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December 7, 2009

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PUBLIC SERVICE
COMMISSION

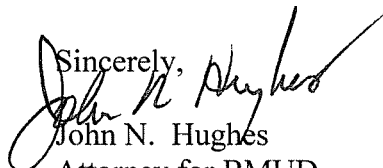
Mr. Jeff R. Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, Kentucky 40601

Re: Black Mountain Utility District, Case No. 2009-00422

Dear Mr. Derouen:

In response to your letter of November 18th, attached is a supplemental schedule showing the notes and bonds payments due for December, 2009 and an updated income statement.

Please contact me with any questions.

Sincerely,

John N. Hughes
Attorney for BMUD

Attachments

3:36 PM
 12/04/09
 Accrual Basis

BLACK MOUNTAIN UTILITY DISTRICT
Profit & Loss
 November 2008 through October 2009

Nov '08 - Oct 09

Ordinary Income/Expense	
Income	
WATER SALES	
WATER ADJUSTMENTS	-29,082.74
WATER SALES-COMM	66,399.26
WATER SALES-GOVT.	31,956.52
WATER SALES-RESIDENTIAL	1,137,165.40
Total WATER SALES	1,206,428.44
Total Income	1,206,428.44
Expense	
ADVERTISING	2,073.06
AUDIT EXPENSE	250.00
BAD DEBTS	6,114.93
COMPUTER SUPPORT	1,699.19
Depreciation Expense	302,920.80
Dues and Subscriptions	1,040.61
EASEMENTS	2,066.66
EMPLOYEE UNIFORMS	5,245.28
Insurance	
EMPLOYEE INSURANCE	36,007.00
PROPERTY & LIABILITY INS.	11,498.36
WORKER'S COMP. INS.	7,189.73
Total Insurance	54,695.09
INTEREST	
BOH-VEHICLE NOTE	3,259.09
CUSTOMER DEPOSIT INTERE...	530.80
KIA INTEREST EXPENSE	7,187.42
LONG TERM BOND INTEREST	68,684.89
Total INTEREST	79,662.20
LATE FEES	-2,673.86
Licenses and Permits	30.00
Payroll Expenses	9,994.76
PAYROLL TAX EXPENSE	7,589.15
Postage and Delivery	11,420.45
Professional Fees	
Accounting	13,276.00
Consulting	534.00
Total Professional Fees	13,810.00
PROMOTIONAL EXPENSE	1,156.08
PSC FILING EXPENSE	1,728.74
PURCHASED WATER	481,195.40
Repairs	
Building Repairs	1,115.90
Computer Repairs	820.83
Equipment Repairs	22,718.22
WATERLINE REPAIRS	4,689.64
Total Repairs	28,344.59
SALARIES & WAGES	
SALARIES-MAINTENANCE	176,259.80
SALARIES-OFFICE	52,418.20
Total SALARIES & WAGES	228,678.00
Supplies	
Office	10,255.54
OPERATING SUPPLIES	40,387.12
PURIFICATION SUPPLIES	2,822.00
Total Supplies	53,464.66
Telephone	6,995.03
TRAINING & TRAVEL EXPENSE	286.06

3:36 PM
12/04/09
Accrual Basis

BLACK MOUNTAIN UTILITY DISTRICT
Profit & Loss
November 2008 through October 2009

	<u>Nov '08 - Oct 09</u>
Utilities	
ELECTRIC	34,068.49
OTHER UTILITIES	2,864.30
WATER	297.52
Total Utilities	<u>37,330.31</u>
VEHICLE FUEL & MAINT.	22,882.71
WATER ANALYSIS	12,242.63
Total Expense	<u>1,371,242.74</u>
Net Ordinary income	-164,814.30
Other Income/Expense	
Other Income	
COLLECTION FEE-SEWER	756.52
COLLECTION FEES	23,292.29
COSUMER FEES	2,387.73
INT INCOME-OTHER	1,074.99
LATE CHARGE FEES	27,609.92
OTHER INCOME	2,483.08
Total Other Income	<u>57,604.53</u>
Net Other Income	<u>57,604.53</u>
Net Income	<u><u>-107,209.77</u></u>

BLACK MOUNTAIN UTILITY DISTRICT													
SCHEDULE-BONDS PAYABLE													
HOLDER OF BONDS-USDA RURAL DEVELOPMENT													
AS OF 12-31-2008													
BOND NO.	ISSUE DATE	YR OF MAT.	PAR VALUE	CASH REC.	INT. RATE	PRIN PAID 2008	PRIN PAID TO DATE	O/S AT YR END	INT ACC. 2008	INT. PAID 2008	PRIN 2009		
93R1	3/25/1993	2032	150,000.00	150,000.00	5%	3,000.00	30,000.00	120,000.00	6,150.00	6,150.00	3,500.00		
94A	12/15/1994	2034	356,000.00	356,000.00	4.5%	6,000.00	58,500.00	297,500.00	13,657.50	13,657.50	6,000.00		
94B	12/15/1994	2034	98,000.00	98,000.00	4.5%	1,800.00	17,500.00	80,500.00	3,703.50	3,703.50	1,800.00		
95A	9/7/1995	2035	225,000.00	225,000.00	4.5%	3,500.00	33,500.00	191,500.00	8,775.00	8,775.00	4,000.00		
95B	9/7/1995	2035	207,000.00	207,000.00	4.5%	3,500.00	33,500.00	173,500.00	7,965.00	7,965.00	3,500.00		
98	11/17/1998	2038	472,000.00	472,000.00	4.5%	7,000.00	53,000.00	419,000.00	19,170.00	19,170.00	7,000.00		
WALLINS	8/24/1980	2027	217,000.00	-	4.5%	7,000.00	14,000.00	203,000.00	10,500.00	10,500.00	7,000.00		
TOTALS			1,725,000.00	1,508,000.00		31,800.00	240,000.00	1,485,000.00	69,921.00	69,921.00	32,800.00		

NOTES

1. Yr. of maturity is year when bonds are to be paid out
2. Description of bonds are water and sewer revenue bonds
3. No class is stated on bonds
4. Secured by Revenue from Water Sales of District

BLACK MOUNTAIN UTILITY DISTRICT
SCHEDULE-NOTES PAYABLE
HOLDER OF NOTE- THE KENTUCKY INFRASTRUCTURE
AS OF 12-31-2008

LOAN NO	ISSUE DATE	MAT. DATE	ORG. BAL	INT RATE	PRIN PAID 2008	PRIN PAID TO DATE	O/S ST YR. END	INT. ACC. 2008	INT. PAID 2008	PRIN 2009
C04-01	1/1/2006	6/1/2025	260,000.00	3%	9,706.67	23735.35	226,264.85	7,446.08	7,474.00	10,000.06

NOTES:

1. Money borrowed to finish Putney Water Project
2. Secured by Revenue from Water Sales