

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUL 05 2018

PUBLIC SERVICE  
COMMISSION

In the Matter of:

The Application of Whitley County	)	Case No. 2018-00235
District No. 1 for Approval of	)	
Financing and Issuance of a	)	
Certificate of Convenience and Necessity	)	

**APPLICATION AND MOTION TO INCORPORATE**  
**THE RECORD OF CASE NO. 2017-00068**

Whitley County Water District No. 1 (Whitley County), by counsel, pursuant to KRS 278.020 and 278.300, petitions the Commission for an order approving the construction of certain water facilities and the financing of the improvements through a loan from the Kentucky Infrastructure Authority, which supplements the loan and construction approved in Case No. 2017-00068.

1. Whitley County is a regulated utility district formed under KRS Chapter 74. It has no articles of incorporation. It provides water and sewer service at retail and wholesale to customers in Whitley County. Its contact information is:

Whitley County Water District  
Andy Meadors, Chairman  
19 South Highway 25  
Williamsburg, KY 40769  
Email: whitleycountywd@yahoo.com  
Telephone: 606-549-3600  
Fax: 606-549-5795

2. It currently serves approximately 3,500 customers throughout Whitley County.

3. A description of its water system and its property stated at original cost by accounts is contained in its Annual Report, which is incorporated by reference - 807 KAR 5:001(17)(1) and 807 KAR 5:001(18)(b). No material changes have occurred since the end of the latest 12-month period. 807 KAR 5:001(12).

4. The District received approval to construct approximately 37,000 feet of new water transmission and distribution mains to complete the project approved in Case No. 2017-00068. The exhibits provided in that application (Exhibits A-H referenced in this application) are incorporated into this application in full and support the need for the additional construction. The District moves for the incorporation of the record in that case into this case. 807 KAR 5:001(11).

The District has obtained approval from the Kentucky Infrastructure Authority for an additional 10% increase in funding. It proposes to construct approximately 3,500 LF of 3-inch PVC waterline with the additional \$37,204. See Attachment 1. The water mains will primarily be constructed along the county and state highway rights-of-way. The facilities have been designed to provide the customers with a minimum pressure of 30 psi at the meter at peak flow conditions. Additionally, existing meters will be replaced with automated read meters. Detailed description of the project is provided in Exhibit A Case No. 2017-00068. The supplemental extension will be installed according to the plans and specifications previously filed and is included on the revised map Attachment 2, which is filed with a petition for confidentiality. 807 KAR 5:001 (15(2)(a)(c)(d).

5. The construction is in the public interest and is required to allow Whitley County to continue to provide adequate service to additional residents of the county. No new customers will be served by the project.

6. The total project cost including the supplemental KIA funding is \$974,704. The District is financing the project with a \$969,704.00 loan from the KIA and \$5,000.00 of internal funds. See Exhibit D Case No. 2017-00068. 807 KAR 5:001(15)(2)(e). The supplemental financing from KIA is \$37,204.00. See Attachment 1.

7. Easements and rights of way have been acquired, see Exhibit A. The DOW approval letter is included in Exhibit B Case No. 2017-0068. DOW approval for the current additional construction is attached as Attachment 3.

8. This service will not compete with any other utility in the area.

9. The proposed project, identified in Exhibit A, is scheduled to begin construction upon PSC approval. Bid information is included with Exhibit B Case No. 2017-00068. No new bids were obtained for the supplemental construction. Work is being done subject to a change order consistent with the original bids and specifications.

10. No new franchises are required. The DOW and encroachment permits are attached as Exhibit B. 807 KAR 5:001(20)(b) and Attachment 3.

11. Construction descriptions are in Exhibit A and Bid Documents, Exhibit F. Facts relied on to justify the public need are included in the project descriptions in Exhibit A.

12. Maps of the area showing location of the proposed facilities are in Exhibit A and Attachment 2.

13. Estimated operating costs for operation and maintenance, depreciation and debt service after construction to the extent that there are any are shown in Exhibit E, Case No. 2017-00068. 807 KAR 5:001(15)(2)(f).

14. Bid tabulations are provided in Exhibit F.

15. A full description of the route, location of the project, description of construction and related information is in Exhibit A.

16. The start date for construction; proposed in-service date; and total estimated cost of construction at completion are included in Exhibit A. The supplemental work should be completed within 45 days of PSC approval.

17. No rate adjustment is being proposed.

18. The following information is provided in response to 807 KAR 5:001 (14)(2):

a. Articles of Incorporation – None. Whitley County is a statutorily created water district under KRS Chapter 74;

19. The following information is supplied pursuant to 807 KAR 5:001(9):

a. Facts relied upon to show that the application is in the public interest: See Exhibit A.

20. The following information is provided as required by 807 KAR 5:001 (17):

- a. A general description of the property is contained in the Annual Report. The 2017 Report and audited financial information is the latest available from the District.
- b. No stock is to be issued; No bonds are to be issued in this case;
- c. There is no refunding or refinancing;
- d. The proceeds of the KIA financing are to construct the property described in Exhibits A and D and Attachment 1.
- e. The par value, expenses, use of proceeds, interest rates and other information is not applicable because no bonds are being issued at this time.

21. The following exhibits are provided pursuant to 807 KAR 5:001 (18)(2):

a. There are no trust deeds. All notes, indebtedness and mortgages are included in Exhibit H.

b. No property is to be acquired. 807 KAR 5:001(18)(2)(c).

22. The following information is provided pursuant to 807 KAR 5:001(12)(2):

a. No stock is authorized.

b. No stock is issued.

c. There are no stock preferences.

d. Mortgages are listed in Exhibit H.

e. Bonds are listed in Exhibit H.

f. Notes are listed in Exhibit H.

g. Other indebtedness is listed in Exhibit H.

h. No dividends have been paid.

i. Current balance sheet and income statement are attached as Exhibit G. A supplemental balance sheet and income statement is attached as Attachment 4.

23. Plant additions will be classified according to USoA "Water Utility Plant Accounts": 331.

24. The Kentucky Debt Officer has been notified of the KIA loan. See Exhibit D. 807 KAR 5:001(18)(g). Supplemental financing information for this KIA supplement will be provided upon approval.

25. The District states that there have been no material changes in its financial condition since the date of the preparation of Exhibit E. If necessary, it moves for a deviation pursuant to 807 KAR 5:001(22) for use of the financial information contained in Exhibit E, which is greater than 90 days old and for any other filing requirement not

essential for the review and approval of the application. It also moves for incorporation by reference of the financial information contained in the 2017 Annual Report and incorporation of the record in Case No. 2017-00068.

For these reasons, Whitley County requests an order approving the supplemental KIA financing and the certificate and other authorizations that may be required.

Submitted by:  
  
John N. Hughes  
124 West Todd St.  
Frankfort, KY 40601  
(502) 227 7270  
[jnhughes@johnnhughespsc.com](mailto:jnhughes@johnnhughespsc.com)

Attorney for Whitley County  
Utility District

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

The Application of Whitley County	)	Case No. 2018-00235
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**PETITION FOR CONFIDENTIALITY**

Whitley County Water District (WCWD), by counsel, petitions the Commission ("Commission"), pursuant to 807 KAR 5:001, Section 13, and all other applicable law, for confidential treatment of the Map included in as Attachment 2 of the Application, which is provided in a separate packet. The information contains diagrams and maps of the system. WCWD also requests that the PDF electronic copy be maintained as confidential.

KRS Chapter 61 requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from public disclosure of the information relevant to this petition are provided in KRS 61.878(1)(m). Under the Kentucky Open Records Act, the Commission is entitled to withhold from public disclosure information disclosed to it to the extent that open disclosure would "have a reasonable likelihood of threatening the public safety by exposing a vulnerability in preventing, protecting against, mitigating, or responding to a terrorist act and limited to: . . . ,

(f) infrastructure records that expose a vulnerability referred to in this subparagraph through the disclosure of the location, configuration, or security of critical systems, including public utility critical systems. These critical systems shall include but not be limited to information technology, communications, electrical, fire suppression, ventilation, **water**, wastewater, sewage, and gas systems and;

(g) The following records when their disclosure will expose a vulnerability referred to in this subparagraph: **detailed drawings, schematics, maps, or specifications of structural elements**, floor plans, and operating, utility, or security systems of any building or facility owned, occupied, leased, or maintained by a public agency."

This Commission has recognized that similar reports with diagrams and maps "are infrastructure records that disclose the location, configuration, or security of public utility systems" and therefore, should be treated as confidential. See Case No. 2014-00166 *In the Matter of 2104 Integrated Resource Plan of Big Rivers Electric Corporation*, KY PSC Order, p. 7 (August 26, 2014).

The information contained in the specified documents provides detailed information about WCWD's distribution system and the location of critical components; as such, the disclosure of which could threaten the public safety generally and provide sensitive information relevant to the security against terroristic events. WCWD petitions the Commission to classify as confidential and protect from public disclosure the requested report. Because of the nature of the documents, providing a redacted copy for public view would be uninformative and of no practicable value to anyone. WCWD seeks a deviation pursuant 807 KAR 5:001(22) to allow the entire documents to be



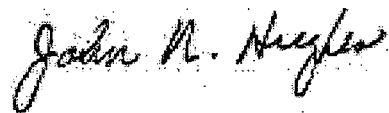
considered redacted and an exemption from filing a partially redacted version of the documents for the public record.

The information for which the Company is seeking confidential treatment is not disseminated within the Company except to those employees with a legitimate business need to know and act upon the information and is generally recognized as confidential and proprietary information in the industry.

If the Commission disagrees with this request for confidential protection, WCWD requests that it hold an evidentiary hearing (a) to protect the Company's due process rights and (b) to supply the Commission with a complete record to enable it to reach a decision with regard to this matter. Utility Regulatory Commission v. Kentucky Water Service Company, Inc., Ky. App., 642 S.W.2d 591, 592-94 (1982).

WCWD requests that the information referenced herein be kept confidential for an indefinite period.

For these reasons, WCWD petitions the Commission to treat as confidential, indefinitely, the information referenced in this petition in its entirety

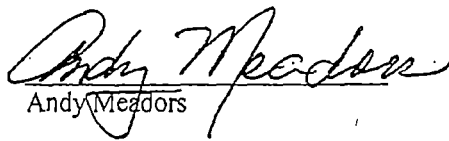


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Attorney for Whitley County  
Water District

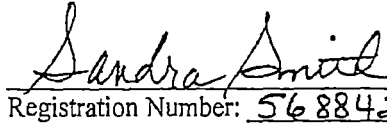
AFFIDAVIT

COMMONWEALTH OF KENTUCKY  
COUNTY OF KENTUCKY

Affiant, Andy Meadors, after being first sworn, deposes and says he is authorized on behalf of Whitley County Water District to file this Petition, that the statements are true and correct to the best of his knowledge and belief except as to those matters that are based on information provided to him and as to those he believes to be true and correct.

  
Andy Meadors

This instrument was produced, signed and declared by Andy Meadors to be his act and deed the 3<sup>rd</sup> day of July 2018.

 Notary Public  
Registration Number: 568842

My Commission expires: Nov. 28, 2020

## ATTACHMENT 1

**Whitley County Water District  
19 S Highway 25W  
Williamsburg, Kentucky**

**Minutes Regular Meeting**

March 22, 2018 1:00 p.m.

1. Chairman Meadors called the meeting to order.
2. Declaration of a quorum: Chairman Meadors declared that a quorum was present.

Board members present: Andy Meadors & Bob Durham      absent: Peggy Bird

Staff present: Albert Mahan and Sandy Smith

Others present: Bill Johnston with J&J Accounting, Ken Taylor Kenvirons Engineering, Tim Schwendeman with CVADD, and Gary Williams, CPA

3. General Public: None

4. Floor Business

- A.      Approval of minutes:

February 22, 2018      Regular meeting

Commissioner Durham made a motion to approve the minutes as presented. Chairman Meadors seconded the motion. All in favor, motion carried.

- B.      Financial Report J&J Accounting:

Chairman Meadors stated that he had reviewed the financial report and everything appeared to be in order. He stated that the General Fund reconciled balance ending February 28, 2018 had increased substantially over the previous month. He further stated that the reason for the balance trending downward over the last few months was due to expenses for new meters and updating software computers. With no further discussion, Commissioner Durham made a motion to accept the financial report as presented. Chairman Meadors seconded the motion. All in favor, motion carried.

Gary Williams, CPA delivered a draft audit of the WCWD finances for fiscal year ending December 31, 2017. He discussed the contents and status with the Board. He suggested that the Board reduce the amount being transferred each month to the 1994 Bond Sinking Fund to equal the required annual payments. He also reported that audit standards require that he make note in the audit of the unfunded liability in the County Employees Retirement System. The Board discussed the matter for quite some time and suggested that Mr. Williams address the CERS liability notation as he professionally considered to be the most appropriate.

- C.      Discuss Current Water Projects:

#### Water System Improvements Project - Kentucky Infrastructure Authority funded

After discussing the status of the additional loan request to the Kentucky Infrastructure Authority (KIA) on the Water System Improvements Project, Tim Schwendeman with the CVADD suggested that the Board make a motion to authorize the chairman to sign any documents that may be required to conclude the implementation of the project. Upon completion of the discussion, Commissioner Bob Durham made a motion to authorize the chairman to sign any documents relating to the extended loan request from the KIA. Chairman Meadors seconded the motion. All in favor, motion carried.

#### Barton Hollow Abandon Mine Land funded project

Ken Taylor reported that the request to CSX Railroad for a Change Order to the bore permit will be submitted in a few days. He said that he had been discussing the circumstances with a CSX representative in Chattanooga, Tennessee. The circumstances involve extremely wet and soft ground on both sides of the bore site. So, the request is to alter the type of bore and materials.

#### West 92 Main Relocation

Ken Taylor reported that he has continued to work with Kentucky Department of Transportation officials about location of water mains on West Highway 92 due to the upcoming road project. He said at this point there are only five easements needed for the relocation.

#### D. Any Other Floor Business:

Office Manager, Sandy Smith reported that an agent with AFLAC had requested to make a presentation to the WCWD staff about what they had to offer. Upon a brief discussion, without formal action, the Board agreed that it would be appropriate.

Field Manager, Albert Mahan reported that he would be turning on the #2 master meter at the Jellico service fairly soon. He said Jellico staff had informed him as of last Thursday they were ready to provide service again but would need a two day notice. Also, Mr. Mahan stated that he is going to leave master meter #1 that serves Kentucky Hill on Williamsburg water due to the fact that when there is an issue from Jellico service that the Kentucky Hill area always seems to get more turbid. He said that he can make up the demand for Jellico quantities on Kentucky Hill through the #2 master meter.

#### 5. General Business:

A. Personnel & Operations Report: The Board reviewed all reports

B. Managers Activities Report: The Board reviewed the reports

C. Any Other General Business:

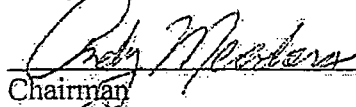
Albert Mahan reported that a resident off 25W on the south end of Pleasant View had requested

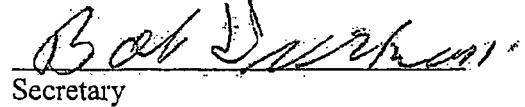
water service. He said this is the area where the late Charlie Harp lived. Chairman Meadors stated that when the upgrade project for the Pleasant View area was implemented several years ago no one in the area in question wanted service.

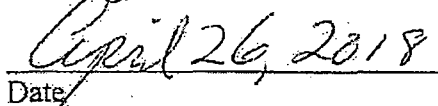
Chairman Meadors reported that Commissioner Peggy Bird had contacted him saying that she was going to resign from the board due to health reasons. He also stated that Whitley County Judge Executive, Pat White had contacted him as well about the matter. Judge White said that he would have a replacement appointment to submit to the Whitley County Fiscal Court at the April meeting to fill the remainder of Ms. Bird's unexpired term.

#### Adjournment

At approximately 4:20 p.m., there being no further business, Commissioner Durham made a motion to adjourn. Chairman Meadors seconded the motion. All in favor, motion carried.

  
Chairman

  
Secretary

  
Date



## KENTUCKY INFRASTRUCTURE AUTHORITY

**Matthew G. Bevin**  
Governor

Capital Center Complex  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601  
(502) 573-0260  
(502) 573-0157 (fax)  
kia.ky.gov

**Donna McNeil**  
Executive Director

March 5, 2018

Whitley County Water District  
Attn: Andrew Meadors, Chairman  
19 South Highway 25 West  
Williamsburg, KY 40769

RE: DWSRF Increase Request, F15-030

Dear Chairman Meadors:

Thank you for your recent request on February 20, 2018, to increase your Drinking Water State Revolving Fund (DWSRF) loan from \$932,500 to \$969,704 to better serve the customers of the Whitley County Water District. According to your correspondence, the increase of \$37,204 is needed to replace an additional 3,500 LF of undersized and leaking old line in the King Mountain Road area. This loan increase does not require KIA board approval, however, a financial analysis will be required and will be conducted by KIA loan analyst Meili Sun (you may be contacted for additional information). Upon approval of the credit analysis, you will receive a Conditional Commitment Letter for the loan increase and a Supplemental Assistance Agreement will be initiated.

If you have any questions, please don't hesitate to contact Meili Sun at 502.892.3440 or [meili.sun@ky.gov](mailto:meili.sun@ky.gov).

Respectfully,

A handwritten signature in cursive script that reads "Donna McNeil".

Executive Director  
Kentucky Infrastructure Authority



## KENTUCKY INFRASTRUCTURE AUTHORITY

**Matthew G. Bevin**  
Governor

Capital Center Complex  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601  
(502) 573-0260  
(502) 573-0157 (fax)  
kia.ky.gov

**Donna McNeil**  
Executive Director

April 19, 2018

The Honorable Andrew Meadors, Chairman  
Whitley County Water District  
19 S. Hwy 25 West  
Williamsburg, KY 40769

### KENTUCKY INFRASTRUCTURE AUTHORITY FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER (F15-030) INCREASE

Dear Chairman Meadors:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. Your request for a \$ 37,204 increase to your existing loans has been approved, subject to the conditions stated below. The total cost of the project shall not exceed \$974,704 of which the Authority loan shall provide \$969,704 of the funding. Other anticipated funding for the project is reflected in Attachment A. The final loan amount will be equal to the Authority's portion of estimated project cost applied to the actual project cost. Attachment A incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the Whitley County Water District upon satisfactory performance of the conditions set forth in this letter. You must meet the conditions set forth in this letter and enter into an Assistance Agreement by July 10, 2018. Funds will be available for disbursement only after execution of the Assistance Agreement.

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



1. The Authority project loan shall not exceed \$969,704.
2. This loan project is not eligible for principal forgiveness.
3. The loan shall bear interest at the rate of 0.75 percent per annum commencing with the first draw of funds.
4. Interest shall be payable on the amount of actual funds received. The first payment shall be due on June 1, or December 1, immediately succeeding the date of the initial draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1, or December 1, which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid.
5. Full principal payments will commence on the appropriate June 1, or December 1, within twelve months from initiation of operation. Full payments will be due each six months thereafter until the loan is repaid.
6. The loan shall be repaid over a period not to exceed 20 years from the date of initiation of operation for the project.
7. A loan servicing fee of 0.25% of the outstanding loan balance shall be payable to the Authority as a part of each interest payment.
8. Loan funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.
9. The Authority loan funds must be expended within six months of the official date of initiation of operation.
10. Fund "F" loan funds may be considered to be federal funds. OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations, requires that all recipients and subrecipients **expending \$750,000 or more in a year in federal awards must have a single or program-specific audit conducted for that year** in accordance with the Circular. If the federal amount expended plus all other federal funds expended exceeds the threshold, you are required to arrange for an A-133 audit to be performed by an independent, licensed CPA, or in special cases, the Auditor of Public Accounts of the Commonwealth of Kentucky. Please note that the guidance for single audit requirements has changed for fiscal or calendar year 2016 audits. Please consult with your independent auditor as soon as possible to understand how the changes will affect you.
11. The Authority requires an annual financial audit be provided for the life of the loan.
12. The final Assistance Agreement must be approved by ordinance or resolution, as

applicable, of the city council or appropriate governing board.

13. The borrower must maintain a 1.1 debt coverage ratio throughout the life of the KIA loan. All borrowers are subject to at least an annual financial review for compliance.

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

1. The Authority to Award (bid) package must be submitted to the Division of Water for approval within 14 days of bid opening.
2. The Assistance Agreement must be executed within six (6) months from bid opening.
3. Documentation of final funding commitments from all parties other than the Authority as reflected in the credit analysis shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported and may cause this loan to be subject to further consideration.
4. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the State's execution of the Assistance Agreement. The committee meets monthly on the third Tuesday. Any special conditions listed in Attachment A must be satisfied before the project is presented before the Committee.
5. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.
6. The Borrower must complete and return the attached "Authorization for Electronic Deposit of Vendor Payment" form to the Authority.
7. Documentation of Clearinghouse Endorsement and Clearinghouse Comments.
8. Prior to project bid, an environmental review shall be conducted by the Division of Water for all construction projects receiving DWSRF funds.
9. Technical plans and specifications and a complete DWSRF specifications checklist shall be approved by the Division of Water prior to project bid.
10. All easements or purchases of land shall be completed prior to commencement of

construction. Clear Site Certification of all land or easement acquisitions shall be provided to the Division of Water. DOW representatives shall be notified for attendance of the pre-construction conference.

- 11.. Project changes or additions deviating from the original scope of work described in the Project Profile may require a new or amended environmental review and change order review before they can be included in the DWSRF loan project.
- 12.. Applicant must provide certification from their legal counsel stating that they have prepared construction specifications in accordance with all applicable state or federal wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable federal, state and local procurement laws.
13. Implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
14. The Borrower shall comply with all Davis Bacon related monitoring and reporting and require all contractors to pay wages pursuant to applicable prevailing wage rates (federal or state) for all work relating to the subject Project.
15. The project shall comply with the reporting requirements of the Transparency Act, and shall complete the attached Transparency Act Reporting Information Form and provide to the Authority no later than 30 days after the KIA Board approval date of your loan.
16. If the project has a "Green Reserve" component, the Borrower must submit a Business Case, if required.
17. Based on the final "as-bid" project budget, the Borrower must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The "as bid" project budget shall be reviewed and approved by the consulting engineer.
18. The project shall comply with American Iron and Steel requirements of The Consolidated Appropriations Act of 2014 (H.R. 3547), which became effective January 17, 2014, unless engineering plans and specifications were approved by the Division of Water prior to the effective date.

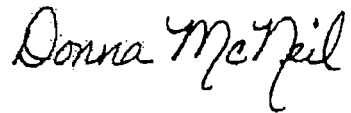
Any special conditions stated in Attachment A must be resolved.

Please inform the Authority of any changes in your financing plan as soon as possible. We wish

Chairman Meadors  
April 10, 2018  
Page 5

you every success for this project which will benefit both your community and the Commonwealth as a whole.

Sincerely,

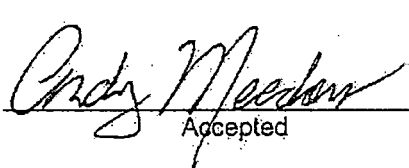
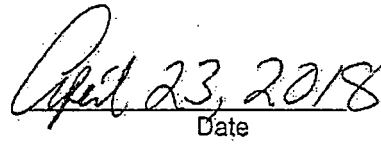


Donna McNeil, Executive Director  
Kentucky Infrastructure Authority

Attachments

cc: Tim Schwendeman, Cumberland Valley ADD  
Kenneth Taylor, PE, Kenvirons

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms.

	
Accepted	Date

**ATTACHMENT A**

**Whitley County Water District  
F15-030**

EXECUTIVE SUMMARY		Reviewer	Meili Sun	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	April 9, 2018	
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number	F15-030	
REVOLVING LOAN FUND		WRIS Number	WX21235434	
BORROWER		WHITLEY COUNTY WATER DISTRICT WHITLEY COUNTY		
BRIEF DESCRIPTION				
This request is for a \$37,204 increase to a previously approved loan in the amount of \$932,500. The new total loan amount is \$969,704. The increase is needed to fund additional work.				
This project will replace 36,400 linear feet of deteriorated water lines across the Fairview, Savoy, Fabor and Woodbine areas of Whitley County. The majority of lines are undersized and have frequent leaks. The District will also replace 700 conventional meters with radio read meters.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$969,704	RD Fee %	Actual %	
Local Funds	5,000			
		Administrative Expenses		\$25,000
		Legal Expenses		8,364
		Land, Easements		4,691
		Planning		2,930
		Eng - Design / Const	9.2%	9.8%
		Eng - Insp	6.1%	6.9%
		Construction		778,010
		Equipment		20,369
		Contingency		5,000
TOTAL	\$974,704	TOTAL		\$974,704
REPAYMENT	Rate	0.75%	Est. Annual Payment	\$54,727
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Kenvirons		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Aug-15		
	Construction Start	Feb-17		
	Construction Stop	Aug-18		
DEBT PER CUSTOMER	Existing	\$1,097		
	Proposed	\$1,302		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	3,519	\$39.78 (for 4,000 gallons)	
	Additional	0	\$39.78 (for 4,000 gallons)	
REGIONAL COORDINATION This project is consistent with regional planning recommendations.				
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2014	559,642	270,091	289,551	2.1
Audited 2015	542,907	265,133	277,774	2.0
Audited 2016	653,312	243,593	409,719	2.7
Projected 2017	644,668	265,226	379,442	2.4
Projected 2018	653,573	264,794	388,779	2.5
Projected 2019	660,156	320,019	340,137	2.1
Projected 2020	649,219	318,272	330,947	2.0
Projected 2021	638,063	319,358	318,705	2.0

Reviewer: Meili Sun  
Date: April 9, 2018  
Loan Number: F15-030

**KENTUCKY INFRASTRUCTURE AUTHORITY  
DRINKING WATER STATE REVOLVING FUND (FUND F)  
WHITLEY COUNTY WATER DISTRICT, WHITLEY COUNTY  
PROJECT REVIEW  
WX21235434**

**I. PROJECT DESCRIPTION**

This request is for a \$37,204 increase to a previously approved loan in the amount of \$932,500. The total loan amount is \$969,704. The increase is needed to fund additional work.

The project will replace 36,400 linear feet of deteriorated water lines across Fairview, Savoy, Fabor and Woodbine areas of Whitley County. Many of the lines are undersized and have frequent leaks. The District will also replace 700 conventional meters with radio read meters. The project will reduce purchased water costs, maintenance expense, and transportation costs.

The District purchases about 85 million gallons of water annually from the Corbin Utility Commission and is subject to PSC jurisdiction. They service Whitley County and a small portion of Knox County.

**II. PROJECT BUDGET**

	<u>Total</u>
Administrative Expenses	\$ 25,000
Legal Expenses	8,364
Land, Easements	4,691
Planning	2,930
Engineering Fees - Design / Const	76,556
Engineering Fees - Inspection	53,783
Construction	778,010
Equipment	20,369
Contingency	5,000
<b>Total</b>	<b>\$ 974,704</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 969,704	99%
Local Funds	5,000	1%
<b>Total</b>	<b>\$ 974,704</b>	<b>100%</b>

#### **IV. KIA DEBT SERVICE**

Construction Loan	\$	969,704
Interest Rate		0.75%
Loan Term (Years)		20
Estimated Annual Debt Service	\$	52,303
Administrative Fee (0.25%)		2,424
<b>Total Estimated Annual Debt Service</b>	<b>\$</b>	<b>54,727</b>

#### **V. PROJECT SCHEDULE**

Bid Opening	December 2016
Construction Start	February 2017
Construction Stop	August 2018

#### **VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

##### **A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	3,386
Commercial	125
Industrial	8
<b>Total</b>	<b>3,519</b>

##### **B) Rates**

<u>Retail Water</u>	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	05/01/2012	09/14/2006
Minimum	\$19.35	\$18.93
Next 4,000 Gallons	6.81	6.39
Next 95,000 Gallons	6.39	5.42
<b>Cost for 4,000 gallons</b>	<b>\$39.78</b>	<b>\$38.10</b>
Increase %	4.4%	
Affordability Index (Rate/MHI)	1.5%	

#### **VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2012-2016, the District's service area population was 3,322 with a Median Household Income (MHI) of \$31,427. The median household income for the Commonwealth was \$42,610. The project qualified for a 0.75% interest rate because the utility's service area MHI was below 80% of the State's MHI.



Population			County Unemployment	
Year	County	% Change	Date	Rate
1980	33,396		June 2005	6.2%
1990	33,326	-0.2%	June 2010	12.2%
2000	35,865	7.6%	June 2015	7.2%
2010	35,637	-0.6%	June 2017	7.2%
Current	35,842	0.6%		
Cumulative %		7.3%		

#### **VIII. 2017 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization -- This project does not qualify for additional subsidization.

#### **IX. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information was obtained from the audited financial statements for the Proprietary (water) fund for the years ended June 30, 2014 through 2016. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

#### **HISTORY**

Revenues decreased 1.3% from \$1.82 million in 2014 to \$1.80 million in 2016 while operating expenses decreased 9.0% during the same time period due to lower tax and contracted service costs. Debt coverage ratio was 2.1, 2.0 and 2.7 for 2014, 2015, and 2016 respectively.

The balance sheet reflects a current ratio of 0.3, a debt to equity ratio of 0.4 and 10.7 days sales in accounts receivable. The number of months operating expenses in unrestricted cash is 0 due to a mistake classifying unrestricted cash as restricted.

#### **PROJECTIONS**

Projections are based on the following assumptions:

- 1) Revenues will be flat.
- 2) Expenses will increase 2% annually for inflation.
- 3) Cost savings of \$40,000 annually will be realized beginning in 2019.
- 4) Debt service coverage is 2.0 in 2020 when full year principal and interest repayments begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

#### REPLACEMENT RESERVE

The annual replacement cost is \$2,400. This amount should be added to the replacement account each December 1 until the balance reaches \$24,000 and maintained for the life of the loan.

#### X. DEBT OBLIGATIONS

	Outstanding	Maturity
RD Series 1994 Bond	\$ 501,500	2033
RD Series 1998 Bond	456,000	2038
RD Series 2000 Bond	302,000	2040
RD Series 2003 Bond	1,563,000	2042
RD Series 2006 Bond	261,100	2045
KIA (B08-03)	777,522	2033
<b>Total</b>	<b>\$ 3,861,122</b>	

#### XI. CONTACTS

##### **Legal Applicant**

Name	Whitley County Water District
Address	19 S. Hwy 25 West Williamsburg, KY 40769
County	Whitley
Authorized Official	Andrew Meadors, Chairman
Phone	(606) 549-3600
Email	WCWD@bellsouth.net

##### **Project Contact – Applicant & Administrator**

Name	Tim Schwendeman
Representing	Cumberland Valley ADD
Address	342 Old Whitley Road PO Box 1740 London, KY 40744
Phone	(606) 864-7391
Email	TimSch@cvadd.org

##### **Consulting Engineer**

Name	Ken Taylor, PE
Firm	Kenvirons
Address	452 Versailles Road Frankfort, KY 40601
Phone	(502) 695-4357
Email	ktaylor@kenvirons.com

## **XII. RECOMMENDATIONS**

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

ATTACHMENT 2  
Confidential Map

## ATTACHMENT 3

MATTHEW G. BEVIN  
GOVERNOR



CHARLES G. SNAVELY  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
**DEPARTMENT FOR ENVIRONMENTAL PROTECTION**

AARON B. KEATLEY  
COMMISSIONER

300 SOWER BOULEVARD  
FRANKFORT, KENTUCKY 40601

March 20, 2018

Mr. Albert Mahan  
Whitley Co Water District No 1  
19 S US 25 W  
Williamsburg, KY 40769

RE: King Mt. Spur Road Waterline Repl.-SRF  
Whitley County, KY  
Whitley Co Water District No 1  
AI #: 34133, APE20180001  
PWSID #: 1180468-18-001

Dear Mr. Mahan:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 3,500 feet of 3-inch PVC water line. This is to advise that plans and specifications for the above referenced project are APPROVED with respect to sanitary features of design, as of this date with the requirements contained in the attached construction permit.

If you have any questions concerning this project, please contact Mark Rasche at 502-782-6162.

Sincerely,

A handwritten signature in black ink that reads "Mark Rasche".

Mark Rasche, P.E.  
Water Infrastructure Branch  
Division of Water

MR  
Enclosures  
c: Kenvirons, Inc.  
Whitley County Health Department  
Division of Plumbing

## Distribution-Water Line Extension

Whitley Co Water District No 1

Facility Requirements

Activity ID No.:APE20180001

Page 1 of 4

### PORT0000000028 (Whitley County Water District) King Mountain Spur Road Water Line Extension:

#### Narrative Requirements:

Condition No.	Condition
T-1	Construction of this project shall not result in the water system's inability to supply consistent water service in compliance with 401 KAR 8:010 through 8:600. [401 KAR 8:100 Section 5]
T-2	The public water system shall not implement a change to the approved plans without the prior written approval of the cabinet. [401 KAR 8:100 Section 4(3)]
T-3	A proposed change to the approved plans affecting sanitary features of design shall be submitted to the cabinet for approval in accordance with Section 2 of this administrative regulation. [401 KAR 8:100 Section 4(2)]
T-4	During construction, a set of approved plans and specifications shall be available at the job site. Construction shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 3(1)]
T-5	Unless construction begins within two (2) years from the date of approval of the final plans and specifications, the approval shall expire. [401 KAR 8:100 Section 3(3)]
T-6	Upon completion of construction, a professional engineer shall certify in writing that the project has been completed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 4(1)]
T-7	The system shall be designed to maintain a minimum pressure of 20 psi at ground level at all points in the distribution system under all conditions of flow. [Recommended Standards for Water Works 8.2.1, Drinking Water General Design Criteria IV.1.a]
T-8	Water lines should be hydraulically capable of a flow velocity of 2.5 ft/s while maintaining a pressure of at least 20 psi. [Drinking Water General Design Criteria IV.1.b]
T-9	The normal working pressure in the distribution system at the service connection shall not be less than 30 psi under peak demand flow conditions. Peak demand is defined as the maximum customer water usage rate, expressed in gallons per minute (gpm), in the pressure zone of interest during a 24 hour (diurnal) time period. [Drinking Water General Design Criteria IV.1.d]
T-10	When static pressure exceeds 150 psi, pressure reducing devices shall be provided on mains or as part of the meter setting on individual service lines in the distribution system. [Drinking Water General Design Criteria IV.1.c]
T-11	The minimum size of water main in the distribution system where fire protection is not to be provided should be a minimum of three (3) inch diameter. Any departure from minimum requirements shall be justified by hydraulic analysis and future water use, and can be considered only in special circumstances. [Recommended Standards for Water Works 8.2.2, Drinking Water General Design Criteria IV.2.b]

## Distribution-Water Line Extension

Whitley Co Water District No 1

Facility Requirements

Activity ID No.:APE20180001

Page 2 of 4

### PORT0000000028 (Whitley County Water District) King Mountain Spur Road Water Line Extension:

#### Narrative Requirements:

Condition No.	Condition
T-12	Water mains not designed to carry fire-flows shall not have fire hydrants connected to them. [Recommended Standards for Water Works 8.4.1.b]
T-13	Flushing devices should be sized to provide flows which will give a velocity of at least 2.5 feet per second in the water main being flushed. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-14	No flushing device shall be directly connected to any sewer. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-15	Pipe shall be constructed to a depth providing a minimum cover of 30 inches to top of pipe. [Drinking Water General Design Criteria IV.3.a]
T-16	Water mains shall be covered with sufficient earth or other insulation to prevent freezing. [Recommended Standards for Water Works 8.7]
T-17	A continuous and uniform bedding shall be provided in the trench for all buried pipe. Backfill material shall be tamped in layers around the pipe and to a sufficient height above the pipe to adequately support and protect the pipe. Stones found in the trench shall be removed for a depth of at least six inches below the bottom of the pipe. [Recommended Standards for Water Works 8.7]
T-18	Water line installation shall incorporate the provisions of the AWWA standards and/or manufacturer's recommended installation procedures. [Recommended Standards for Water Works 8.7]
T-19	All materials used for the rehabilitation of water mains shall meet ANSI/NSF standards. [Recommended Standards for Water Works 8.1]
T-20	Packing and jointing materials used in the joints of pipe shall meet the standards of AWWA and the reviewing authority. [Recommended Standards for Water Works 8.1]
T-21	All tees, bends, plugs and hydrants shall be provided with reaction blocking, tie rods or joints designed to prevent movement. [Recommended Standards for Water Works 8.7]
T-22	All materials including pipe, fittings, valves and fire hydrants shall conform to the latest standards issued by the ASTM, AWWA and ANSI/NSF, where such standards exist, and be acceptable to the Division of Water. [Recommended Standards for Water Works 8.1]
T-23	Water mains which have been used previously for conveying potable water may be reused provided they meet the above standards and have been restored practically to their original condition. [Recommended Standards for Water Works 8.1]



## Distribution-Water Line Extension

Whitley Co Water District No 1

Facility Requirements

Activity ID No.:APE20180001

Page 3 of 4

### PORT0000000028 (Whitley County Water District) King Mountain Spur Road Water Line Extension:

#### Narrative Requirements:

Condition No.	Condition
T-24	Manufacturer approved transition joints shall be used between dissimilar piping materials. [Recommended Standards for Water Works 8.1]
T-25	Pipes and pipe fittings containing more than 8% lead shall not be used. All products shall comply with ANSI/NSF standards. [Recommended Standards for Water Works 8.1]
T-26	The minimum size of water main which provides for fire protection and serving fire hydrants shall be six-inch diameter. [Recommended Standards for Water Works 8.2, Drinking Water General Design Criteria IV.2.a]
T-27	Gaskets containing lead shall not be used. Repairs to lead-joint pipe shall be made using alternative methods. [Recommended Standards for Water Works 8.1]
T-28	Pipe materials shall be selected to protect against both internal and external pipe corrosion. [Recommended Standards for Water Works 8.1]
T-29	Dead end mains shall be equipped with a means to provide adequate flushing. [Recommended Standards for Water Works 8.2]
T-30	The hydrant lead shall be a minimum of six inches in diameter. Auxiliary valves shall be installed on all hydrant leads. [Recommended Standards for Water Works 8.4.3]
T-31	A sufficient number of valves shall be provided on water mains to minimize inconvenience and sanitary hazards during repairs. [Recommended Standards for Water Works 8.3]
T-32	Wherever possible, chambers, pits or manholes containing valves, blow-offs, meters, or other such appurtenances to a distribution system, shall not be located in areas subject to flooding or in areas of high groundwater. Such chambers or pits should drain to the ground surface, or to absorption pits underground. The chambers, pits and manholes shall not connect directly to any storm drain or sanitary sewer. Blow-offs shall not connect directly to any storm drain or sanitary sewer. [Recommended Standards for Water Works 8.6]
T-33	At high points in water mains where air can accumulate provisions shall be made to remove the air by means of air relief valves. [Recommended Standards for Water Works 8.5.1]
T-34	Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur. [Recommended Standards for Water Works 8.5.1]
T-35	The open end of an air relief pipe from automatic valves shall be extended to at least one foot above grade and provided with a screened, downward-facing elbow. [Recommended Standards for Water Works 8.5.2.c]

## Distribution-Water Line Extension

Whitley Co Water District No 1

Facility Requirements

Activity ID No.:APE20180001

Page 4 of 4

### PORT0000000028 (Whitley County Water District) King Mountain Spur Road Water Line Extension:

#### Narrative Requirements:

Condition No.	Condition
T-36	Discharge piping from air relief valves shall not connect directly to any storm drain, storm sewer, or sanitary sewer. [Recommended Standards for Water Works 8.5.2.d]
T-37	Water pipe shall be constructed with a lateral separation of 10 feet or more from any gravity sanitary or combined sewer measured edge to edge where practical. If not practical a variance may be requested to allow the water pipe to be installed closer to the gravity sanitary or combined sewer provided the water pipe is laid in a separate trench or undisturbed shelf located on one side of the sewer with the bottom of the pipe at least 18 inches above the top of the gravity sanitary or combined sewer pipe. [Drinking Water General Design Criteria IV.3.b]
T-38	Water lines crossing sanitary, combined or storm sewers shall be laid to provide a minimum vertical distance of 18 inches between the outside of the water main and the outside of the sanitary, combined or storm sewer with preference to the water main located above the sanitary, combined or storm sewer. [Drinking Water General Design Criteria IV.3.c]
T-39	At crossings, one full length of water pipe shall be located so both joints will be as far from the sewer as possible. [Recommended Standards for Water Works 8.8.3.b]
T-40	There shall be no connection between the distribution system and any pipes, pumps, hydrants, or tanks whereby unsafe water or other contaminating materials may be discharged or drawn into the system. [Recommended Standards for Water Works 8.10.1]
T-41	Water utilities shall have a cross connection program conforming to 401 KAR 8. [Recommended Standards for Water Works 8.10.1]
T-42	Installed pipe shall be pressure tested and leakage tested in accordance with the appropriate AWWA Standards. [Recommended Standards for Water Works 8.7.6]
T-43	New, cleaned and repaired water mains shall be disinfected in accordance with AWWA Standard C651. The specifications shall include detailed procedures for the adequate flushing, disinfection, and microbiological testing of all water mains. In an emergency or unusual situation, the disinfection procedure shall be discussed with the Division of Water. [Recommended Standards for Water Works 8.7.7]
T-44	A minimum cover of five feet shall be provided over pipe crossing underwater. [Recommended Standards for Water Works 8.9.2]
T-45	Valves shall be provided at both ends of water crossings so that the section can be isolated for testing or repair; the valves shall be easily accessible, and not subject to flooding for pipes crossing underwater. [Recommended Standards for Water Works 8.9.2.b]
T-46	Permanent taps or other provisions to allow insertion of a small meter to determine leakage and obtain water samples on each side of the valve closest to the supply source for pipes crossing. [Recommended Standards for Water Works 8.9.2.c]

## ATTACHMENT 4

FINANCIAL STATEMENT

WHITLEY COUNTY WATER DISTRICT #1

PREPARED BY: J & J ACCOUNTING & TAX SERVICE INC

WHITLEY COUNTY WATER DISTRICT NO. 1  
WILLIAMSBURG, KENTUCKY

Period: 05/01/2018 to 05/31/2018

	2018 CURRENT PERIOD			2016 CURRENT PERIOD			2018 YEAR-TO-DATE			2016 YEAR-TO-DATE		
	ACTUALS			BUDGETS			ACTUALS			BUDGETS		
	All Sub Accounts			Budget:1			All Sub Accounts			Budget:1		
	Amount	Ratio		Amount			Amount	Ratio		Amount		
INCOME AND EXPENSE STATEMENT												
INCOME												
Metered Sales to Residential	\$	114,609.44	91.24	\$	133,333.00		\$	623,249.57	91.87	\$	133,333.00	
Metered Sales to Commercial		5,418.85	4.31		6,000.00			28,792.45	4.24		6,000.00	
Metered Sales to Public Auth		1,287.50	1.02		1,500.00			5,033.12	.74		1,500.00	
Metered Sales to Resid 92 W		4,278.06	3.41		0.00			21,225.38	3.13		0.00	
Metered Sales to Comm 92 W		19.35	.02		0.00			96.75	.01		0.00	
NET INCOME	\$	125,613.20	100.00	\$	140,833.00		\$	678,397.27	100.00	\$	140,833.00	
OPERATING EXPENSES												
					0.00			0.00	.00		0.00	
Payroll Taxes	\$	1,415.04	1.13	\$	1,750.00		\$	5,979.73	.88	\$	1,750.00	
Taxes Other Than Income		15,195.04	12.10		0.00			80,956.82	11.93		0.00	
Depreciation Expense		42,000.00	33.44		0.00			210,000.00	30.96		0.00	
Other Taxes and Licenses		0.00	.00		5,000.00			(1,547.20)	.23		5,000.00	
Interest Expense		12,000.00	9.55		0.00			60,000.00	8.84		0.00	
Purchased Water		47,932.02	38.16		52,000.00			258,668.86	38.13		52,000.00	
Salaries and Wages-Employees		23,108.38	18.40		19,167.00			83,081.15	12.25		19,167.00	
Salaries and Wages-Officers		1,216.62	.97		917.00			4,266.48	.63		917.00	
Employee Pensions and Benefits		2,192.77	1.75		2,750.00			13,344.79	1.97		2,750.00	
Employee Benefits - Health Ins		5,091.90	4.05		4,583.00			23,683.58	3.49		4,583.00	
Employee Benefits - Dental		385.32	.31		325.00			1,538.76	.23		325.00	
Chemicals		0.00	.00		142.00			0.00	.00		142.00	
Materials and Supplies		10,043.23	8.00		1,000.00			13,178.05	1.94		1,000.00	
Contractual Services-Engineer		0.00	.00		1,667.00			5,727.83	.84		1,667.00	
Contractual Services-Account		880.00	.70		1,250.00			10,545.00	1.55		1,250.00	
Contractual Services-Legal		0.00	.00		506.00			0.00	.00		506.00	
Contractual Services-Other		4,850.04	3.86		417.00			14,136.93	2.08		417.00	
Rental of Equipment		0.00	.00		250.00			0.00	.00		250.00	
Transportation Expenses		4,041.80	3.22		2,917.00			20,939.59	3.09		2,917.00	
Insurance-Vehicle		0.00	.00		600.00			0.00	.00		600.00	
Insurance-General Liability		0.00	.00		1,500.00			4,876.75	.72		1,500.00	
Insurance-Workers Comp		1,561.93	1.24		310.00			1,561.93	.23		310.00	
Insurance-Other		5,637.00	4.49		0.00			5,637.00	.83		0.00	
Advertising Expense		227.50	.18		500.00			268.50	.04		500.00	
Bad Debt Expense		0.00	.00		833.00			0.00	.00		833.00	

WHITLEY COUNTY WATER DISTRICT NO.1  
WILLIAMSBURG, KY

Period: 05/01/2018 to 05/31/2018

	2018 CURRENT PERIOD		2016 CURRENT PERIOD		2018 YEAR-TO-DATE		2016 YEAR-TO-DATE	
	ACTUALS		BUDGETS		ACTUALS		BUDGETS	
	All Sub Accounts		Budget:1		All Sub Accounts		Budget:1	
	Amount	Ratio	Amount		Amount	Ratio	Amount	
INCOME AND EXPENSE STATEMENT								
OPERATING EXPENSE								
Reimbursed Expenses	0.00	.00	0.00		32.40	.00	0.00	
Supplies - Office	4,128.74	3.29	2,600.00		11,762.95	1.73	2,600.00	
Supplies - Pump Maintenance	0.00	.00	0.00		3,166.07	.47	0.00	
Supplies - Meter Maintenance	1,787.86	1.42	0.00		15,435.40	2.28	0.00	
Telephone	507.78	.48	900.00		2,876.52	.42	900.00	
Advertising	0.00	.00	50.00		0.00	.00	50.00	
Uniform Rental	60.84	.05	0.00		304.20	.04	0.00	
Utilities	1,618.25	1.29	24,000.00		8,902.29	1.31	24,000.00	
Postage / Shipping	326.55	.26	1,250.00		8,051.20	1.19	1,250.00	
Equipment Repairs	558.10	.44	500.00		1,116.21	.16	500.00	
Monitoring Services	32.00	.03	0.00		160.00	.02	0.00	
Employee Training & Education	0.00	.00	0.00		127.52	.02	0.00	
Supplies - General Maintenance	0.00	.00	0.00		245.00	.04	0.00	
Taxes Other Than Inc/Other Inc	0.00	.00	(8,333.00)		0.00	.00	(8,333.00)	
Membership Dues	1,000.00	.80	292.00		1,000.00	.15	292.00	
TOTAL OPERATING EXPENSES	\$ 187,898.71	149.59	\$ 136,309.00		\$ 870,024.31	128.25	\$ 136,309.00	
OPERATING INCREASE OF (DECREA)	\$ (62,285.51)	49.59-	\$ 4,524.00		\$ (191,627.04)	28.25-	\$ 4,524.00	
OTHER INCOME								
Interest and Dividend Income	\$ 112.16	.09	\$ (217.00)		\$ 5,051.88	.74	\$ (217.00)	
Misc Service Revenues	14,939.12	11.89	0.00		125,501.34	18.50	0.00	
Income - Payment from Jana T	100.00	.08	0.00		300.00	.04	0.00	
TOTAL OTHER INCOME	\$ 15,151.28	12.06	\$ (217.00)		\$ 130,853.22	19.29	\$ (217.00)	
NET INCREA OR (DEC) NET ASSETS	\$ (47,134.23)	37.52-	\$ 4,307.00		\$ (60,773.82)	8.96-	\$ 4,307.00	

WHITLEY COUNTY WATER DISTRICT NO. 1  
WILLIAMSBURG, KENTUCKY  
BALANCE SHEET

As of 05/31/2018

2018  
ACTUALS  
All Sub Accounts

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 62,965.97
Customer Accounts Receivable	25,540.90
Provision for uncollectible ac	(10,648.00)
	-----
Total current assets	\$ 77,858.87
Non-current assets:	
Restricted assets-	
Cash and cash equivalents	\$ 1,292,887.44
	-----
Total restricted assets	\$ 1,292,887.44
	-----
Capital Assets:	
Land and Land Rights	48,638.00
Equipment, structures, vehicle	865,466.54
Distribution system	19,792,973.63
Accumulated Depreciation	(5,797,346.50)
	-----
Capital assets, net of	\$ 14,909,731.67
Other assets:	
Bonds - Related Costs	9,665.00
Accumulated amortozation (Bond	6,688.03
Employee Savings	320.43
	-----
Total other assets	\$ 3,297.40
Total non-current assets	\$ 0.00
Total assets	\$ 16,283,775.38
	=====

Whitley County Water District  
19 S. Highway 25w  
Williamsburg, KY 40769

As of 05/31/2018

2018  
ACTUALS  
All Sub Accounts

LIABILITIES AND NET ASSETS

	Liabilities
Current Liabilities	
Accounts Payable	31,357.10
Accrued Taxes	1,460.90
Notes payable - KIA	1,521,634.23
Current bonds payable	84,600.00
Note Payable, Current KIA	44,430.84
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Total current liabilities	\$ 1,683,483.07
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Non-current liabilities	
Customer Deposits	\$ 165,770.00
Bonds Payable	2,832,479.69
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Total non-current liabilities	\$ 2,998,249.69
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Total liabilities	\$ 4,681,732.76
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NET ASSETS

Net assets:	
Contributions in aid of Const	644,545.71
Invested in capital assets net	11,204,267.96
Restricted for:	
Restricted for: Deposits	211,723.00
Capital projects	502,017.00
Debt Service	522,664.00
Unreserved	(1,483,175.05)
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Total net assets	\$ 11,602,042.62
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Total Liabilities & net assets	\$ 16,283,775.38
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