

SUBMIT ORIGINAL AND FIVE ADDITIONAL COPIES, UNLESS FILING ELECTRONICALLY

**APPLICATION FOR RATE ADJUSTMENT  
BEFORE THE PUBLIC SERVICE COMMISSION**

For Small Utilities Pursuant to 807 KAR 5:076  
(Alternative Rate Filing)

RECEIVED

JUN 30 2014

PUBLIC SERVICE  
COMMISSION

AIRVIEW UTILITIES LLC

(Name of Utility)

P.O. BOX 91588

(Business Mailing Address - Number and Street, or P.O. Box)

LOUISVILLE, KY 40291

(Business Mailing Address - City, State, and Zip)

(502) 241-4809

(Telephone Number)

**BASIC INFORMATION**

NAME, TITLE, ADDRESS, TELEPHONE NUMBER and E-MAIL ADDRESS of the person to whom correspondence or communications concerning this application should be directed:

LARRY SMITHER

(Name)

P.O. BOX 91588

(Address - Number and Street or P.O. Box)

LOUISVILLE, KY 40291

(Address - City, State, Zip)

(502) 241-4809

(Telephone Number)

larrys76@bellsouth.net

(Email Address)

**(For each statement below, the Applicant should check either "YES", "NO", or "NOT APPLICABLE" (N/A))**

- |   | YES                                 | NO                       | N/A                                 |
|---|-------------------------------------|--------------------------|-------------------------------------|
| 1. a. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| b. Applicant operates two or more divisions that provide different types of utility service. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue from the division for which a rate adjustment is sought. | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. a. Applicant has filed an annual report with the Public Service Commission for the past year.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| b. Applicant has filed an annual report with the Public Service Commission for the two previous years.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |
| 3. Applicant's records are kept separate from other commonly-owned enterprises.   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            |

- |  | YES                                 | NO                                  | N/A                                 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| 4. a. Applicant is a corporation that is organized under the laws of the state of <u>KENTUCKY</u> , is authorized to operate in, and is in good standing in the state of Kentucky.   | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| b. Applicant is a limited liability company that is organized under the laws of the state of <u>KENTUCKY</u> , is authorized to operate in, and is in good standing in the state of Kentucky.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |
| c. Applicant is a limited partnership that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.   | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| d. Applicant is a sole proprietorship or partnership.  | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| e. Applicant is a water district organized pursuant to KRS Chapter 74.   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| f. Applicant is a water association organized pursuant to KRS Chapter 273.   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5. a. A paper copy of this application has been mailed to Office of Rate Intervention, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |
| b. An electronic copy of this application has been electronically mailed to: Office of Rate Intervention, Office of Attorney General at rateintervention@ag.ky.gov.  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 6. a. Applicant has 20 or fewer customers <u>or is a sewer utility and has mailed written notice</u> of the proposed rate adjustment to each of its customers no later than the date this application was filed with the Public Service Commission. A copy of this notice is attached to this application. <b>(Attach a copy of customer notice.)</b>  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |
| b. Applicant has more than 20 customers, <u>is not a sewer utility</u> , and has included written notice of the proposed rate adjustment <u>with customer bills</u> that were mailed by the date on which the application was filed. A copy of this notice is attached to this application. <b>(Attach a copy of customer notice.)</b>   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| c. Applicant has more than 20 customers, <u>is not a sewer utility</u> , and has made arrangements to publish notice once a week <u>for three (3) consecutive weeks</u> in a prominent manner in a newspaper of general circulation in its service area, the first publication having been made by the date on which this Application was filed. A copy of this notice is attached to this application. <b>(Attach a copy of customer notice.)</b> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 7. Applicant requires a rate adjustment for the reasons set forth in the attachment entitled "Reasons for Application." <b>(Attach completed "Reasons for Application" Attachment.)</b>  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |

YES NO N/A

8. Applicant proposes to charge the rates that are set forth in the attachment entitled "Current and Proposed Rates." **(Attach completed "Current and Proposed Rates" Attachment.)**
9. Applicant proposes to use its annual report for the immediate past year as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31, 2013.
10. Applicant has reason to believe that some of the revenue and expense items set forth in its most recent annual report have or will change and proposes to adjust the test period amount of these items to reflect these changes. A statement of the test period amount, expected changes, and reasons for each expected change is set forth in the attachment "Statement of Adjusted Operations." **(Attach a completed copy of appropriate "Statement of Adjusted Operations" Attachment and any invoices, letters, contracts, receipts or other documents that support the expected change in costs.)**
11. Based upon test period operations, and considering any known and measurable adjustments, Applicant requires additional revenues of \$\_\_\_\_\_ and total revenues from service rates of \$\_\_\_\_\_. The manner in which these amounts were calculated is set forth in "Revenue Requirement Calculation" Attachment. **(Attach a completed "Revenue Requirement Calculation" Attachment.)**
12. As of the **date of the filing of this application**, Applicant had 199 customers.
13. A billing analysis of Applicant's current and proposed rates is attached to this application. **(Attach a completed "Billing Analysis" Attachment.)** - *FLAT RATE*  
*X 199 CUSTOMERS*
14. Applicant's depreciation schedule of utility plant in service is attached. **(Attach a schedule that shows per account group: the asset's original cost, accumulated depreciation balance as of the end of the test period, the useful lives assigned to each asset and resulting depreciation expense.)**
15. a. Applicant has outstanding evidences of indebtedness, such as mortgage agreements, promissory notes, or bonds.
- b. Applicant has attached to this application a copy of each outstanding evidence of indebtedness (e.g., mortgage agreement, promissory note, bond resolution).
- c. Applicant has attached an amortization schedule for each outstanding evidence of indebtedness.

- |  | YES                                 | NO                                  | N/A                                 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| 16. a. Applicant is not required to file state and federal tax returns.  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| b. Applicant is required to file state and federal tax returns.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |
| c. Applicant's most recent state and federal tax returns are attached to this Application. <b>(Attach a copy of returns.)</b>  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |
| 17. Approximately <u>100%</u> <b>(Insert dollar amount or percentage of total utility plant)</b> of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions. | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| 18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires complete such form.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |

I am authorized by the Applicant to sign and file this application on the Applicant's behalf, have read and completed this application, and to the best of my knowledge all the information contained in this application and its attachments is true and correct.

Signed

*[Handwritten Signature]*  
 Officer of the Company/Authorized Representative

Title

MEMBER

Date

6/30/14

COMMONWEALTH OF KENTUCKY

COUNTY OF Oldham

Before me appeared Larry Smither, who after being duly sworn, stated that he/she had read and completed this application, that he/she is authorized to sign and file this application on behalf of the Applicant, and that to the best of his/her knowledge all the information contained in this application and its attachments is true and correct.

*[Handwritten Signature: Christie K McCormick]*

Notary Public

My commission expires: 4-25-2017

**CHRISTIE K. MCCORMICK**  
 Notary Public  
 State at Large  
 Kentucky  
 My Commission Expires Apr. 25, 2017

June 30, 2014

Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, KY 40601

Dear Sirs,

Attached are an original and 5 copies of an Alternative Rate Filing application for Airview Utilities, LLC sewer utility. A copy of this filing has also been sent to the Office of the Attorney General. In addition to the rate application, we have attached supporting documentation, the notice mailed to customers, and a sworn verification of mailing. Also, please incorporate by reference in this case Airview's annual reports on file with the Commission.

Airview proposes that the rates become effective on July 30, 2014, and has provided a proposed tariff to that effect within this filing. Also, Airview has attempted to the best of its ability to fully comply with the Commission's ARF requirements. However, please consider this a request for waiver of any filing requirements we may have inadvertently overlooked, on the grounds that all relevant information has been provided to allow this case process to begin.

Finally, please note that Airview has very little cash and poor cash flow, and therefore wishes to avoid entirely expensive legal fees. We therefore respectfully request that the Commission and its Staff provide the assistance and procedural flexibility necessary to accomplish this goal, and to process this case as quickly as possible. With that in mind, Airview has attempted to provide as much documentation in this filing as possible to assist the Staff in its review.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence W. Smither". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lawrence Smither, Member  
Airview Utilities, LLC

**LIST OF ATTACHMENTS**  
**(Indicate all documents submitted by checking box)**

- Applicant's Articles of Incorporation, Articles of Organization, or Limited Partnership Agreement. - *PREVIOUSLY FILED IN CASE NO 2010-00064*
- All amendments to Applicant's Articles of Incorporation, Articles of Organization, or Limited Partnership Agreement. - *PREVIOUSLY FILED IN CASE NO 2010-00064*
- Customer Notice of Proposed Rate Adjustment
- "Reasons for Application" Attachment
- "Current and Proposed Rates" Attachment - *SEE CUSTOMER NOTICE*
- "Statement of Adjusted Operations" Attachment - *SEE EXHIBIT 2*
- "Revenue Requirements Calculation" Attachment - *SEE EXHIBIT 2*
- "Billing Analysis" Attachment - *SEE EXHIBIT 2*
- Depreciation Schedule
- Outstanding Debt Instruments (i.e., Bond Resolutions, Mortgages, Promissory Notes, Amortization Schedules.) - *NONE*
- State Tax Return
- Federal Tax Return
- Statement of Disclosure of Related Party Transactions - ARF Form 3

## Airview Exhibit Index

1. Reasons For Application and Current/Proposed Rate Attachment (Combined)
2. Pro Forma Income Statement with Explanations
3. Proposed Tariff
4. Customer Notice & Written Statement Verifying Customer Notice Mailed
5. Depreciation Schedule
6. Latest Federal and State Tax Returns
7. Statement of Disclosure of Related Party Transactions

### Documentation Supporting Proposed Expense Adjustments:

8. Microbac weekly lab testing invoice.
9. One nonrecurring 2013 invoice for \$1,119.85.
10. Rate Case Consulting Contract for \$3,000
11. 2014 Invoices for 5 significant nonrecurring charges.

Also, to aid the Commission Staff in processing this case, Airview will provide within the next few weeks two copies of a Supplemental Exhibit – one for the main case file, another for the PSC Staff team leader – showing 2013 invoices from outside vendors and a partial 2013 general ledger showing expense account details.

### Airview "Reasons For Application" Attachment

Airview needs a significant rate increase to properly operate and maintain its aging sewer plant in Hardin County, Kentucky. Airview currently charges a monthly rate of \$28.45 – a rate which has not been increased in over 10 years - and this rate is totally inadequate to provide the cash flow necessary to meet current environmental requirements for testing and treating sewage; to maintain and upgrade aging plant; and to simply pay the bills.

In recent years, Airview has operated with substantial negative cash flow and large net losses. This situation has been exacerbated by high levels of nonpaying customers and uncollectible bills, which are due to the fact that the local water district no longer performs billing and collection services for Airview. The 2013 unadjusted test year includes a high level of uncollectibles, although Airview has removed this expense entirely in determining its proposed rate increase. Still, the Commission should be aware that the revenue requirement approved in this case is unlikely to be fully collected, and that Airview will expend significant efforts just to collect something less than the full revenue requirement.

Included with Airview's rate application are various bills, quotes and other documents showing substantial cost increases on a going-forward basis. Airview is proposing a \$42.00 monthly sewer rate, but believes it could justify an even higher rate based on its costs.

### Current and Proposed Rates

Airview currently charges a monthly rate of \$28.45, and is proposing to increase this rate to \$42.00 – an increase of approximately 47.6%.



### Airview 2013 Proforma – At 6/24/14

	2013	Adj.	Ref.	Adjusted	Notes
Total Revenue	\$68,752	(\$813)	A	\$67,939	199 customers
Owner/Manager Fee	\$9,600	(\$6,000)	B	\$3,600	
Sludge Hauling	\$2,225	0		2,225	
Water	\$5,952	0		\$5,952	
Other Labor, Matls., Exp.	\$9,204	\$1,235	C	\$10,439	Increased Lab Tests
Fuel & Power Expense	\$8,917	0		\$8,917	
Misc. CS Exp. - Chemicals	\$617	0		\$617	
Routine Maintenance Fee	\$8,400	0		\$8,400	
Mt. of Collection System	\$3,050	0		\$3,050	
Mt. of Trtmt. & Disp. Plant	\$23,271	(\$1,120)	D	\$22,151	1 Nonrecurring charge
Mt. of Other Plant	\$1,678	0		\$1,678	
Cust. Accts. Supervision	\$184	0		\$184	
Uncollectible Accounts	\$15,169	(\$15,169)	E	\$0	
Office Supplies & Other	\$599	0		\$599	
Outside Services Employed	\$8,289	\$500	F	\$8,789	Pro forma bookkeeping
Insurance Expense	\$1,136	\$3,864	G	\$5,000	Will Provide Quote
Regulatory Commission Exp.	\$1,010	0		\$1,010	
Misc. General Expense	\$1,287	0		\$1,287	
Rents	\$594	\$1,200	H	\$1,794	Include \$100/mo. Office rent
<b>Total O&amp;M Expenses</b>	<b>\$101,182</b>	<b>(\$15,490)</b>		<b>\$85,692</b>	
Depreciation Expense	\$1,037	(\$1,037)	I	0	
Amortization Expense	0	\$7,579	J	\$7,579	Rate case expense; NRCs
Taxes Other Than Income	\$1,806	0		\$1,806	
<b>Total Operating Expenses</b>	<b>\$104,025</b>	<b>(\$8,948)</b>		<b>\$95,077</b>	
<b>Net Income</b>	<b>(\$35,273)</b>	<b>\$8,135</b>		<b>(\$27,138)</b>	

**Revenue Requirement Calculation:**

\$ 95,077 – Operating Expenses  
 \$ / 88% – 88% Operating Ratio  
 \$ 108,043 – Revenue Requirement  
 ( \$67,939) – Normalized Revenue  
**\$ 40,104 - Justified Increase** (59% increase; results in \$45.25 rate)  
 \$ 32,357 - Requested Increase (results in a \$42.00 rate.)

**Reference Notes**

**A. Sales Revenues** were decreased by \$813 to reflect normalized revenues of \$67,939. At the end of 2013, this sewer system had a total of 199 customers charged a \$28.45 monthly rate.

**B. Owner/Manager Fee** was reduced by \$6,000 to \$3,600, the amount normally allowed by the PSC.

**C. Other Labor, Materials and Expenses** has been increased by \$1,235 to reflect increased proforma lab testing expenses to meet new phosphorous testing requirements, as reflected by the attached weekly bill of \$200.75 for 52 weeks (effective since May 2013) from Microbac Labs.

**D. Maintenance of Treatment and Disposal Plant** was reduced by \$1,120 to remove a nonrecurring charge that was capital in nature. The recovery of this expenditure has been requested below in amortization expense.

**E. Uncollectible Accounts Expense** of \$15,169 was reported during 2013. Airview has eliminated this entire expense because it believes the PSC will not allow its recovery in this case.

**F. Outside Services Employed** was adjusted by \$500 to reflect a \$400 per month cost (\$4,800 per year) for bookkeeping fees. During 2013, this expense amount was \$4,300, so the \$500 increase is appropriate to reflect ongoing expense.

**G. Insurance Expense** was increased by \$3,864 to reflect the estimated cost of liability insurance coverage (quote to be provided), which Airview could not afford in the past. Airview will purchase this insurance if the PSC indicates this cost will be included in the revenue requirement in its final decision in this case.

**H. Rents** was increased by \$1,200 to allow for office rent, similar to Coolbrook Utilities. Airview has been unable to pay such rent because of its poor cash flow, but this is a reasonable expense to be included for ratemaking purposes.

**I. Depreciation Expense** of \$1,037 was removed because the current owners of Airview were never given a fixed asset schedule to support depreciation expense, and in addition the PSC Annual Reports indicate that historical plant was 100% contributed.

In addition, depreciation expense has not been adjusted, but the PSC Staff should note that Airview needs a spare pump and diffuser maintenance. Airview has two pumps operating, and both are past their useful lives. The addition of a spare pump would increase the plant's reliability, help reduce the likelihood of environmental mishaps, and avoid the need to replace the pump at a potentially higher price in an emergency situation. If necessary to defend the rate increase requested herein, Airview will provide quotes for both the spare pump and the diffuser work.

**J. Amortization Expense** was adjusted by \$7,579 for three reasons.

-First, amortization expense was adjusted by \$4,000 for the current rate case to reflect estimated rate case expenses of \$12,000 spread over 3 years. Airview hired a consultant to prepare the application at a cost of \$3,000, and the additional \$9,000 estimate is for estimated legal and other fees. As stated in the cover letter of our application, Airview wishes to reduce these fees, and respectfully requests that the Commission Staff provide the procedural flexibility needed to allow for reduction of these expenses.

-Second, Airview has removed a nonrecurring charge of \$1,120 from Maintenance of Treatment and Disposal Expenses above. Since this expense is nonrecurring, Airview is requesting recovery of it over a three-year period, resulting in annual expense of \$374.

-Third, in 2014 Airview has made 5 significant expenditures totaling \$9,615 to keep the plant operating:

Date	Item	
3/31/14	New pump	\$1,017.00
4/10/14	Mechanical collector removal	\$880.30
4/24/14	Install lagoon bypass pump, clear trees, repipe chlorine contact tank, etc.	\$2,698.90
5/8/14	Installed repaired collector gear drive	\$1,233.60
5/12/14	Motor replacement, etc.	\$3,784.86
	Total	\$9,614.66

Airview is proposing to amortize these 2014 charges over three years, resulting in additional expense of \$3,205.

FOR Airview Subdivision  
Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Airview Utilities, LLC  
(Name of Utility)

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

---

CONTENTS

---

Monthly Sewer Rate

All Users \$42.00

---

DATE OF ISSUE June 30, 2014

Month / Date / Year

DATE EFFECTIVE July 30, 2014

Month / Date / Year

ISSUED BY \_\_\_\_\_

(Signature of Officer)

TITLE Member

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

## NOTICE

On June 30, 2014 Airview Utilities, LLC has filed an application with the Public Service Commission proposing to increase its monthly sewer rate from \$28.45 to \$42.00, an increase of 47.6%. Airview Utilities, LLC believes it could justify an even greater increase, but is proposing the increase to \$42.00 to reduce the burden upon its customers. The proposed increase is necessary to provide adequate sewer service and to fully comply with existing and new environmental requirements. The proposed effective date of the change is July 30, 2014.

### Monthly Rate:

<u>Current</u> Flat Rate	\$28.45	<u>Proposed</u> Flat Rate	\$42.00	
<u>MONTHLY</u> <u>USAGE</u>	<u>MONTHLY BILL AT</u> <u>CURRENT RATE</u>	<u>MONTHLY BILL AT</u> <u>PROPOSED RATE</u>	<u>PERCENT</u> <u>INCREASE</u>	<u>AMOUNT OF</u> <u>INCREASE</u>
ALL USAGE	\$28.45	\$42.00	47.6%	\$13.55

The rates contained in this notice are the rates proposed by Airview Utilities, LLC. However, the Public Service Commission ("PSC") 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. If the PSC does not receive a written request for intervention within 30 days of the mailing of this notice, the PSC may take final action on the application. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Public Service Commission, 211 Sower Boulevard, 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 examined or obtained at no charge from the utility office at Airview Utilities, LLC, P.O. Box 91588, Louisville, KY 40291. Also, the application and all documents filed with the Public Service Commission may be viewed and downloaded at the Public Service Commission's website at <http://psc.ky.gov> or viewed at the PSC's office at 211 Sower Blvd. Frankfort KY from Monday-Friday 8am – 4:30 pm. Comments regarding the application may be submitted to the PSC through the PSC's website or via mail at Public Service Commission, P.O. Box 615, Frankfort, KY 40602. Upon request from an intervenor, the utility shall furnish to the intervenor a copy of the application and supporting documents.

Airview Utilities, LLC

Written Statement of Verification

I, Larry Smither being a Member and the Operating Partner of Airview Utilities, LLC, do hereby verify that the attached notice of proposed rate increase was mailed to Airview's sewer customers on JUNE 30, 2014.

[Signature]  
Name

6/30/14  
Date

Subscribed and sworn to before me by Larry Smither, Member and Operating Partner of Airview Utilities, LLC on this June 30, 2014

My Commission Expires 4-25-2017

[Signature]

Notary Public

In and for said County and State

Oldham County, KY

**CHRISTIE K. MCCORMICK**  
Notary Public  
State at Large  
Kentucky  
My Commission Expires Apr. 25, 2017

### Airview Depreciation Schedule - Explanation

Airview is not requesting any depreciation expense on historical plant in this case for two reasons. First, PSC Annual Reports indicate that Airview's historical plant has been 100% contributed, so the PSC would not allow depreciation expense for it. Second, Airview's current owners were not given a fixed asset schedule when they bought the utility, so one does not exist. Airview will maintain a fixed asset schedule for any expenditures determined by the PSC to be capital in nature.

For purposes of this case filing, Airview respectfully requests a deviation from this filing requirement since no historical asset schedule was given to the current owners, and since no depreciation expense is requested in this case, which means any depreciation schedule generated would be unnecessary.

1065

U.S. Return of Partnership Income

OMB No. 1545-0099

Form Department of the Treasury Internal Revenue Service

For calendar year 2013, or tax year beginning ending

EXTENSION GRANTED TO 09/15/14

2013

A Principal business activity SEWER UTILITY
B Principal product or service SEWAGE TREATMENT
C Business code number 221300

Name of partnership AIRVIEW UTILITIES, LLC
Number, street, and room or suite no. P.O. BOX 91588
City or town, state or province, country, and ZIP or foreign postal code LOUISVILLE KY 40291

D Employer identification number
E Date business started 01/07/2005
F Total assets \$ 41208.

G Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return (6) Technical termination
H Check accounting method: (1) Cash (2) Accrual (3) Other
I Number of Schedules K-1: 2
J Check if Schedules C and M-3 are attached

Caution. Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Table with 22 rows for Income and Deductions. Line 1a: 68752. Line 1c: 68752. Line 3: 68752. Line 8: 68752. Line 12: 15169. Line 13: 594. Line 14: 1702. Line 15: 34. Line 20: 76190. Line 21: 93689. Line 22: -24937.

Sign Here: Signature of general partner or limited liability company member manager, Date, and declaration box: May the IRS disclose this return with the preparer shown below? [X] Yes [ ] No

Paid Preparer Use Only: Print/Type preparer's name CHARLES B LOGSDON, Preparer's signature, Date, Check self-employed, Firm's name LOGSDON & CO., PC, Firm's address 405 WEST 6TH STREET JEFFERSONVILLE, IN 47130, Firm's EIN, Phone no. (812) 283-7722

LHA For Paperwork Reduction Act Notice, see separate instructions. Form 1065 (2013)





**Schedule B Other Information (continued)**

	Yes	No
11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions		X
12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.		X
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly-owned by the partnership throughout the tax year) <input type="checkbox"/>		
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions		
16 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership.		X
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return.		
18a Did you make any payments in 2013 that would require you to file Form(s) 1099? See instructions	X	
b If "Yes," did you or will you file required Form(s) 1099?	X	
19 Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return.		
20 Enter the number of partners that are foreign governments under section 892.		

**Designation of Tax Matters Partner (see instructions)**

Enter below the general partner or member-manager designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP	Identifying number of TMP
If the TMP is an entity, name of TMP representative	Phone number of TMP
Address of designated TMP	

Schedule K Partners' Distributive Share Items

Table with columns for category (Income (Loss), Deductions, Self-Employment, Credits, Foreign Transactions, Alternative Minimum Tax (AMT) Items, Other Information), line number, description, sub-column (3a, 3b, 6b, 9b, 9c), and Total amount. Total amount for line 1 is -24937 and for line 14c is 68752.

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13c, and 16i						1	-24937.
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt Organization	(vi) Nominee/Other	
a General partners							
b Limited partners			-24937.				

**Schedule L Balance Sheets per Books**

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash				1438.
2a Trade notes and accounts receivable	55602.		30860.	
b Less allowance for bad debts		55602.		30860.
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach statement)	STATEMENT 3	3275.		3275.
7a Loans to partners (or persons related to partners)				
b Mortgage and real estate loans				
8 Other investments (attach statement)				
9a Buildings and other depreciable assets	81717.		81717.	
b Less accumulated depreciation	75045.	6672.	76082.	5635.
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach statement)				
14 Total assets		65549.		41208.
<b>Liabilities and Capital</b>				
15 Accounts payable		32442.		31037.
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach statement)	STATEMENT 4	600.		
18 All nonrecourse loans				
19a Loans from partners (or persons related to partners)				
b Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach statement)	STATEMENT 5	106737.		110375.
21 Partners' capital accounts		-74230.		-100204.
22 Total liabilities and capital		65549.		41208.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1 Net income (loss) per books	-25974.	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13d, and 16i, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16i (itemize):		a Depreciation \$	
a Depreciation \$	1037.	8 Add lines 6 and 7	
b Travel and entertainment \$	1037.	9 Income (loss) (Analysis of Net Income (Loss), line 1), Subtract line 8 from line 5	-24937.
5 Add lines 1 through 4	-24937.		


**Schedule M-2 Analysis of Partners' Capital Accounts**

1 Balance at beginning of year	-74230.	6 Distributions: a Cash	
2 Capital contributed: a Cash		b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	-25974.	8 Add lines 6 and 7	
4 Other increases (itemize):		9 Balance at end of year. Subtract line 8 from line 5	-100204.
5 Add lines 1 through 4	-100204.		

**Application for Automatic Extension of Time To File  
Certain Business Income Tax, Information, and Other Returns**

▶ File a separate application for each return.

▶ Information about Form 7004 and its separate instructions is at [www.irs.gov/form7004](http://www.irs.gov/form7004)

<b>Print or Type</b>	Name <b>AIRVIEW UTILITIES, LLC</b>	Identifying number 
	Number, street, and room or suite no. (if P.O. box, see instructions.) <b>P.O. BOX 91588</b>	
	City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)). <b>LOUISVILLE, KY 40291</b>	

**Note.** File request for extension by the due date of the return for which the extension is granted. See instructions before completing this form.

**Part I Automatic 5-Month Extension**

**1a** Enter the form code for the return that this application is for (see below) 09

Application Is For:	Form Code	Application Is For:	Form Code
Form 1065	09	Form 1041 (estate other than a bankruptcy estate)	04
Form 8804	31	Form 1041 (trust)	05

**Part II Automatic 6-Month Extension**

**b** Enter the form code for the return that this application is for (see below)

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041-N	05	Form 1120-REIT	23
Form 1041-OFT	07	Form 1120-RIC	24
Form 1042	08	Form 1120S	25
Form 1065-B	10	Form 1120-SF	26
Form 1066	11	Form 3520-A	27
Form 1120	12	Form 8612	28
Form 1120-G	34	Form 8613	29
Form 1120-F	15	Form 8725	30
Form 1120-FSS	16	Form 8831	32
Form 1120-H	17	Form 8876	33
Form 1120-L	18	Form 8924	35
Form 1120-ND	19	Form 8928	36

**2** If the organization is a foreign corporation that does not have an office or place of business in the United States, check here

**3** If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here   
If checked, attach a statement, listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.

**Part III All Filers Must Complete This Part**

**4** If the organization is a corporation or partnership that qualifies under Regulations section 1.6061-5, check here

**5a** The application is for calendar year **2013**, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

**b** Short tax year. If this tax year is less than 12 months, check the reason:  
 Change in accounting period     Consolidated return to be filed     Initial return     Final return  
 Other (see instructions-attach explanation)

<b>6</b> Tentative total tax	6	
<b>7</b> Total payments and credits (see instructions)	7	
<b>8</b> Balance due. Subtract line 7 from line 6 (see instructions)	8	0.

**SCHEDULE B-1  
(Form 1065)**

(Rev. December 2011)

Department of the Treasury  
Internal Revenue Service

**Information on Partners Owning 50% or  
More of the Partnership**

▶ Attach to Form 1065. See instructions.

OMB No. 1545-0099

Name of partnership

Employer identification number

**AIRVIEW UTILITIES, LLC**

**Part I Entities Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3a)**

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

**Part II Individuals or Estates Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3b)**

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
MARTIN G COGAN	<del>XXXXXXXXXX</del>	UNITED STATES	50.00
LAWRENCE W SMITHER	<del>XXXXXXXXXX</del>	UNITED STATES	50.00

**Worksheet for Figuring Net Earnings (Loss) From Self-Employment**

Name of partnership		Employer identification number	
AIRVIEW UTILITIES, LLC		[REDACTED]	
1	a Ordinary income (loss) (Schedule K, line 1)	1a	-24937.
	b Net income (loss) from CERTAIN rental real estate activities	1b	
	c Net income (loss) from other rental activities (Schedule K, line 3c)	1c	
	d Net loss from Form 4797, Part II, line 17, included on line 1a above. Enter as a positive amount	1d	
	e Other additions	1e	
	f Combine lines 1a through 1e	1f	-24937.
2	a Net gain from Form 4797, Part II, line 17, included on line 1a above	2a	
	b Other subtractions	2b	
	c Add lines 2a and 2b	2c	
3	a Subtract line 2c from line 1f. If line 1f is a loss, increase the loss on line 1f by the amount on line 2c	3a	-24937.
	b Part of line 3a allocated to limited partners, estates, trusts, corporations, exempt organizations, and IRAs	3b	
	c Subtract line 3b from line 3a	3c	-24937.
4	a Guaranteed payments to partners (Schedule K, line 4) derived from a trade or business as defined in section 1402(c)	4a	
	b Part of line 4a allocated to individual limited partners for other than services and to estates, trusts, corporations, exempt organizations, and IRAs	4b	
	c Subtract line 4b from line 4a	4c	
5	Net earnings (loss) from self-employment. Combine lines 3c and 4c. Enter here and on Schedule K, line 14a	5	-24937.



FORM 1065	TAX EXPENSE	STATEMENT	1
DESCRIPTION		AMOUNT	
KENTUCKY TAXES - OTHER			175.
OTHER TAXES AND LICENSES			430.
PROPERTY TAXES			1097.
TOTAL TO FORM 1065, LINE 14			1702.

FORM 1065	OTHER DEDUCTIONS	STATEMENT	2
DESCRIPTION		AMOUNT	
BANK CHARGES			509.
BOOKKEEPING			4300.
CHEMICALS			617.
COLLECTION EXPENSE			184.
COMMUNICATION EXPENSE			88.
DAMAGE CLAIMS			600.
INSURANCE			1136.
LABOR EXPENSE - TESTING			9204.
MANAGEMENT FEE			300.
MISCELLANEOUS			104.
OFFICE EXPENSE			599.
PERMITS AND LICENSES			1010.
PROFESSIONAL FEES			3989.
SLUDGE HAULING			2225.
TREATMENT PLANT MAINTENANCE			36399.
UTILITIES			14869.
VEHICLE EXPENSE			57.
TOTAL TO FORM 1065, LINE 20			76190.

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT	3
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR	
OTHER	3275.	3275.	
TOTAL TO SCHEDULE L, LINE 6	3275.	3275.	

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT	4
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
BANK OVERDRAFT		600.	
TOTAL TO SCHEDULE L, LINE 17		600.	

SCHEDULE L	OTHER LIABILITIES	STATEMENT	5
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
AID IN CONSTRUCTION DUE TO RELATED PARTIES		44707.	44707.
		62030.	65668.
TOTAL TO SCHEDULE L		106737.	110375.

FORM 1065	PARTNERS' CAPITAL ACCOUNT SUMMARY				STATEMENT	6
PARTNER NUMBER	BEGINNING CAPITAL	CAPITAL CONTRIBUTED	SCHEDULE M-2 LNS 3, 4 & 7	WITH-DRAWALS	ENDING CAPITAL	
1	-37117.		-12988.		-50105.	
2	-37113.		-12986.		-50099.	
TOTAL	-74230.		-25974.		-100204.	



Schedule K-1  
(Form 1065)

2013

Final K-1  Amended K-1 OMB No. 1545-0099

Department of the Treasury  
Internal Revenue Service

For calendar year 2013, or tax

year beginning \_\_\_\_\_

ending \_\_\_\_\_

Partner's Share of Income, Deductions,  
Credits, etc.

▶ See separate instructions.

**Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items**

1 Ordinary business income (loss) -12469.	15 Credits
2 Net rental real estate income (loss)	16 Foreign transactions
3 Other net rental income (loss)	
4 Guaranteed payments	
5 Interest income	
6a Ordinary dividends	17 Alternative min tax (AMT) items
6b Qualified dividends	
7 Royalties	18 Tax-exempt income and nondeductible expenses
8 Net short-term capital gain (loss)	
9a Net long-term capital gain (loss)	
9b Collectibles (28%) gain (loss)	19 Distributions
9c Unrecaptured sec 1250 gain	
10 Net section 1231 gain (loss)	20 Other information
11 Other income (loss)	
12 Section 179 deduction	
13 Other deductions	
14 Self-employment earnings (loss) A -12469. C 34376.	

\*See attached statement for additional information.

For IRS Use Only

**Part I Information About the Partnership**

A Partnership's employer identification number

B Partnership's name, address, city, state, and ZIP code

AIRVIEW UTILITIES, LLC  
P.O. BOX 91588  
LOUISVILLE, KY 40291

C IRS Center where partnership filed return  
CINCINNATI, OH

D  Check if this is a publicly traded partnership (PTP)

**Part II Information About the Partner**

E Partner's identifying number

F Partner's name, address, city, state, and ZIP code

MARTIN G COGAN  
2223 MILLVALE DR  
LOUISVILLE, KY 40205

G  General partner or LLC member-manager  Limited partner or other LLC member

H  Domestic partner  Foreign partner

I What type of entity is this partner? INDIVIDUAL

J If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here

J Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	50.0000000%	50.0000000%
Loss	50.0000000%	50.0000000%
Capital	50.0000000%	50.0000000%

K Partner's share of liabilities at year end:

Nonrecourse	\$	
Qualified nonrecourse financing	\$	
Recourse	\$	55188.

L Partner's capital account analysis:

Beginning capital account	\$	-37117.
Capital contributed during the year	\$	
Current year increase (decrease)	\$	-12988.
Withdrawals & distributions	\$	
Ending capital account	\$	-50105.

Tax basis  GAAP  Section 704(b) book

Other (explain)

M Did the partner contribute property with a built-in gain or loss?

Yes  No

If "Yes", attach statement (see instructions)

Schedule K-1  
(Form 1065)

2013

Final K-1  Amended K-1 OMB No. 1545-0099

Department of the Treasury  
Internal Revenue Service

For calendar year 2013, or tax

year beginning \_\_\_\_\_  
ending \_\_\_\_\_

**Partner's Share of Income, Deductions, Credits, etc.**

▶ See separate instructions.

**Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items**

1 Ordinary business income (loss) -12468.	15 Credits
2 Net rental real estate income (loss)	16 Foreign transactions
3 Other net rental income (loss)	
4 Guaranteed payments	
5 Interest income	
6a Ordinary dividends	17 Alternative min tax (AMT) items
6b Qualified dividends	
7 Royalties	18 Tax-exempt income and nondeductible expenses
8 Net short-term capital gain (loss)	
9a Net long-term capital gain (loss)	
9b Collectibles (28%) gain (loss)	19 Distributions
9c Unrecaptured sec 1250 gain	20 Other information
10 Net section 1231 gain (loss)	
11 Other income (loss)	
12 Section 179 deduction	
13 Other deductions	
14 Self-employment earnings (loss) A -12468. C 34376.	

\*See attached statement for additional information.

For IRS Use Only

**Part I Information About the Partnership**

A Partnership's employer identification number

B Partnership's name, address, city, state, and ZIP code

AIRVIEW UTILITIES, LLC  
P.O. BOX 91588  
LOUISVILLE, KY 40291

C IRS Center where partnership filed return  
CINCINNATI, OH

D  Check if this is a publicly traded partnership (PTP)

**Part II Information About the Partner**

E Partner's identifying number

F Partner's name, address, city, state, and ZIP code

LAWRENCE W SMITHER  
P.O. BOX 137  
CRESTWOOD, KY 40014

G  General partner or LLC member-manager  Limited partner or other LLC member

H  Domestic partner  Foreign partner

I1 What type of entity is this partner? INDIVIDUAL

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here

J Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	50.0000000%	50.0000000%
Loss	50.0000000%	50.0000000%
Capital	50.0000000%	50.0000000%

K Partner's share of liabilities at year end:

Nonrecourse	\$	
Qualified nonrecourse financing	\$	
Recourse	\$	55187.

L Partner's capital account analysis:

Beginning capital account	\$	-37113.
Capital contributed during the year	\$	
Current year increase (decrease)	\$	-12986.
Withdrawals & distributions	\$	
Ending capital account	\$	-50099.

Tax basis  GAAP  Section 704(b) book  
 Other (explain)

M Did the partner contribute property with a built-in gain or loss?

Yes  No

If "Yes", attach statement (see instructions)

311281

When requesting an extension prior to filing a Kentucky return, this form must be used.



Make check(s) payable to Kentucky State Treasurer.  
Mail extension with payment to Kentucky Department of Revenue, Frankfort, Kentucky 40620.

364621  
07-11-13

★ Detach Here ★

★ Enclose Check and Extension Unattached ★

41A720SL (6-13)  
Department of Revenue

APPLICATION FOR SIX-MONTH EXTENSION  
OF TIME TO FILE KENTUCKY CORPORATION OR  
LIMITED LIABILITY PASS-THROUGH ENTITY RETURN

2 4  
TRAN CODE

Federal Identification Number (FEIN)



Taxable Year Ending 1 2 1 3

Kentucky Corporation/LLET  
Account Number

Name of Entity (Print or Type)

AIRVIEW UTILITIES, LLC

State and Date of Organization

KY 01/05

Corporation  
Income Tax

Number and Street

P.O. BOX 91588

Limited Liability  
Entity Tax

175

City

LOUISVILLE

State ZIP Code

KY 40291

Total

175

Name of President, Partner or Member

Telephone No. of Entity

(Round to the nearest dollar)

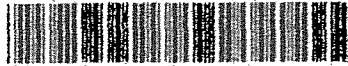
Form Type (Check the box):  Form 720  Form 720S  Form 725  Form 785

Kentucky  
UNBRIDLED SPIRIT

Signature of Principal Officer or Chief Accounting Officer or Preparer Other Than Taxpayer

Date

1019



2013

See instructions.

Taxable period beginning JAN 1, 2013, and ending DEC 31, 2013.

KENTUCKY PARTNERSHIP INCOME AND LLET RETURN

<b>B</b> Check applicable box(es): LLET Receipts Method <input type="checkbox"/> Gross Receipts <input type="checkbox"/> Gross Profits <input checked="" type="checkbox"/> \$175 minimum  Nonfiling Status Code Enter Code _____	<b>D</b> Federal Identification Number [REDACTED]	Taxable Year Ending <u>1</u> / <u>2</u> / <u>1</u> / <u>3</u> Mo. Yr.	
	Name of Partnership <b>AIRVIEW UTILITIES, LLC</b>	Kentucky Secretary of State Organization Number	
	Number and Street <b>P.O. BOX 91588</b>	State and Date of Organization <b>KY 01/07/2005</b>	
	City State ZIP Code Telephone Number <b>LOUISVILLE KY 40291</b>	Principal Business Activity in KY <b>SEWER UTILITY</b>	
<b>C</b> Income Return Nonfiling Status Code Enter Code _____	<b>E</b> Check if applicable: <input checked="" type="checkbox"/> LLC <input type="checkbox"/> LP <input type="checkbox"/> LLP <input type="checkbox"/> Qualified investment pass-through entity <input type="checkbox"/> Initial return <input type="checkbox"/> Final return (Complete Part III) <input type="checkbox"/> Change of Name <input type="checkbox"/> Change of Address <input type="checkbox"/> Short-period return (Complete Part III) <input type="checkbox"/> Change of Accounting Period <input type="checkbox"/> Amended return (Complete Part IV)		NAICS Code Number (Relating to Kentucky Activity) (See www.census.gov) <b>221300</b>
	<b>F</b> Number of Partners (Attach K-1s) ▶ <u>2</u>		

PART I - ORDINARY INCOME (LOSS) COMPUTATION

1. Federal ordinary income (loss) (see instructions)	1	-24937	00
<b>ADDITIONS</b>			
2. State taxes based on net/gross income	2		00
3. Federal depreciation (do not include Section 179 expense deduction)	3		00
4. Related party expenses (attach Schedule RPC)	4		00
5. Other (attach Schedule O-PTE)	5		00
6. Total (add lines 1 through 5)	6	-24937	00
<b>SUBTRACTIONS</b>			
7. Federal work opportunity credit	7		00
8. Kentucky depreciation (do not include Section 179 expense deduction)	8		00
9. Other (attach Schedule O-PTE)	9		00
10. Kentucky ordinary income (loss) (line 6 less lines 7 through 9)	10	-24937	00

PART II - LLET COMPUTATION

1. Schedule LLET, Section D, line 1	1	175	00
2. Recycling/composting equipment tax credit recapture	2		00
3. Total (add lines 1 and 2)	3	175	00
4. Nonrefundable LLET credit from Kentucky Schedule(s) K-1	4		00
5. Nonrefundable tax credits (attach Schedule TCS)	5		00
6. LLET liability (greater of line 3 less lines 4 and 5 or \$175 minimum)	6	175	00
7. Estimated tax payments	7		00
8. Certified rehabilitation tax credit	8		00
9. Film industry tax credit	9		00
10. Extension payment	10	175	00
11. Prior year's tax credit	11		00
12. LLET due (line 6 less lines 7 through 11)	12		00
13. LLET overpayment (lines 7 through 11 less line 6)	13		00
14. Credited to 2014 LLET	14		00
15. Amount to be refunded	15		00

TAX PAYMENT SUMMARY  
(Round to nearest dollar)

LLET	
1. LLET due (Part II, line 12)	\$ _____
2. Penalty	\$ _____
3. Interest	\$ _____
4. Total Payment	\$ _____

OFFICIAL USE ONLY

PW 2014  
VAL #

Federal Form 1065, all pages and any supporting schedules must be attached.

Make check payable to:  
Kentucky State Treasurer

Mail return with payment to:  
Kentucky Dept. of Revenue  
Frankfort, Kentucky 40620



**PART III - EXPLANATION OF FINAL RETURN AND/OR SHORT-PERIOD RETURN**

- |   |  |
|---|--|
| <input type="checkbox"/> Ceased operations in Kentucky  | <input type="checkbox"/> Change in filing status |
| <input type="checkbox"/> Change of ownership            | <input type="checkbox"/> Merger                  |
| <input type="checkbox"/> Successor to previous business | <input type="checkbox"/> Other _____             |

**PART IV - EXPLANATION OF AMENDED RETURN CHANGES**

I, the undersigned, declare under the penalties of perjury, that I have examined this return, including all accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.

\_\_\_\_\_  
Signature of partner or member

\_\_\_\_\_  
SSN or FEIN

\_\_\_\_\_  
Date

**LOGSDON & CO., PC**

\_\_\_\_\_  
Name of person or firm preparing return

\_\_\_\_\_  
SSN, PTIN or FEIN

\_\_\_\_\_  
Date

[www.revenue.ky.gov](http://www.revenue.ky.gov)

353712  
07-26-13 1019

**May the DOR discuss this return with the preparer?**

Yes  No

Email Address:

Telephone No.: (812) 283-7722



SCHEDULE Q - KENTUCKY PARTNERSHIP QUESTIONNAIRE

**IMPORTANT:** Questions 4 - 12 must be completed by all partnerships. If this is the partnership's initial return or if the partnership did not file a return under the same name and same federal I.D. number for the preceding year, questions 1, 2 and 3 must be answered. Failure to do so may result in a request for a delinquent return.

1. Indicate whether: (a)  new business; (b)  successor to previously existing business which was organized as:  
 (1)  corporation; (2)  partnership; (3)  sole proprietorship; or (4)  other \_\_\_\_\_

If successor to previously existing business, give name, address and federal I.D. number of the previous business organization.  
 \_\_\_\_\_  
 \_\_\_\_\_

2. List the following **Kentucky** account numbers. Enter N/A for any number not applicable.  
 Employer Withholding \_\_\_\_\_  
 Sales and Use Tax Permit \_\_\_\_\_  
 Consumer Use Tax \_\_\_\_\_  
 Unemployment Insurance \_\_\_\_\_  
 Coal Severance and/or Processing Tax \_\_\_\_\_

3. If a foreign partnership, enter the date qualified to do business in Kentucky. \_\_\_\_\_

4. The partnership's books are in care of: (name and address)  
 COMPANY \_\_\_\_\_  
 COMPANY ADDRESS \_\_\_\_\_

5. Are disregarded entities included in this return?  
 Yes  No. If yes, list name, address and federal I.D. number of each entity. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

6. For the taxable period being reported, was the partnership a partner in a pass-through entity doing business in Kentucky?  
 Yes  No  
 If yes, list name and federal I.D. number of the pass-through entity(ies). \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

For the taxable period being reported, was the partnership doing business in Kentucky other than through its interest held in a pass-through entity doing business in Kentucky?  Yes  No

7. Are related party costs as defined in KRS 141.205(1)(f) included in this return?  Yes  No. If yes, attach Schedule RPC, Related Party Costs Disclosure Statement, and enter any related party cost additions on Part I, Line 4.

8. Is the entity filing this Kentucky tax return organized as a limited cooperative association as provided by KRS Chapter 272A?  Yes  No

9. Is the entity filing this Kentucky tax return organized as a statutory trust or a series statutory trust as provided by KRS Chapter 386A?  Yes  No. If yes, is the entity filing this Kentucky tax return a series within a statutory trust?  Yes  No. If yes, enter the name, address and federal I.D. number of the statutory trust registered with the Kentucky Secretary of State:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

10. Was this return prepared on: (a)  cash basis, (b)  accrual basis, (c)  other \_\_\_\_\_

11. Did the partnership file a Kentucky tangible personal property tax return for January 1, 2014?  Yes  No  
 If yes, list name and federal I.D. number of entity(ies) filing return(s): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

12. Is the partnership currently under audit by the Internal Revenue Service?  Yes  No  
 If yes, enter years under audit \_\_\_\_\_

If the Internal Revenue Service has made final and unappealable adjustments to the partnership's taxable income which have not been reported to the department, check here  and file an amended Form 765 for each year adjusted. Attach a copy of the final determination to each amended return.



**SCHEDULE K - PARTNERS' SHARES OF INCOME, CREDITS, DEDUCTIONS, ETC.**

SECTION I	(a) Distributive Share Items	(b) Total Amount
<b>Income (Loss) and Deductions</b>		
1. Kentucky ordinary income (loss) from trade or business activities (page 1, Part I, line 10)	1	-24937 00
2. Net income (loss) from rental real estate activities (attach federal Form 8825)	2	00
3. (a) Gross income from other rental activities	3(a)	00
(b) Less expenses from other rental activities (attach schedule)	(b)	00
(c) Net income (loss) from other rental activities (line 3a less line 3b)	3(c)	00
4. Portfolio income (loss):		
(a) Interest income	4(a)	00
(b) Dividend income	(b)	00
(c) Royalty income	(c)	00
(d) Net short-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D, if applicable)	(d)	00
(e) Net long-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D, if applicable)	(e)	00
(f) Other portfolio income (loss) (attach schedule)	(f)	00
5. Guaranteed payments to partners	5	00
6. Section 1231 net gain (loss) (other than due to casualty or theft) (attach federal Form 4797 and Kentucky Form 4797)	6	00
7. Other income (loss) (attach schedule)	7	00
8. Charitable contributions (attach schedule) and housing for homeless deduction (attach Schedule HH)	8	00
9. IRC Section 179 expense deduction (attach federal Form 4562 and Kentucky Form 4562)	9	00
10. Deductions related to portfolio income (loss) (attach schedule)	10	00
11. Other deductions (attach schedule)	11	00
<b>Investment Interest</b>		
12. (a) Interest expense on investment debts	12(a)	00
(b) (1) Investment income included on lines 4(a), 4(b), 4(c) and 4(f) above	(b)(1)	00
(2) Investment expenses included on line 10 above	(2)	00
<b>Tax Credits</b>		
13. Kentucky Small Business Investment Tax Credit (attach KEDFA notification)	13	00
14. Skills Training Investment Tax Credit (attach copy of certification(s))	14	00
15. Certified Rehabilitation Tax Credit (attach copy of certification(s))	15	00
16. Kentucky Unemployment Tax Credit (attach Schedule UTC)	16	00
17. Recycling/Composting Equipment Tax Credit (attach Schedule RC)	17	00
18. Kentucky Investment Fund Tax Credit (attach KEDFA notification)	18	00
19. Coal Incentive Tax Credit (attach Schedule CI)	19	00
20. Qualified Research Facility Tax Credit (attach Schedule QR)	20	00
21. GED Incentive Tax Credit (attach Form DAEL-31)	21	00
22. Voluntary Environmental Remediation Tax Credit (attach Schedule VERB)	22	00
23. Biodiesel Tax Credit (attach Schedule BIO)	23	00
24. Environmental Stewardship Tax Credit (attach Schedule KESA)	24	00
25. Clean Coal Incentive Tax Credit (attach Schedule CCI)	25	00
26. Ethanol Tax Credit (attach Schedule ETH)	26	00
27. Cellulosic Ethanol Tax Credit (attach Schedule CELL)	27	00



**SCHEDULE K - PARTNERS' SHARES OF INCOME, CREDITS, DEDUCTIONS, ETC.**

SECTION I - continued	(a) Distributive Share Items	(b) Total Amount
<b>Form 5695-K Pass-through Amounts (attach Form 5695-K)</b>		
28. Energy Efficiency Products Tax Credit from Form 5695-K, line 6	28	00
29. Energy Efficiency Products Tax Credit from Form 5695-K, line 12	29	00
30. Energy Efficiency Products Tax Credit from Form 5695-K, line 18	30	00
31. Energy Efficiency Products Tax Credit from Form 5695-K, line 36	31	00
32. Energy Efficiency Products Tax Credit from Form 5695-K, line 36	32	00
33. Energy Efficiency Products Tax Credit from Form 5695-K, line 51	33	00
34. Energy Efficiency Products Tax Credit from Form 5695-K, line 51	34	00
35. Energy Efficiency Products Tax Credit from Form 5695-K, line 57	35	00
36. Energy Efficiency Products Tax Credit from Form 5695-K, line 63	36	00
37. ENERGY STAR Home or ENERGY STAR Manufactured Home Tax Credit (attach Form 8908-K)	37	00
38. Railroad Maintenance and Improvement Tax Credit (attach Schedule RR-I)	38	00
39. Railroad Expansion Tax Credit (attach Schedule RR-E)	39	00
40. Endow Kentucky Tax Credit (attach Schedule ENDOW)	40	00
41. New Markets Development Program Tax Credit (attach Form 8874(K)-A)	41	00
<b>Other Items</b>		
42. (a) Type of Section 59(e)(2) expenditures ▶	42(a)	00
(b) Amount of Section 59(e)(2) expenditures	(b)	00
43. Tax-exempt interest income	43	00
44. Other tax-exempt income	44	00
45. Nondeductible expenses	45	00
46. Total property distributions (including cash)	46	00
47. Other items and amounts required to be reported separately to partners (attach schedule)	47	00
<b>SECTION II - Pass-through Items</b>		
1. Partnership's Kentucky sales from Schedule A, Section I, line 1	1	00
2. Partnership's total sales from Schedule A, Section I, line 2	2	00
3. Partnership's Kentucky property from Schedule A, Section I, line 5	3	00
4. Partnership's total property from Schedule A, Section I, line 6	4	00
5. Partnership's Kentucky payroll from Schedule A, Section I, line 8	5	00
6. Partnership's total payroll from Schedule A, Section I, line 9	6	00
7. Partnership's Kentucky gross profits from Schedule LLET, Section A, Column A, line 5	7	00
8. Partnership's total gross profits from all sources from Schedule LLET, Section A, Column B, line 5	8	00
9. Limited liability entity tax (LLET) nonrefundable credit from page 1, Part II, the total of lines 4 and 6, less \$175	9	00



**SCHEDULE LLET**

41A720LLET (10-13)

Commonwealth of Kentucky  
DEPARTMENT OF REVENUE



Taxable Year Ending

1 2 / 1 3

Mo. Yr.

**LIMITED LIABILITY ENTITY TAX**  
KRS 141.0401

- ▶ See instructions.
- ▶ Attach to Form 720, 720S, 725 or 765.

Member of a Combined Group  
Reason Code

Name of Corporation or Limited Liability Pass-through Entity	Federal Identification Number	Kentucky Corporation/LLET Account No.
AIRVIEW UTILITIES, LLC	[REDACTED]	

Check this box and complete Schedule LLET-C, Limited Liability Entity Tax - Continuation Sheet, if the corporation or limited liability pass-through entity filing this tax return is a partner or member of a limited liability pass-through entity or general partnership (organized or formed as a general partnership after January 1, 2006) doing business in Kentucky. Enter the total amounts from Schedule LLET-C in Section A of this schedule.

**Section A - Computation of Gross Receipts and Gross Profits**

	Column A Kentucky	Column B Total
1. Gross receipts	68752	68752
2. Returns and allowances		
3. Gross receipts after returns and allowances (line 1 less line 2 or amount from Schedule LLET-C)	68752	68752
4. Cost of goods sold (attach Schedule COGS)		
5. Gross profits (line 3 less line 4 or amount from Schedule LLET-C)	68752	68752

**Section B - Computation of Gross Receipts LLET**

1. If gross receipts from all sources (Column B, line 3) are \$3,000,000 or less, <b>STOP</b> and enter \$175 on Section D, line 1		
2. If gross receipts from all sources (Column B, line 3) are greater than \$3,000,000 but less than \$6,000,000, enter the following: (Column A, line 3 x 0.00095) - $\left[ \$2,850 \times (\$6,000,000 - \text{Column A, line 3}) \right]$ \$3,000,000 but in no case shall the result be less than zero		0
3. If gross receipts from all sources (Column B, line 3) are \$6,000,000 or greater, enter the following: Column A, line 3 x 0.00095		0
4. Enter the amount from line 2 or line 3		

**Section C - Computation of Gross Profits LLET**

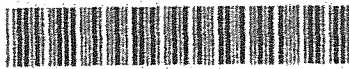
1. If gross profits from all sources (Column B, line 5) are \$3,000,000 or less, <b>STOP</b> and enter \$175 on Section D, line 1		
2. If gross profits from all sources (Column B, line 5) are greater than \$3,000,000 but less than \$6,000,000, enter the following: (Column A, line 5 x 0.0075) - $\left[ \$22,500 \times (\$6,000,000 - \text{Column A, line 5}) \right]$ \$3,000,000 but in no case shall the result be less than zero		0
3. If gross profits from all sources (Column B, line 5) are \$6,000,000 or greater, enter the following: Column A, line 5 x 0.0075		0
4. Enter the amount from line 2 or line 3		

**Section D - Computation of LLET**

1. Enter the lesser of Section B, line 4 or Section C, line 4, or a minimum of \$175 on this line and on Form 720, Part I, line 1; for Form 720S, 725 or 765, enter on Part II, line 1		175
--	--	-----

**STOP** Mark the applicable Receipts Method box on Form 720, 720S, 725 or 765, page 1, Item B.

1  
**(FORM 765)**  
**KENTUCKY SCHEDULE K-1**



**2013**

41A765 (K-1)  
 DEPARTMENT OF REVENUE

▶ See instructions.

For calendar year 2013 or fiscal year

beginning \_\_\_\_\_, 2013, and ending \_\_\_\_\_

**PARTNER'S SHARE OF INCOME,  
 CREDITS, DEDUCTIONS, ETC.**

<b>Partnership's FEIN</b> ▶	<b>Kentucky Corporation/LLET Account Number</b> ▶
-----------------------------	---

Partner's name, address and ZIP code

MARTIN G COGAN  
 2223 MILLVALE DR  
 LOUISVILLE, KY 40205

Partnership's name, address and ZIP code

AIRVIEW UTILITIES, LLC  
 P.O. BOX 91588  
 LOUISVILLE, KY 40291

Check if applicable:  Qualified investment pass-through entity

A This partner is a  general partner  limited partner  
 limited liability company member

B Partner's share of liabilities:

Nonrecourse \$ \_\_\_\_\_  
 Qualified nonrecourse financing \$ \_\_\_\_\_  
 Other \$ 55188.

	(i) Before change or termination	(ii) End of year
F Enter partner's percentage of:		
Profit sharing	50.000000%	50.000000%
Loss sharing	50.000000%	50.000000%
Ownership of capital	50.000000%	50.000000%

C What type of entity is this partner?

Individual  Estate  Corporation  S Corporation  
 General Partnership  Trust  Other Pass-through Entity

D Partner's taxable percentage of partnership's distributive share items below

(1) Resident partner \_\_\_\_\_ 100%  
 (2) Nonresident partner (see Schedule A, Section I, line 12) \_\_\_\_\_ %

E Check box if nonresident partner's income is reported on:

Kentucky Nonresident Income Tax Withholding on Distributive Share income  
 Report and Composite Income Tax Return  
 (Form 740NP-WH and Form PTE-WH)

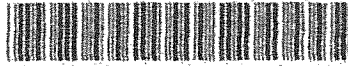
Final K-1  
 Amended K-1

		(b) Amount
<b>(a) Distributive Share Items</b>		
<b>Income (Loss)</b>		
1. Ordinary income (loss) from trade or business activities	1	-12469 00
2. Net income (loss) from rental real estate activities	2	00
3. Net income (loss) from other rental activities	3	00
4. Portfolio income (loss):		
(a) Interest	4(a)	00
(b) Dividends	(b)	00
(c) Royalties	(c)	00
(d) Net short-term capital gain (loss)	(d)	00
(e) Net long-term capital gain (loss)	(e)	00
(f) Other portfolio income (loss) (attach schedule)	(f)	00
5. Guaranteed payments to partners	5	00
6. Section 1231 net gain (loss) (other than due to casualty or theft)	6	00
7. Other income (loss) (attach schedule)	7	00
<b>Deductions</b>		
8. Charitable contributions (attach schedule) and housing for homeless deduction (attach Schedule HH)	8	00
9. IRC Section 179 expense deduction (attach federal Form 4562 and Kentucky Form 4562)	9	00
10. Deductions related to portfolio income (loss) (attach schedule)	10	00
11. Other deductions (attach schedule)	11	00
<b>Investment Interest</b>		
12. (a) Interest expense on investment debts	12(a)	00
(b) (1) Investment income included on lines 4(a), 4(b), 4(c) and 4(f) above	(b)(1)	00
(2) Investment expenses included on line 10 above	(2)	00



**PARTNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.**

(a) Distributive Share Items - continued	(b) Amount	
<b>Tax Credits</b>		
13. Kentucky Small Business Investment Tax Credit	13	00
14. Skills Training Investment Tax Credit	14	00
15. Certified Rehabilitation Tax Credit	15	00
16. Kentucky Unemployment Tax Credit	16	00
17. Recycling/Composting Equipment Tax Credit	17	00
18. Kentucky Investment Fund Tax Credit	18	00
19. Coal Incentive Tax Credit	19	00
20. Qualified Research Facility Tax Credit	20	00
21. GED Incentive Tax Credit	21	00
22. Voluntary Environmental Remediation Tax Credit	22	00
23. Biodiesel Tax Credit	23	00
24. Environmental Stewardship Tax Credit	24	00
25. Clean Coal Incentive Tax Credit	25	00
26. Ethanol Tax Credit	26	00
27. Cellulosic Ethanol Tax Credit	27	00
<b>Form 5695-K Pass-through Amounts</b>		
28. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 3)	28	00
29. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 9)	29	00
30. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 15)	30	00
31. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 29)	31	00
32. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 32)	32	00
33. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 44)	33	00
34. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 47)	34	00
35. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 54)	35	00
36. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 60)	36	00
37. ENERGY STAR Home or ENERGY STAR Manufactured Home Tax Credit	37	00
38. Railroad Maintenance and Improvement Tax Credit	38	00
39. Railroad Expansion Tax Credit	39	00
40. Endow Kentucky Tax Credit	40	00
41. New Markets Development Program Tax Credit	41	00
<b>Other Items</b>		
42. (a) Type of Section 59(e)(2) expenditures ▶	42(a)	
(b) Amount of Section 59(e)(2) expenditures	(b)	00
43. Tax-exempt interest income	43	00
44. Other tax-exempt income	44	00
45. Nondeductible expenses	45	00
46. Property distributions (including cash)	46	00
47. Supplemental information required to be reported to each partner (attach schedule(s))	47	
<b>LLET Pass-through Items</b>		
48. Partner's share of partnership's Kentucky sales from Schedule K, Section II, line 1	48	00
49. Partner's share of partnership's total sales from Schedule K, Section II, line 2	49	00
50. Partner's share of partnership's Kentucky property from Schedule K, Section II, line 3	50	00
51. Partner's share of partnership's total property from Schedule K, Section II, line 4	51	00
52. Partner's share of partnership's Kentucky payroll from Schedule K, Section II, line 5	52	00
53. Partner's share of partnership's total payroll from Schedule K, Section II, line 6	53	00
54. Partner's share of Kentucky gross profits from Schedule K, Section II, line 7	54	00
55. Partner's share of total gross profits from all sources from Schedule K, Section II, line 8	55	00
56. Partner's share of limited liability entity tax (LLET) nonrefundable credit from Schedule K, Section II, line 9	56	00



**PARTNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.**

(a) Distributive Share Items - continued

(b) Amount

**Resident Partner Adjustment**

57. Combination of Kentucky Schedule K-1, lines 1 through 6, 9 and portions of lines 7 and 11. Add income amounts and subtract (loss) and deduction amounts (see instructions) .....	57	-12469	00
58. Combination of federal Schedule K-1, lines 1 through 10, 12 and portions of lines 11 and 13. Add income amounts and subtract (loss) and deduction amounts (see instructions) .....	58	-12469	00
59. Enter difference of lines 57 and 58 here and on appropriate line on Schedule M (see instructions) .....	59	0	00



41A765 (K-1)  
 DEPARTMENT OF REVENUE  
 See instructions.

For calendar year 2013 or fiscal year beginning \_\_\_\_\_, 2013, and ending \_\_\_\_\_

**PARTNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.**

Partnership's number <b>_____</b> FEIN <b>_____</b>	Kentucky Corporation/LLET Account Number <b>_____</b>
--	---

Partner's name, address and ZIP code

LAWRENCE W SMITHER  
 P.O. BOX 137  
 CRESTWOOD, KY 40014

Partnership's name, address and ZIP code

AIRVIEW UTILITIES, LLC  
 P.O. BOX 91588  
 LOUISVILLE, KY 40291

Check if applicable:  Qualified investment pass-through entity

A This partner is a  general partner  limited partner  
 limited liability company member

B Partner's share of liabilities:  
 Nonrecourse \$ \_\_\_\_\_  
 Qualified nonrecourse financing \$ \_\_\_\_\_  
 Other \$ 55187.

	(i) Before change or termination	(ii) End of year
F Enter partner's percentage of:		
Profit sharing	50.0000000%	50.0000000%
Loss sharing	50.0000000%	50.0000000%
Ownership of capital	50.0000000%	50.0000000%

C What type of entity is this partner?

Individual  Estate  Corporation  S Corporation  
 General Partnership  Trust  Other Pass-through Entity

D Partner's taxable percentage of partnership's distributive share items below

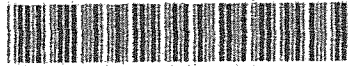
(1) Resident partner ..... 100%  
 (2) Nonresident partner (see Schedule A, Section I, line 12) ..... %

E Check box if nonresident partner's income is reported on:

Kentucky Nonresident Income Tax Withholding on Distributive Share Income Report and Composite Income Tax Return (Form 740NP-WH and Form PTE-WH)

Final K-1  
 Amended K-1

(a) Distributive Share Items	(b) Amount	(c) Amount
<b>Income (Loss)</b>		
1. Ordinary income (loss) from trade or business activities	1	-12468 00
2. Net income (loss) from rental real estate activities	2	00
3. Net income (loss) from other rental activities	3	00
4. Portfolio income (loss):		
(a) Interest	4(a)	00
(b) Dividends	4(b)	00
(c) Royalties	4(c)	00
(d) Net short-term capital gain (loss)	4(d)	00
(e) Net long-term capital gain (loss)	4(e)	00
(f) Other portfolio income (loss) (attach schedule)	4(f)	00
5. Guaranteed payments to partners	5	00
6. Section 1231 net gain (loss) (other than due to casualty or theft)	6	00
7. Other income (loss) (attach schedule)	7	00
<b>Deductions</b>		
8. Charitable contributions (attach schedule) and housing for homeless deduction (attach Schedule HH)	8	00
9. IRC Section 179 expense deduction (attach federal Form 4562 and Kentucky Form 4562)	9	00
10. Deductions related to portfolio income (loss) (attach schedule)	10	00
11. Other deductions (attach schedule)	11	00
<b>Investment Interest</b>		
12. (a) Interest expense on investment debts	12(a)	00
(b) (1) Investment income included on lines 4(a), 4(b), 4(c) and 4(f) above	12(b)(1)	00
(2) Investment expenses included on line 10 above	12(2)	00



**PARTNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.**

(a) Distributive Share Items - continued

(b) Amount

Tax Credits			
13. Kentucky Small Business Investment Tax Credit	13		00
14. Skills Training Investment Tax Credit	14		00
15. Certified Rehabilitation Tax Credit	15		00
16. Kentucky Unemployment Tax Credit	16		00
17. Recycling/Composting Equipment Tax Credit	17		00
18. Kentucky Investment Fund Tax Credit	18		00
19. Coal Incentive Tax Credit	19		00
20. Qualified Research Facility Tax Credit	20		00
21. GED Incentive Tax Credit	21		00
22. Voluntary Environmental Remediation Tax Credit	22		00
23. Biodiesel Tax Credit	23		00
24. Environmental Stewardship Tax Credit	24		00
25. Clean Coal Incentive Tax Credit	25		00
26. Ethanol Tax Credit	26		00
27. Cellulosic Ethanol Tax Credit	27		00
Form 5695-K Pass-through Amounts			
28. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 3)	28		00
29. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 9)	29		00
30. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 15)	30		00
31. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 29)	31		00
32. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 32)	32		00
33. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 44)	33		00
34. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 47)	34		00
35. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 54)	35		00
36. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 60)	36		00
37. ENERGY STAR Home or ENERGY STAR Manufactured Home Tax Credit	37		00
38. Railroad Maintenance and Improvement Tax Credit	38		00
39. Railroad Expansion Tax Credit	39		00
40. Endow Kentucky Tax Credit	40		00
41. New Markets Development Program Tax Credit	41		00
Other Items			
42. (a) Type of Section 59(e)(2) expenditures	42(a)		
(b) Amount of Section 59(e)(2) expenditures	(b)		00
43. Tax-exempt interest income	43		00
44. Other tax-exempt income	44		00
45. Nondeductible expenses	45		00
46. Property distributions (including cash)	46		00
47. Supplemental information required to be reported to each partner (attach schedule(s))	47		
LLET Pass-through Items			
48. Partner's share of partnership's Kentucky sales from Schedule K, Section II, line 1	48		00
49. Partner's share of partnership's total sales from Schedule K, Section II, line 2	49		00
50. Partner's share of partnership's Kentucky property from Schedule K, Section II, line 3	50		00
51. Partner's share of partnership's total property from Schedule K, Section II, line 4	51		00
52. Partner's share of partnership's Kentucky payroll from Schedule K, Section II, line 5	52		00
53. Partner's share of partnership's total payroll from Schedule K, Section II, line 6	53		00
54. Partner's share of Kentucky gross profits from Schedule K, Section II, line 7	54		00
55. Partner's share of total gross profits from all sources from Schedule K, Section II, line 8	55		00
56. Partner's share of limited liability entity tax (LLET) nonrefundable credit from Schedule K, Section II, line 9	56		00



**PARTNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.**

(a) Distributive Share Items - continued

(b) Amount

**Resident Partner Adjustment**

57. Combination of Kentucky Schedule K-1, lines 1 through 6, 9 and portions of lines 7 and 11. Add income amounts and subtract (loss) and deduction amounts (see instructions) .....	57	-12468	00
58. Combination of federal Schedule K-1, lines 1 through 10, 12 and portions of lines 11 and 13. Add income amounts and subtract (loss) and deduction amounts (see instructions) .....	58	-12468	00
59. Enter difference of lines 57 and 58 here and on appropriate line on Schedule M (see instructions) .....	59	0	00

**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between AIRVIEW UTILITIES, LLC ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
LAWRENCE SMITHER	SUPERVISION	\$ 944.95
COVERED BRIDGE UTILITIES	MAINTENANCE OF PLANT, ETC	\$ 16,793.00
" " "	TESTING EQUIPMENT	\$ 205.00
" " "	STORAGE UNIT	\$ 495.00

- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
- Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

Larry Smither  
(Print Name)

[Signature]  
(Signed)

Member  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.



COMMONWEALTH OF KENTUCKY

COUNTY OF Oldham

Subscribed and sworn to before me by Larry Smither  
(Name)

this 30<sup>th</sup> day of June, 2014.

Christie K McCormick  
NOTARY PUBLIC  
State-at-Large

**CHRISTIE K. MCCORMICK**  
Notary Public  
State at Large  
Kentucky  
My Commission Expires Apr. 25, 2017



**Microbac Laboratories, Inc.**  
 Kentucky Testing  
 3323 Gilmore Industrial Blvd  
 Louisville, KY 40213  
 502.962.6400

**Invoice**

**Invoice Number: EA4D00559**

**Invoice Date: 04/14/2014**

**Client Code: EA108**

**Terms: 30 Days**

**Account Manager: ralph.rabish@microbac.com**

Bill To:

**AIRVIEW UTILITIES, LLC**  
 Larry Smithers  
 P.O. Box 9158  
 Louisville, KY 40291

Services Provided for:

**AIRVIEW UTILITIES, LLC**  
 P.O. Box 9158  
 Louisville, KY 40291

**Project:** Airview Weekly Wastewater Nov-Apr      **PO #** CHECK #2649      **Received Date** 03/26/2014

Work Order(s)	Quantity	Analysis/Description	Surcharge	Unit Cost	Extended Cost
4031568	1	DMR Preparation Fee	0%	\$10.00	\$10.00
	1	Environmental Fee	0%	\$2.00	\$2.00
	1	Chlorine, Total Residual	0%	\$12.00	\$12.00
	1	Flow by Calculation	0%	\$4.75	\$4.75
	1	Oxygen, Dissolved	0%	\$12.00	\$12.00
	1	pH - Field	0%	\$6.00	\$6.00
	1	Sampler Rental, 24 Hr. Comp	0%	\$31.00	\$31.00
	1	Sampling Labor - Flat Rate	0%	\$48.00	\$48.00
	1	Temperature	0%	\$1.00	\$1.00
	1	E. coli	0%	\$17.00	\$17.00
	1	CBOD, 5 Day	0%	\$22.00	\$22.00
	1	Nitrogen, Ammonia	0%	\$20.00	\$20.00
	1	Solids, Total Suspended	0%	\$15.00	\$15.00

**Total Amount \$200.75**  
**Prepaid Amount \$200.75**  
**Prepaid Date 140414**  
**Balance Due \$0.00**

If you have questions, please contact RALPH RABISH at 502.962.6400 or email to ralph.rabish@microbac.com

**Invoice**

**Covered Bridge Utilities**

**P. O. Box 91588  
Louisville, KY 40291  
502-241-4809**

Date	Invoice #
1/4/2013	104-06

Bill To
Airview Utilities LLC P. O. Box 91588 Louisville, KY 40291

P.O. No.	Terms	Project
	Net 10 days	

Description	Amount
12/31/12 Servicemen delivered letters to all the housed of delinquent customers. Labor & mileage: 8 hours @ 80.00/hr 2 men 98 miles @ .45	684.10
1/02/13 Servicemen had to pump down the secondary clarifier and repair the mechanical collector gear drive shaft. Labor & Mileage: 10 1/2 hours @ 100.00/hr 2 men 127 miles @ .55 Sales Tax	1,119.85 0.00

A service charge of 1-1/2% per month (A.P.R. 18%) will be charged on all past due accounts. Minimum charge \$1.00. Reasonable collection & attorney's fees will be assessed to all accounts placed for collection.

**Total** \$1,803.95

### Consulting Contract

This agreement is made this 26<sup>th</sup> day of JUNE, 2014, by and between Kentucky Small Utility Consulting, LLC, 8105 Parkshire Court, Louisville, KY 40220 (hereinafter referred to as the "Contractor"), and Airview Utilities, LLC, whose address is P.O. Box 91588, Louisville, KY 40291 (hereinafter referred to as "Utility") for consulting services.

- (1) Contractor shall render the services, for the compensation set forth in Attachment "A" (hereinafter referred to as the "Services). The Services may be changed only by the prior written agreement of the Contractor and the Utility and if changed the time of performance shall be adjusted accordingly. Invoices shall be paid by Utility without setoff or deduction, upon receipt. Contractor has the option of suspending or terminating its performance for non-payment.
- (2) The party with complete authority to act under this contract for Contractor is Jack Kaninberg. The party with complete authority to act under this contract for Utility is Lawrence ("Larry") Smither.
- (3) The Utility shall provide Contractor to full and adequate access to all the information needed by Contractor to fulfill the services set out in Attachment A. Utility shall give prompt attention to all documentation and requests for information and action by Contractor, so as to not delay Contractor's work. When applicable, Contractor shall have access to Utility's private property to complete its work.
- (4) The Contractor shall furnish the necessary qualified personnel to complete the Services and Contractor represent that it has access to the experience and capability necessary to and agrees to perform the Services with reasonable skill and diligence. This undertaking does not imply and guarantee a perfect project and in the event of failure, Contractor will only be liable to its failure to exercise diligence, reasonable care and professional skill. Contractor's fee under this agreement shall be the only measure of damages. There are no other representations or warranties expressed or implied and Utility agrees to hold Contractor harmless and indemnify from any claims not related to liability from the negligence or willful misconduct of Contractor.
- (5) All documents (hard copy or electronic) prepared by Contractor in connection with this project are the sole property of Contractor and payment to Contractor under Attachment A shall be a condition precedent to use of any documentation of Contractor. Contractor cannot guarantee or be liable for the integrity of any electronic information.
- (6) Any default in performance caused by a natural catastrophe or civil unrest (force majeure) shall not constitute a default of the Contract.

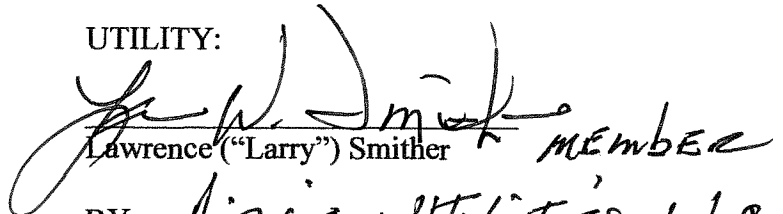
- (7) This contract shall be interpreted under the laws of the Commonwealth of Kentucky and choice of venue shall be Jefferson County. If there is a dispute, good faith mediation is required as a condition precedent of either party filing any complaint in any court.
- (8) Neither Contractor nor Utility may assign any part of this contract without written authority of the other party.
- (9) Contractor agrees to keep all of Utility's information confidential and at all times allow the Utility access and information to make sure its information is being protected.
- (10) This Contract and Attachment A, is the entire agreement between the parties and it supersedes any and all other oral or prior agreement between them. The Contract may be amended only by a written amendment, signed by both parties.
- (11) If any portion of this Contract is deemed unenforceable, it shall not affect the remaining portions. The consideration for this Contract is the mutual agreement contained herein, which each party by its signature agree is sufficient.

THE PARTIES EXPRESSLY ACKNOWLEDGE THAT THIS AGREEMENT CONTAINS LIMITATION OF LIABILITY PROVISIONS RESTRICTING RIGHT FOR RECOVERY OF DAMAGES.

CONTRACTOR:

  
Jack Kaninberg

UTILITY:

  
Lawrence ("Larry") Smither MEMBER  
BY: AIRVIEW UTILITIES LLC  
TITLE: MEMBER

**CONSULTING CONTRACT**  
**ATTACHMENT "A"**

This Attachment details the Services, contract time, price, forming part of the Contract:

**(1) Services: Contractor shall perform the following services:**

TASK A -- SCOPE OF SERVICES – A review using 2013 Public Service Commission (“PSC”) Income Statement numbers as the test period, in order to make appropriate pro forma adjustments for material, known, and measurable revenue and expense changes, and arrive at a recommended revenue increase that meets with the Utility’s approval.

TASK B – SCOPE OF SERVICES – Upon the Utility’s approval of a proposed revenue increase, Contractor will prepare the rate increase application and the necessary supporting documentation to justify it, and will forward it to the utility for its review, approval, and submittal to the PSC.

TASK C – SCOPE OF SERVICES – Between the submittal of the rate application and a PSC Final Order on the rate application and proposed revenue increase, Contractor will remain available to advise the utility in responding to requests for information and otherwise supporting the application.

However, Contractor is not responsible for responding to PSC or other data requests in the case unless the Utility and the Contractor so agree after the issuance of any data requests. If the Utility and the Contractor agree to make the Contractor responsible, in full or in part, for any data requests, the Utility agrees to pay the Contractor an hourly rate of \$50 per hour for work responding to data requests.

Contractor is not responsible for providing testimony in this case. However, if the Utility and the Contractor agree to make the Contractor responsible, in full or in part, for any testimony, the Utility agrees to pay the Contractor an hourly rate of \$100 per hour for testimony and any preparation related thereto.

**(2) Contract time**

(a) Commencement date: June 1, 2014

(b) Estimated Completion Date: May 1, 2015

**(3) Contract Payment - \$3,000 in total, including an upfront payment of \$1,000 at such time as a recommended revenue increase that meets with the Utility’s approval has been determined, unless the Utility and the Contractor agree to**

**additional hourly charges as described under Task C above. The remaining balance of \$2,000 will be due and payable over four additional payments as follows:**

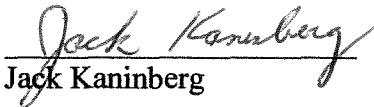
TASK A – An additional \$500, due when the rate application has been finalized and mailed to the PSC.

TASK B – An additional \$500 of Total Contract Amount, due one month after the Commission has deemed the case officially filed. Subsequently, an additional \$500 will be billed and payable four months after the case has been officially filed.

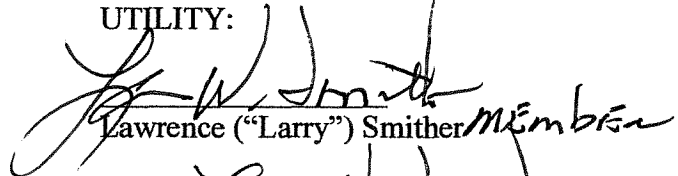
TASK C – A final payment of \$500 due upon completion of the rate case.

HAVE SEEN AND AGREED:

CONTRACTOR:

  
Jack Kaninberg

UTILITY:

  
Lawrence ("Larry") Smither MEMBER

BY:

TITLE:

MEMBER

**Quality Electric Motor Service, Inc.**

8020 Vine Crest Ave. #1  
Louisville, KY 40222  
(502) 426-3396  
FAX (502) 426-5920

**REMIT TO:**  
8020 VINE CRÉST AVENUE #1  
LOUISVILLE, KENTUCKY 40222

COVERED BRIDGE UTILITIES INC  
P O BOX 91588  
LOUISVILLE KY 40291

INVOICE NO	83619
DATE	3/31/14
CUST ORDER NO	AIR VIEW ESTATES

TERMS **NET 30 DAYS**

QUANTITY	DESCRIPTION	PRICE	AMOUNT
1	ZOELLER D284 PUMP 1 HP 1750 RPM 1/10/14 TAX EXEMPT		1,017 00

**RECEIVED**  
APR 7 2014  
BY: \_\_\_\_\_

ORIGINAL

*Thank You!*



**Invoice**

**Covered Bridge Utilities**

**P. O. Box 91588  
Louisville, KY 40291  
502-241-4809**

Date	Invoice #
4/10/2014	410-04

Bill To
Airview Utilities LLC P. O. Box 91588 Louisville, KY 40291

P.O. No.	Terms	Project
	Net 10 days	

Description	Amount
4/03/14 & 4/06/14 Went to the plant to finish the installation of the lagoon by pass. Found the mechanical collector was out of service. Took the top plate off the gear drive and found that it had some bad gears. Returned on the 6th, pulled the collector drive out of the plant and took it to Quality Electric on the 7th.	
Labor & mileage: 8 hours @ 100.00/hr 2 men 146 miles @ .55	880.30
Sales Tax	0.00

A service charge of 1-1/2% per month (A.P.R. 18%) will be charged on all past due accounts. Minimum charge \$1.00. Reasonable collection & attorney's fees will be assessed to all accounts placed for collection.	<b>Total</b>	\$880.30
--	--------------	----------

**Invoice**

**Covered Bridge Utilities**

**P. O. Box 91588  
Louisville, KY 40291  
502-241-4809**

Date	Invoice #
4/24/2014	424-08

Bill To
Airview Utilities LLC P. O. Box 91588 Louisville, KY 40291

P.O. No.	Terms	Project
	Net 10 days	

Description	Amount
Completed the following: 1) 4/17/14 - Finished the installation of the lagoon by pass pump. Also had to clean out the lagoon overflow pipe again. 2) 4/18/14 - Cut down some trees at the power pole. Did some clearing around the lagoon, the fence and the chlorine contact tank. 3) 4/19/14 - Met Joe Murphy's workers at the plant site and helped repipe the chlorine contact tank. 4) 4/21/14 - Cleaned the lagoon overflow pipe again. Also, met Okolona Septic and had them pump the clarifier. 5) 4/23/14 - Worked on the sludge return to get it working again. Had to repair the sludge return by getting some new parts.	
Labor & Mileage: 33 1/2 hours @ 50.00	2,698.90
Helper - 23 hours @ 35.00	
398 miles @ .55	
Sales Tax	0.00
<p>A service charge of 1-1/2% per month (A.P.R. 18%) will be charged on all past due accounts. Minimum charge \$1.00. Reasonable collection &amp; attorney's fees will be assessed to all accounts placed for collection.</p>	
<b>Total</b>	<b>\$2,698.90</b>

# Invoice

## Covered Bridge Utilities

P. O. Box 91588  
Louisville, KY 40291  
502-241-4809

Date	Invoice #
5/8/2014	508-03

Bill To
Airview Utilities LLC P. O. Box 91588 Louisville, KY 40291

P.O. No.	Terms	Project
	Net 10 days	

Description	Amount
5/07/14 Picked up the repaired collector gear drive from Quality Electric; took it to the plant and installed same. Had to modify the collector shaft to get the gear drive shaft to connect. Put the plant back in full service. Also cleaned the lagoon overflow pipe. Labor & mileage: 11.5 hours @ 100.00/hr 2 men 152 miles @ .55 Sales Tax	1,233.60 0.00

A service charge of 1-1/2% per month (A.P.R. 18%) will be charged on all past due accounts. Minimum charge \$1.00. Reasonable collection & attorney's fees will be assessed to all accounts placed for collection.	<b>Total</b> \$1,233.60
--	-------------------------

**Quality Electric Motor Service, Inc.**

8020 Vine Crest Ave. #1  
 Louisville, KY 40222  
 (502) 426-3396  
 FAX (502) 426-5920

**REMIT TO:**  
 8020 VINE CREST AVENUE #1  
 LOUISVILLE, KENTUCKY 40222

TO COVERED BRIDGE UTILITIES INC  
 P O BOX 91588  
 LOUISVILLE KY 40291

**RECEIVED**  
 MAY 14 2014  
 BY: \_\_\_\_\_

INVOICE NO	84053
DATE	5/12/14
CUST ORDER NO	AIR VIEW ESTATES

TERMS: **NET 30 DAYS**

QUANTITY	DESCRIPTION	PRICE	AMOUNT
1	WINSMITH REDUCER RATIO 10800 - 5MCV SER B9523-640-16 WITH A O SMITH MOTOR 1/3 HP  DISASSEMBLED CLEANED PARTS & FITS REPLACED MOTOR REPLACED ALL BEARINGS, WORM GEARS, SHIMS & OIL REPAIRED 1 HOUSING MADE MINOR REPAIRS ASSEMBLED TESTED  NEXT DAY AIR ON PARTS PARTS & MATERIAL LABOR TAX EXEMPT		128 56 2,456 30 1,200 00 3,784 86

ORIGINAL

*Thank You!*