



Columbia/Adair Utilities District

109 Grant Lane - P.O. Box 567

Columbia, KY 42728

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September 11, 2012

RECEIVED

SEP 17 2012

PUBLIC SERVICE
COMMISSION

Linda Faulkner
Director of Filings
Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, KY 40602-0615

Ms. Faulkner

Please find a copy of our 2011 Income Statement per your request and in compliance with PSC Case Number 2009-00320 dated 08-28-2009 which states we are to file an income statement three years from the date of the order. I have enclosed a copy of your letter dated August 30, 2012 for reference.

Let me know if any further information is needed or contact our General Manager Lenny Stone.

Sincerely

Jennifer Carter
Office Manager

Enclosures



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Linda Breathitt
Commissioner

August 30, 2012

Lennon Stone
General Manager
Adair County Water District
109 Grant Lane
P.O. Box 567
Columbia, KY 42728

Re: PSC Case No. 2009-00320

Dear Mr. Stone:

This is a reminder letter that the ordering paragraph in the final order of the above referenced case dated 08-28-2009 states the following:

Three years from the date of this Order, Adair Water shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

Your attention to this matter is appreciated. Please reference the case number when you submit the statement.

Sincerely,

Linda Faulkner
Director of Filings

ADAIR COUNTY WATER DISTRICT
 DBA COLUMBIA/ADAIR UTILITIES DISTRICT
 STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
 Years Ended December 31, 2011 and 2010

	County Water	City Water	Sewer	Total 2011	2010
OPERATING REVENUES					
Water Sales	\$ 2,123,095	\$ 261,756	\$ 295,995	\$ 2,680,846	\$ 2,175,021
Service Charges and Other	126,898	1,770	-	128,668	191,085
Total Operating Revenues	<u>2,249,993</u>	<u>263,526</u>	<u>295,995</u>	<u>2,809,514</u>	<u>2,366,106</u>
OPERATING EXPENSES					
Personal Service	777,927	260,664	199,284	1,237,875	681,858
Contractual Services	33,061	4,436	7,297	44,794	30,063
Supplies and Materials	207,641	72,126	11,446	291,213	174,619
Repairs and Maintenance	62,701	15,697	21,888	100,286	60,030
Operational	442,714	107,306	77,467	627,487	1,165,367
Depreciation and Amortization	665,813	48,931	213,621	928,365	624,893
Total Operating Expenses	<u>2,189,857</u>	<u>509,160</u>	<u>531,003</u>	<u>3,230,020</u>	<u>2,736,830</u>
OPERATING INCOME/(LOSS)	60,136	(245,634)	(235,008)	(420,506)	(370,724)
NON-OPERATING REVENUES (EXPENSES)					
Other Non-Utility Income	30,824	-	-	30,824	13,783
Operating Lease - City	174,336	-	-	174,336	28,570
Operating Lease -Water Plant	(715,326)	-	-	(715,326)	-
Interest Income	3,197	-	-	3,197	3,512
Miscellaneous Nonutility Expenses	(1,167)	(773)	(623)	(2,563)	-
Interest Expenses and Fiscal Charges	(263,795)	(10,542)	(39,435)	(313,772)	(280,708)
Total Non-Operating Revenues (Expenses)	<u>(771,931)</u>	<u>(11,315)</u>	<u>(40,058)</u>	<u>(823,304)</u>	<u>(234,843)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(711,795)	(256,949)	(275,066)	(1,243,810)	(605,567)
Capital Contributions	1,782,754	3,000	9,836,143	11,621,897	2,990,310
Grants	-	-	-	-	-
INCREASE (DECREASE) IN NET ASSETS	<u>1,070,959</u>	<u>(253,949)</u>	<u>9,561,077</u>	<u>10,378,087</u>	<u>2,384,743</u>
NET ASSETS					
Beginning of Year, Restated				12,301,801	9,917,058
End of Year				<u>\$ 22,679,888</u>	<u>\$ 12,301,801</u>