



BLACK MOUNTAIN UTILITY DISTRICT



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COMMISSION

October 24, 2013

Ms. Linda Faulkner
Filings Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: Case No. 2012-00095

Ms. Faulkner:

Per our phone conversation, and on behalf of Black Mountain Utility District, the following entry was made at year end to show the acquisition of assets and liabilities acquired from Green Hills Water District.

These entries were made using the available information from the books of Green Hills Water District as of December 31, 2011 and results of operation for the first part of 2012. Entry number 1 was made to record the assets, liabilities and equity based on the net values on the date of merger. Black Mountain paid some expenses on behalf of Green Hills which were netted to the Equity Account.

Entry No. 1

Land & Land Rights	\$ 2,500.00	
Structures	\$ 89,220.00	
Pumping Equipment	\$ 158,552.00	
Dist. Res. Standpipes	\$ 239,657.00	
Vehicle	\$ 3,712.38	
Trans. & Mains	\$2,105,166.00	
Note Payable-RD		\$ 383,149.71
NP-Ford Motor Credit		\$ 3,712.38
Equity-Green Hills		\$ 2,211,945.29

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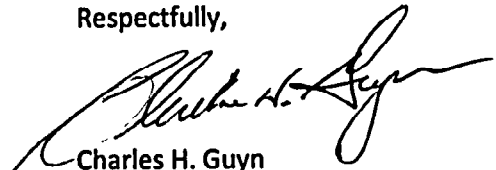
Entry No. 2

Green Hills Elec		\$ 18,719.81
Equip Rep.		180.00
Payroll Expense		421.68
Ins-Other		207.24
Office Eq. Repairs		99.99
Operating Supplies Exp		3,878.48
Telephone		397.99
FMCC Truck Payments		3,712.38
Utilities		136.97
Vehicle Fuel		1,121.54
Water Analysis		221.25
Purchased Water		26,406.60
Electric	\$16,025.64	
Ins-Other	207.24	
Telephone	233.07	
FMCC Truck Payments	3,712.38	
Utilities	100.50	
Veh. Fuel	526.75	
Purchased Water	8,544.63	
Equity-Green Hills	26,153.72	

Entry No. 2 is a net entry based on expenses paid on behalf of Greens Hills prior to assuming operational control.

If you have any questions, I can be reached at 606-573-6261 or by e-mail at cguyn@harlanonline.net.

Respectfully,



Charles H. Guyn
Accountant