785,618)	449,358	12,300	131,960	-	192,000	-	-
Net Cash Provided (Used) by Operating Activities	(29,503)	(35,616)	7,474	57,187	1,499	101,325	102,366	213,786
Cash Flows from Investing Activities:								
Additions to debt service reserves	-	-	-	-	-	(10,482)	(10,482)	(10,572)
Capital expenditures	-	(3,004)	-	(108,334)	-	(323,084)	(434,422)	(271,711)
Net Cash Used by Investing Activities	-	(3,004)	-	(108,334)	-	(333,566)	(444,904)	(282,283)
Cash Flows from Financing Activities:								
Net customer deposits	(115)	-	-	-	-	-	(115)	800
Connection fees and other contributions	-	-	-	20,302	-	34,225	54,527	28,715
Proceeds from bond issuance and borrowing on note	-	-	-	-	-	330,495	330,495	162,358
Principal payments under bond obligations	-	-	(7,000)	-	-	(69,472)	(76,472)	(73,164)
Net Cash Provided (Used) by Financing Activities	(115)	-	(7,000)	20,302	-	295,248	308,435	118,709
Net Increase (Decrease) in Cash and Cash Equivalents	(29,618)	(38,620)	474	(30,845)	1,499	63,007	(34,103)	50,212
Cash and Cash Equivalents - beginning of year	58,342	136,766	8,643	126,274	30,279	5,876	366,180	315,968
Cash and Cash Equivalents - end of year	\$ 28,724	\$ 98,146	\$ 9,117	\$ 95,429	\$ 31,778	\$ 68,883	\$ 332,077	\$ 366,180
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:								
Operating income (loss)	\$ (35,765)	\$ (12,585)	\$ 7,474	\$ 78,924	\$ 1,499	\$ 94,999	\$ 134,546	\$ 178,944
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
(Increase) Decrease in accounts receivable	6,549	(570)	-	-	-	-	5,979	(4,599)
(Increase) Decrease in prepaid expenses	-	(3,914)	-	-	-	-	(3,914)	1,560
Increase (Decrease) in accounts payable and accruals	(287)	(18,547)	-	(21,737)	-	6,326	(34,245)	37,881
Net Cash Provided (Used) by Operating Activities	\$ (29,503)	\$ (35,616)	\$ 7,474	\$ 57,187	\$ 1,499	\$ 101,325	\$ 102,366	\$ 213,786

The accompanying notes are an integral part of these financial statements.

ATTACHMENT E

PUBLIC NOTICE

(Continued from page 7B)

A BEAUTIFUL CANDLELIGHT, Old-Fashioned Wedding Chapel overlooking river, Smoky Mountains, TN. Horse-drawn carriage, cabins, jacuzzi, ordained ministers, no tests. Heartland 800-448-8697 (VOWS) <http://www.heartlandwedding.com>

800 - LEGALS, NOTICES

NOTICE

Jessamine-South Elkhorn Water District proposes to revise certain charges in its tariff in regard to its customers. The District proposes to place the following fees in effect as of September 1, 1999.

Meter Connection Charges:	
5/8" X 3/4"	\$650.00
1 inch	775.00

The fees contained in this notice are the fees proposed by the Jessamine-South Elkhorn Water District. However, the Public Service Commission, may order fees to be charged that differ from these proposed fees. Such action may result in fees for consumers other than the fees in this notice.

Any corporation, association, body politic, or person may, by motion within thirty (30) days after publication of this fee change, request leave to intervene, and the motion shall be submitted to the Public Service Commission, 730 Schenkel Lane, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the request including the status and interest of the party.

Intervenors may obtain copies of the application and related filings at no charge by contacting the District.

Jessamine-South Elkhorn Water District has available for inspection at the District's office the proposed changes to the Rules and Regulations. The District office is located at 117 S. Main Street, Nicholasville, KY 40356.

This notice is published pursuant to 807 KAR 5:011 -Tariffs.

Jessamine-South Elkhorn Water District

NOTICE TO CREDITORS

NOTICE is hereby given that Steve Hall has qualified as Executor of the estate of Val F. Hall, deceased of Jessamine County, Kentucky, on July 28, 1999. All persons having claims against the said estate are requested to present the same properly proven as required by law to the aforesaid Steve Hall, 915 Cross Hill Drive, Frankfort, KY 40601, later than January 30,

Doug Fain
Jessamine Circuit

NOTICE

NOTICE is hereby given that Paul E. Abshear has filed Final Settlement in the Estate of Moss Abshear, with date of hearing set for September 8, 1999, at 1:30 p.m. before the Jessamine District Court, Jessamine Courthouse, Frankfort, KY 40601.

NC
I, Jill K. Duncan,
Glamour 2000 Beau
Edgewood, Nicholas
ning August 1, 1999
I will not be re

NOT

NOTICE is hereby has filed Final Settler Lucian F. Barger, with September 8, 1999, at Jessamine District Co house Annex, Nicholas exceptions are file settlement shall be ap recorded according to Doug Fain Jessamine Circuit

ADMISSIO

It is the policy of R N. 2nd Street, Nicholas to treat all patients w color, religion or natic requirements for admis patients and all patients facility without regard t or national origin.

There is no distincti in the manner of providi provided by, or through t. All facilities of the pei available without distinc visitors regardless of ra national origin. All persi who have occasion to eit admission or to recom Lodge, Nicholasville, KY without regard to race, e tional origin.

Jessamine South Elkhorn Water District
117 South Main Street
Nicholasville, Kentucky 40356
606-881-0589

August 4, 1999

Mr. A.B. Chandler III
Attorney General
The Capitol, Suite 118
Frankfort, Kentucky 40601

Re: Public Service Commission Filing

Dear Mr. Chandler:

This letter shall serve as notification that the Jessamine South Elkhorn Water District has filed with the Public Service Commission, cost justification forms to increase rates for non-recurring charges.

Enclosed are copies of everything that we filed with the Commission.

Sincerely,

JESSAMINE SOUTH ELKHORN WATER DISTRICT



Jerry Haws, Chairman

Enclosure