

SOUTHERN WATER & SEWER DISTRICT

PO BOX 610

MCDOWELL, KY 41647

REGULAR MONTHLY MEETING NOVEMBER 21, 2016

AGENDA

A. CALL TO ORDER ✓

B. APPROVAL OF MINUTES ✓

C. APPROVAL OF FINANCIAL STATEMENTS ✓

D. KENTUCKY ENGINEERING REPORT ✓

E. MANAGERS REPORT

- Employee Gift Cards for Thanksgiving
- Books and coats

F. OTHER

G. ADJOURNMENT

Next meeting - 12-19-16 3rd Monday

**SOUTHERN WATER AND SEWER
MONTHLY FILED CONSTRUCTION LOG
10/25/2016 TO 11/20/2016**

NUMBER OF LEAKS (51)

NUMBER OF TAPS (2)

NUMBER OF DIG OUTS (2)

ESTIMATED WATER LOSS 2,800,000 gal

LINE SIZES $\frac{3}{4}$ (41) 1inch (6) 2inch () 3inch () 4inch (2)

6inch () 8inch () 10inch () 12inch ()

PARST USED: (75) $\frac{3}{4}$ couplings (12) 1 inch couplings () 2 inch hymax,s
() 3 inch hymax's (4) 4 inch hymax's () 6 inch hymax's () 8 inch hymax's
() 10 inch hymax,s (2) SR-II meter bottoms – () $\frac{3}{4}$ regulators

Right Beaver (24) Left Beaver (21) Big Mud (3) Little Mud (1) Sandy
Valley (2)

FILED SUPERVISOR Chris Polson DATE 11/21/16

GENERAL MANAGER Karen M. Hill DATE _____

Southern Water & Sewer Dist.
PO BOX 610
MCDOWELL, KY 41647
REGULAR CALLED MEETING NOVEMBER 21ST @5PM

ATTENDANCE:

PAULA JOHNSON, CHAIRMAN
JOSEPH JACOBS, COMMISSIONER
LARRY OSBORNE, COMMISSIONER
BARRY HALL, COMMISSIONER
PAULA BURKE, STAFF

JEFF REED, SPEARS CPA
HAYES HAMILTON, COMMISSIONER
TROY HOGGE, KY ENG. GROUP
DEAN HALL, GENERAL MANAGER

CALLED TO ORDER BY PAULA JOHNSON @5:04 PM

MOTION TO APPROVE MINUTES

MOTION MADE BY: HAYES HAMILTON

SECONDED BY: BARRY HALL

MOTION PASSED

**MOTION TO APPROVE FINANCIAL REPORT GIVEN BY JEFF REED
THROUGH SEPTEMBER 2016**

MOTION MADE BY: LARRY JOE OSBORNE

SECONDED BY: HAYES HAMILTON

MOTION PASSED

**MOTION TO APPROVE PAY INCREASE FOR THE EXCAVATOR
OPERATORS, LOGAN CROWDER AND JUSTIN CONLEY**

MOTION TO APPROVE MADE BY: BARRY HALL

SECONDED BY : HAYES HAMILTON

MOTION PASSED



MOTION TO ADJOURN AT 5:47 PM

MOTION MADE BY: BARRY HALL

SECONDED BY: JOE JACOBS

WITH THERE BEING NO FURTHER BUSINESS TO DISCUSS THE MEETING
WAS ADJOURNED AT 6:01 PM Passed by the Southern Water & Sewer
Commissioners on this 21st day of Nov. 2016

APPROVED BY:

MICHAEL R. SPEARS, CPA, PSC
P.O. BOX 1270
PRESTONSBURG, KY 41653

November 21, 2016

Southern Water and Sewer District
Board of Commissioners
Prestonsburg, KY 41653

RE: October 2016 Financial Statements

Dear Commissioner,

Enclosed you will find your financial statements for the period ended October 31, 2016. In this letter I am giving you some pertinent highlights as I see them.

Balance Sheet as of October 31, 2016

- Cash in Bank is \$52,953
- Restricted Cash is \$707,607
- Accounts Receivable is \$1,394,398
- Plant in place is \$25,498,292
- Equity is \$18,728,696

Income Statement – for the month ended October 31, 2016

- Operating Revenue is \$374,690
- Operating Expenses Less Depreciation of \$71,879 is \$252,207
- Other Income (Construction Income & Interest) \$56,237
- Other Expense (\$20,979)
- Net Income/(Loss) before depreciation expense is \$157,741
- Net Income/(Loss) after depreciation expense of \$71,879 is \$85,861

I would ask that you review the financials and if you have questions please feel free to contact me at (606) 424-8040.

Sincerely,



Michael Spears

Southern Water and Sewer District
BALANCE SHEET
As of October 31, 2016

ASSETS

CURRENT ASSETS

Cash on Hand	\$	460.00
Cash Operations		460.00
First Guaranty - New		(10,557.60)
Cash - Community Trust Bank (SV)		63,511.05
First Guaranty - Solid Waste Account		69,067.20
Accounts Receivable - Water		765,138.67
Accounts Receivable - Garbage		504,632.70
Accounts Receivable - Sewer		124,627.05
A/R - CDBG Grant		5,000.00
Provision for Uncollectible Accounts		(235,324.66)
A/R - Former Employee		16,500.00
Materials and Supplies		101,231.80
KIA Escrow - New		115,294.64
KIA R & M Reserve - New		67,488.75
KIA R & M Reserve #3 - New		42,563.95
First Guaranty - RD Account		909.11
RD Depreciation Reserve Acct.		55,105.36
RD Escrow Acct		121,072.38
1st Guaranty - FEMA Reimbursements		21,351.78
FGB - Rural Development Construction		4,557.89
FGB - Capital Improvement Account		12,101.93
FGB - RD Sinking Fund (New)		28,678.20
Cash - Pride on the River		965.26
FEMA - 1976 - DR - KY		65,673.98
Insurance Escrow Account		31,343.06
KIA R & M RESERVE A04-06		39,895.00
Construction Account		19,255.89
FGB - Customer Deposit Account		32,003.55
FGB - Health Care Reimbursement		8,177.91
FGB - Allen to Martin WTP		779.26
		<u>2,071,964.11</u>
Total Current Assets		<u>2,071,964.11</u>

PROPERTY AND EQUIPMENT

Utility Plant	34,843,909.96
Utility Plant	1,766,340.49
Utility Plant Sewer	7,865,636.26
Construction in Progress	2,351,078.65
Construction in Progress - Sewer	43,921.50
Less: Accumulated Depreciation	<u>(21,372,594.39)</u>
Net Property and Equipment	<u>25,498,292.47</u>

OTHER ASSETS

Prepaid Interest	98,409.92
Accumulated Amortization	<u>(36,493.65)</u>
Total Other Assets	<u>61,916.27</u>

Southern Water and Sewer District
BALANCE SHEET
As of October 31, 2016

TOTAL ASSETS	\$ <u>27,632,172.85</u>
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Southern Water and Sewer District
BALANCE SHEET
As of October 31, 2016

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES	
Accounts Payable	\$ 104,185.96
A/P - CIP	2,673.84
N/P - FGB LOC	219,000.00
First Guaranty - Office Building	11,492.67
N/P - FGB (DEAN'S TRUCK)	15,480.44
N/P - CITIZEN'S NATIONAL (EXCAVAT	28,353.81
Customer Deposits	201,478.83
Customer Deposits - Sewer	190.00
Accrued Fed WTH	7,383.24
Accrued Ky WTH	1,598.65
Accrued KUI/FUTA	2,123.94
Accrued School Tax	9.83
Accrued Sales Tax	748.68
Garnishee	2,108.10
Accrued 401-k	11,998.37
Accrued Vacation/Sick Pay	67,054.08
Accrued Interest - KIA III	68,569.16
Accrued Interest - Bonds	38,722.50
Accrued Interest - New Bond	3,329.21
Accrued Interest - Sandy Valley Bond	10,657.26
Accrued Interest - Build America Bond	1,090.33
A/P - Solid Waste	432,333.87
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Total Current Liabilities	1,230,582.77
LONG-TERM LIABILITIES	
Notes Payable Current Portion	476,322.31
Less Current Portion Notes Payable	(476,322.31)
Bonds Payable Current Portion	66,981.00
N/P - KIA I	542,395.07
N/P - KIA III	1,307,868.53
Bonds Payable	2,109,000.00
N/P - KIA A-04-06	34,019.07
Bonds Payable (New)	195,000.00
RD Note - Sandy Valley 589573	501,509.00
USDA (530,000)	487,000.00
N/P - USDA (ALLEN TO MARTIN)	1,773,000.00
N/P - Regions Bank Other	27,101.27
N/P - KIA (A11-16) Harold Sewer	696,001.13
Less Current Portion Bonds Payable	(66,981.00)
	<hr/>
Total Long-Term Liabilities	7,672,894.07
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Total Liabilities	8,903,476.84
CAPITAL	
Invested in Capital Assets	17,705,548.00
Restricted for Capital Projects	30,110.00
Restricted for Maintenance	120,145.00

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Southern Water and Sewer District
BALANCE SHEET
As of October 31, 2016

Restricted for Debt Services	144,655.00
Unrestricted Net Assets	514,136.86
Restricted for Deposits	175,189.00
Current Earnings	395,218.72
Retained Earnings	<u>(356,306.57)</u>
Total Stockholders' Equity	<u>18,728,696.01</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 27,632,172.85</u>

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 10 Months Ended October 31, 2016

	1 Month Ended October 31, 2016	%	10 Months Ended October 31, 2016	%
Sales				
Metered Sales - Residential	\$ 260,599.40	69.55	\$ 2,791,961.91	68.00
Metered Sales - Business	8,763.60	2.34	83,361.91	2.03
Metered Sales - Residential Sewer	14,541.24	3.88	137,459.03	3.35
Metered Sales - Business Sewer	1,074.14	0.29	10,576.01	0.26
Sales for Resale	2,809.98	0.75	39,101.03	0.95
Penalties	4,745.45	1.27	67,757.34	1.65
Meter Service	2,685.03	0.72	42,059.86	1.02
Tap fees	1,460.00	0.39	14,020.77	0.34
Sewer Tap Fees	0.00	0.00	(500.00)	(0.01)
Other Income	0.00	0.00	6,550.00	0.16
Garbage Sales Revenue	78,011.25	20.82	777,850.00	18.94
Miscellaneous Income	0.00	0.00	135,654.72	3.30
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	374,690.09	100.00	4,105,852.58	100.00
Gross Profit	374,690.09	100.00	4,105,852.58	100.00
Operating Expenses				
Solid Waste Payments	75,670.91	20.20	754,514.50	18.38
Water Purchases	14,233.33	3.80	368,862.80	8.98
Contract Labor - Water	0.00	0.00	400.00	0.01
Operations Labor - Pumping	7,378.40	1.97	82,999.72	2.02
Chemicals - Sewer	5,668.90	1.51	31,551.46	0.77
Contract Labor	0.00	0.00	6,000.00	0.15
Chemicals - Sewer	0.00	0.00	4,610.38	0.11
Supplies - Pumping	0.00	0.00	2,888.24	0.07
Repairs - Pumping	0.00	0.00	30,220.42	0.74
Telephone & Utilities - Pumping	0.00	0.00	1,564.51	0.04
Lab Services	0.00	0.00	4,750.00	0.12
Chemicals	0.00	0.00	81,292.65	1.98
Sewer Supplies	0.00	0.00	5,550.85	0.14
LAB-SEWER	0.00	0.00	7,693.00	0.19
Supplies	0.00	0.00	502.55	0.01
Natural Gas-WTP	491.80	0.13	2,703.95	0.07
Operations Labor - T & D	46,764.68	12.48	512,478.18	12.48
Wages - Sewer	0.00	0.00	6,000.00	0.15
Wages - Sewer	1,995.00	0.53	21,542.25	0.52
Uniform Rental - T & D	0.00	0.00	5,723.08	0.14
Supplies - T & D	5,220.29	1.39	119,121.68	2.90
Vehicle Repairs - T & D	0.00	0.00	14,755.98	0.36
Utilities - T & D	31,080.86	8.30	335,647.31	8.17
Repairs Pump - T & D	0.00	0.00	25,599.83	0.62
Uniform Rental - T & D	0.00	0.00	7,258.25	0.18
Vehicle Repairs - T & D	0.00	0.00	21,420.72	0.52
Repairs - T & D	0.00	0.00	15,102.00	0.37
Fuel-Gasoline	5,563.71	1.48	55,767.71	1.36

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Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 10 Months Ended October 31, 2016

	1 Month Ended October 31, 2016	%	10 Months Ended October 31, 2016	%
Lab Services - Distribution	0 00	0.00	38,932.80	0.95
Utilities - Sewer	0 00	0.00	2,464.47	0.06
Uniform Rental	3,767.88	1.01	6,775.18	0.17
Utilities	0 00	0.00	27,637.74	0.67
Repairs - Sewer	0 00	0.00	6,442.18	0.16
Repairs-Sewer	0 00	0.00	375.00	0.01
Safety supplies	0 00	0.00	973.14	0.02
Billing Postage	2,190.12	0.58	21,006.38	0.51
BILLING CARDS	0 00	0.00	1,978.25	0.05
Wages - Office	10,483.58	2.80	117,950.37	2.87
Office Postage	0 00	0.00	4,697.19	0.11
Office Supplies	179.92	0.05	11,265.40	0.27
Telephone & Utilities - Office	1,178.47	0.31	14,719.97	0.36
Bank Charges	2,000.83	0.53	15,197.28	0.37
Health Insurance	1,721.61	0.46	207,545.91	5.05
Shipping	0 00	0.00	22.00	0.00
Dental Insurance	901.03	0.24	8,565.03	0.21
Workers Comp	1,443.92	0.39	29,972.33	0.73
Life Ins.	8,214.18	2.19	26,515.94	0.65
Contract Labor - Administration	210.00	0.06	410.00	0.01
Credit Card Payment Fees	0 00	0.00	5.95	0.00
Worker's Compensation	0 00	0.00	5,488.59	0.13
Property Insurance	5,693.82	1.52	55,413.47	1.35
Legal	0 00	0.00	5,000.00	0.12
Accounting	10,200.00	2.72	35,999.00	0.88
Professional Fees	0 00	0.00	9,291.29	0.23
Property Insurance	0 00	0.00	55,477.37	1.35
Commissioners Bond	0 00	0.00	3,741.15	0.09
Commissioner's Fee	2,000.00	0.53	19,500.00	0.47
Misc Expenses	1,385.54	0.37	18,507.69	0.45
Training	0 00	0.00	3,277.29	0.08
Advertising	0 00	0.00	507.18	0.01
Interest & Penalty Notices	0 00	0.00	198.93	0.00
Depreciation Expense	63,382.08	16.92	633,820.80	15.44
Depreciation Expense	8,496.82	2.27	84,968.20	2.07
Payroll Taxes	5,314.63	1.42	69,190.70	1.69
PSC Taxes	0 00	0.00	8,948.42	0.22
Employer Pension Expense	1,253.78	0.33	14,649.92	0.36
Health Care Reimbursements	0 00	0.00	2,561.61	0.06
Total Operating Expenses	324,086.09	86.49	4,096,516.14	99.77
Operating Income (Loss)	50,604.00	13.51	9,336.44	0.23
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(1,350.76)	0.36	(4,694.63)	0.11
Interest Expense - LOC	0 00	0.00	(12,336.49)	0.30
Amortization of Premium	(205.02)	0.05	(2,050.20)	0.05
Interest Expense - KIA	(7,332.21)	1.96	(63,004.75)	1.53

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Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 10 Months Ended October 31, 2016

	1 Month Ended October 31, 2016	%	10 Months Ended October 31, 2016	%
Interest Expense - Bonds	(12,091.47)	3.23	(122,102.43)	2.97
Interest Income - Now	58.31	0.02	521.29	0.01
Bond Interest Credit Income	0.00	0.00	1,787.17	0.04
Grant Income (Dept of Transportation)	56,178.90	14.99	407,482.15	9.92
Rural Development - Allen to Martin W	0.00	0.00	184,460.17	4.49
Total Other Income (Expense)	35,257.75	9.41	390,062.28	9.50
Net Income (Loss) Before Taxes	85,861.75	22.92	399,398.72	9.73
Net Income (Loss)	\$ 85,861.75	22.92	\$ 399,398.72	9.73

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 10 Months Ended October 31, 2016

	1 Month Ended October 31, 2016	%	10 Months Ended October 31, 2016	%
Sales				
Metered Sales - Residential	\$ 260,599.40	69.55	\$ 2,791,961.91	68.00
Metered Sales - Business	8,763.60	2.34	83,361.91	2.03
Sales for Resale	2,809.98	0.75	39,101.03	0.95
Penalties	4,745.45	1.27	67,757.34	1.65
Meter Service	2,685.03	0.72	42,059.86	1.02
Tap fees	1,460.00	0.39	14,020.77	0.34
Other Income	0.00	0.00	6,550.00	0.16
Garbage Sales Revenue	78,011.25	20.82	777,850.00	18.94
Miscellaneous Income	0.00	0.00	135,654.72	3.30
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	359,074.71	95.83	3,958,317.54	96.41
Gross Profit	359,074.71	95.83	3,958,317.54	96.41
Operating Expenses				
Solid Waste Payments	75,670.91	20.20	754,514.50	18.38
Water Purchases	14,233.33	3.80	368,862.80	8.98
Contract Labor - Water	0.00	0.00	400.00	0.01
Operations Labor - Pumping	7,378.40	1.97	82,999.72	2.02
Supplies - Pumping	0.00	0.00	2,888.24	0.07
Repairs - Pumping	0.00	0.00	30,220.42	0.74
Telephone & Utilities - Pumping	0.00	0.00	1,564.51	0.04
Lab Services	0.00	0.00	4,750.00	0.12
Chemicals	0.00	0.00	81,292.65	1.98
Natural Gas-WTP	491.80	0.13	2,703.95	0.07
Operations Labor - T & D	46,764.68	12.48	512,478.18	12.48
Uniform Rental - T & D	0.00	0.00	5,723.08	0.14
Supplies - T & D	5,220.29	1.39	119,121.68	2.90
Vehicle Repairs - T & D	0.00	0.00	14,755.98	0.36
Utilities - T & D	31,080.86	8.30	335,647.31	8.17
Repairs Pump - T & D	0.00	0.00	25,599.83	0.62
Uniform Rental - T & D	0.00	0.00	7,258.25	0.18
Vehicle Repairs - T & D	0.00	0.00	21,420.72	0.52
Repairs - T & D	0.00	0.00	15,102.00	0.37
Fuel-Gasoline	5,563.71	1.48	55,767.71	1.36
Lab Services - Distribution	0.00	0.00	38,932.80	0.95
Safety supplies	0.00	0.00	973.14	0.02
Billing Postage	2,190.12	0.58	21,006.38	0.51
BILLING CARDS	0.00	0.00	1,978.25	0.05
Wages - Office	10,483.58	2.80	117,950.37	2.87
Office Postage	0.00	0.00	4,697.19	0.11
Office Supplies	179.92	0.05	11,265.40	0.27
Telephone & Utilities - Office	1,178.47	0.31	14,719.97	0.36
Bank Charges	2,000.83	0.53	15,197.28	0.37
Health Insurance	1,721.61	0.46	207,545.91	5.05

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Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 10 Months Ended October 31, 2016

	1 Month Ended October 31, 2016	%	10 Months Ended October 31, 2016	%
Shipping	0.00	0.00	22.00	0.00
Dental Insurance	901.03	0.24	8,565.03	0.21
Workers Comp	1,443.92	0.39	29,972.33	0.73
Life Ins.	8,214.18	2.19	26,515.94	0.65
Contract Labor - Administration	210.00	0.06	410.00	0.01
Credit Card Payment Fees	0.00	0.00	5.95	0.00
Legal	0.00	0.00	5,000.00	0.12
Accounting	10,200.00	2.72	35,999.00	0.88
Professional Fees	0.00	0.00	9,291.29	0.23
Property Insurance	0.00	0.00	55,477.37	1.35
Commissioners Bond	0.00	0.00	3,741.15	0.09
Commissioner's Fee	2,000.00	0.53	19,500.00	0.47
Misc. Expenses	1,385.54	0.37	18,507.69	0.45
Training	0.00	0.00	3,277.29	0.08
Advertising	0.00	0.00	507.18	0.01
Interest & Penalty Notices	0.00	0.00	198.93	0.00
Depreciation Expense	63,382.08	16.92	633,820.80	15.44
Depreciation Expense	8,496.82	2.27	84,968.20	2.07
Payroll Taxes	5,314.63	1.42	69,190.70	1.69
PSC Taxes	0.00	0.00	8,948.42	0.22
Employer Pension Expense	1,253.78	0.33	14,649.92	0.36
Health Care Reimbursements	0.00	0.00	2,561.61	0.06
Total Operating Expenses	306,960.49	81.92	3,908,469.02	95.19
Operating Income (Loss)	52,114.22	13.91	49,848.52	1.21
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(1,350.76)	0.36	(4,694.63)	0.11
Interest Expense - LOC	0.00	0.00	(12,336.49)	0.30
Amortization of Premium	(205.02)	0.05	(2,050.20)	0.05
Interest Expense - KIA	(7,332.21)	1.96	(63,004.75)	1.53
Interest Expense - Bonds	(12,091.47)	3.23	(122,102.43)	2.97
Interest Income - Now	58.31	0.02	521.29	0.01
Bond Interest Credit Income	0.00	0.00	1,787.17	0.04
Grant Income (Dept of Transportation)	56,178.90	14.99	407,482.15	9.92
Rural Development - Allen to Martin W	0.00	0.00	184,460.17	4.49
Total Other Income (Expense)	35,257.75	9.41	390,062.28	9.50
Net Income (Loss) Before Taxes	87,371.97	23.32	439,910.80	10.71
Net Income (Loss)	\$ 87,371.97	23.32	\$ 439,910.80	10.71

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Southern Water and Sewer District
INCOME STATEMENT - SEWER
For the 1 Month and 10 Months Ended October 31, 2016

	1 Month Ended October 31, 2016	%	10 Months Ended October 31, 2016	%
Sales				
Metered Sales - Residential Sewer	\$ 14,541.24	3.88	\$ 137,459.03	3.35
Metered Sales - Business Sewer	1,074.14	0.29	10,576.01	0.26
Sewer Tap Fees	0.00	0.00	(500.00)	(0.01)
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	15,615.38	4.17	147,535.04	3.59
Gross Profit	15,615.38	4.17	147,535.04	3.59
Operating Expenses				
Chemicals - Sewer	5,668.90	1.51	31,551.46	0.77
Contract Labor	0.00	0.00	6,000.00	0.15
Chemicals - Sewer	0.00	0.00	4,610.38	0.11
Sewer Supplies	0.00	0.00	5,550.85	0.14
LAB-SEWER	0.00	0.00	7,693.00	0.19
Supplies	0.00	0.00	502.55	0.01
Wages - Sewer	0.00	0.00	6,000.00	0.15
Wages - Sewer	1,995.00	0.53	21,542.25	0.52
Utilities - Sewer	0.00	0.00	2,464.47	0.06
Uniform Rental	3,767.88	1.01	6,775.18	0.17
Utilities	0.00	0.00	27,637.74	0.67
Repairs - Sewer	0.00	0.00	6,442.18	0.16
Repairs-Sewer	0.00	0.00	375.00	0.01
Worker's Compensation	0.00	0.00	5,488.59	0.13
Property Insurance	5,693.82	1.52	55,413.47	1.35
Total Operating Expenses	17,125.60	4.57	188,047.12	4.58
Operating Income (Loss)	(1,510.22)	(0.40)	(40,512.08)	(0.99)
Other Income (Expense)				
Net Income (Loss) Before Taxes	(1,510.22)	(0.40)	(40,512.08)	(0.99)
Net Income (Loss)	\$ (1,510.22)	(0.40)	\$ (40,512.08)	(0.99)

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
10/13/16	1001	16201	Construction in Progress	CANN-TECH	11,640.00	11,640.00
10/13/16	1043	23501	Customer Deposits	JAMES BRANHAM	21.65	21.65
10/13/16	1044	93501	Transfer of Funds	SWSD	180.00	180.00
10/13/16	1062	72109	Workers Comp	KEMI	1,443.92	1,443.92
10/13/16	1063	72155	Property Insurance	KY LEAGUE OF CITIES	5,693.82	5,693.82
10/14/16	1064	72110	Life Ins.	COLONIAL LIFE INSURANCE	8,282.60	8,282.60
10/27/16	1106	60001	Solid Waste Payments	FLOYD COUNTY SOLID WASTE	72,329.08	72,329.08
10/25/16	1480	93501	Transfer of Funds	TRANSFER TO SOLID WASTE	15,169.13	15,169.13
10/01/16	14239	23607	Garnishee	KY STATE TREASURER	25.00	25.00
10/01/16	14240	62501	Natural Gas-WTP	WASTE CONNECTIONS	491.80	491.80
10/01/16	14241	64102	Supplies - T & D	AUTOMATIC CONTROLS INC	270.00	270.00
10/01/16	14242	64102	Supplies - T & D	HAYES PIPE SUPPLY INC	1,649.69	1,649.69
10/01/16	14243	64102	Supplies - T & D	BOCA ENTERPRISES	1,850.00	1,850.00
10/25/16	14244	72302	Accounting	RICHARD PAULMANN	7,500.00	7,500.00
10/01/16	14294	70301	Billing Postage	US POSTAL SERVICE	1,873.99	1,873.99
10/01/16	14295	73001	Commissioner's Fee	BARRY HALL	500.00	500.00
10/01/16	14296	73001	Commissioner's Fee	PAULA JOHNSON	500.00	500.00
10/05/16	14297	13102	Cash Operations	CASH	460.00	460.00
10/06/16	14298	72103	Office Supplies	STAPLES	179.92	179.92
10/06/16	14299	72111	Contract Labor - Administration	TRESIA HALL	210.00	210.00
10/11/16	14300	23501	Customer Deposits	REALTY ZONE	180.00	180.00
10/14/16	14301	64150	Uniform Rental	ARAMARK	3,767.88	3,767.88
10/14/16	14302	23607	Garnishee	DEPT OF REVENUE	25.00	25.00
10/14/16	14303	70301	Billing Postage	USPS	316.13	316.13
10/18/16	14304	23606	Accrued Sales Tax	KY STATE TREASURER	842.39	842.39
10/18/16	14305	73003	Misc. Expenses	GREEN'S LAWN	670.94	670.94
10/19/16	14306	46101	Metered Sales - Residential	LORETTA CLINE	271.78	271.78
10/14/16	14311	Payroll		OSBORNE, LARRY J	424.15	424.15
10/14/16	14312	Payroll		JACOBS, JOSEPH G	455.40	455.40
10/14/16	14313	Payroll		HALL, BARRY	0.00	
10/14/16	14314	Payroll		BURKE, PAULA	1,154.91	1,154.91
10/14/16	14315	Payroll		ROBINSON, AMBER	717.74	717.74
10/14/16	14316	Payroll		ALLEN, TEDDI	820.53	820.53
10/14/16	14317	Payroll		AUTON, ELIZABETH	809.90	809.90
10/14/16	14318	Payroll		HAMILTON, HAYES	383.77	383.77
10/14/16	14319	Payroll		HUNTER, EVERETT R	917.98	917.98
10/14/16	14320	Payroll		HALL, GEORGE	990.03	990.03
10/14/16	14321	Payroll		HALL, DEAN M	1,771.04	1,771.04
10/14/16	14322	Payroll		HARRISON, DON E	1,165.60	1,165.60
10/14/16	14323	Payroll		ADKINS, CHRISTOPHER O	812.66	812.66
10/14/16	14324	Payroll		JUSTICE, DUSTIN R	736.88	736.88
10/14/16	14325	Payroll		SALYER, REECE	1,426.12	1,426.12
10/14/16	14326	Payroll		CONLEY, JUSTIN	690.60	690.60
10/14/16	14327	Payroll		TICE, JOSEPH	674.25	674.25
10/14/16	14328	Payroll		JOHNSON, RICHARD	719.06	719.06
10/14/16	14329	Payroll		CROWDER, LOGAN M	762.49	762.49
10/14/16	14330	Payroll		SALISBURY, ANTHONY E. B	697.28	697.28
10/14/16	14331	Payroll		ADKINS, RAY V	730.69	730.69
10/14/16	14332	Payroll		HORNE, DAVID R	794.75	794.75
10/14/16	14333	Payroll		COLLINS, CODY	639.14	639.14

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
10/14/16	14334	Payroll		COMPTON, JOSEPH T	650.18	650.18
10/14/16	14335	Payroll		HALL, SHANNON L	682.05	682.05
10/14/16	14336	Payroll		CATRON, BARRY	679.28	679.28
10/14/16	14337	Payroll		ADAMS, BRIAN	761.96	761.96
10/14/16	14338	Payroll		ROBINSON, CHRISTOPHER	1,085.46	1,085.46
10/14/16	14339	Payroll		HACKWORTH, KENDALL W	732.20	732.20
10/14/16	14340	Payroll		BOLEN, PRESTON L	884.21	884.21
10/14/16	14341	Payroll		FRANCIS, CHRIS	1,097.07	1,097.07
10/14/16	14342	72110	Life Ins.	Aflac	774.24	774.24
10/14/16	14343	72110	Life Ins.	ASSURITY LIFE INSURANCE COMP	1,842.20	1,842.20
10/14/16	14344	64104	Utilities - T & D	Big Sandy RECC	2,689.59	2,689.59
10/14/16	14345	62020	Chemicals - Sewer	C.I. Thornburg	5,668.90	5,668.90
10/14/16	14346	73003	Misc. Expenses	Chris Francis	472.70	472.70
10/14/16	14347	23214	N/P - CITIZEN'S NATIONAL (EXCAVATOR)	CITIZENS BANK OF KY	939.61	939.61
10/14/16	14348	60002	Water Purchases	City Of Pikeville	21,517.59	21,517.59
10/14/16	14349	72402	Commissioners Bond	CNA Surety	712.60	712.60
10/14/16	14350	72402	Commissioners Bond	CNA Surety	712.60	712.60
10/14/16	14351	73003	Misc. Expenses	Honic City Ice	714.60	714.60
10/14/16	14352	23603	Accrued Ky WTH	Kentucky State Treasurer	5,020.14	5,020.14
10/14/16	14353	72302	Accounting	Michael Spears	2,500.00	2,500.00
10/14/16	14354	60002	Water Purchases	Prestonsburg City Utilities	22,031.99	22,031.99
10/14/16	14355	23604	Accrued KUI/FUTA	Treasurere KY Unempl. Ins. Fund	813.79	813.79
10/14/16	14356	23604	Accrued KUI/FUTA	Treasurere KY Unempl. Ins. Fund	21.07	21.07
10/14/16	14357	72301	Legal	TYLER GREEN	2,000.00	2,000.00
10/14/16	14358	23601	Accrued Fica	United States Treasury	210.56	210.56
10/14/16	14359	64109	Fuel-Gasoline	WEX BANK	6,280.35	6,280.35
10/27/16	14360	64102	Supplies - T & D	MT AGGREGATES	1,184.40	1,184.40
10/28/16	14375	Payroll		BURKE, PAULA	1,176.48	1,176.48
10/28/16	14376	Payroll		ROBINSON, AMBER	846.53	846.53
10/28/16	14377	Payroll		ALLEN, TEDDI	889.87	889.87
10/28/16	14378	Payroll		AUTON, ELIZABETH	857.15	857.15
10/28/16	14379	Payroll		HUNTER, EVERETT R	790.30	790.30
10/28/16	14380	Payroll		HALL, GEORGE	990.03	990.03
10/28/16	14381	Payroll		HALL, DEAN M	1,771.05	1,771.05
10/28/16	14382	Payroll		HARRISON, DON E	1,264.93	1,264.93
10/28/16	14383	Payroll		ADKINS, CHRISTOPHER O	827.11	827.11
10/28/16	14384	Payroll		JUSTICE, DUSTIN R	660.64	660.64
10/28/16	14385	Payroll		SALYER, REECE	1,369.55	1,369.55
10/28/16	14386	Payroll		CONLEY, JUSTIN	1,211.26	1,211.26
10/28/16	14387	Payroll		TICE, JOSEPH	708.41	708.41
10/28/16	14388	Payroll		JOHNSON, RICHARD	675.49	675.49
10/28/16	14389	Payroll		CROWDER, LOGAN M	1,277.43	1,277.43
10/28/16	14390	Payroll		SALISBURY, ANTHONY E. B	740.86	740.86
10/28/16	14391	Payroll		ADKINS, RAY V	1,007.82	1,007.82
10/28/16	14392	Payroll		HORNE, DAVID R	915.31	915.31
10/28/16	14393	Payroll		COLLINS, CODY	703.54	703.54
10/28/16	14394	Payroll		COMPTON, JOSEPH T	730.57	730.57
10/28/16	14395	Payroll		HALL, SHANNON L	637.64	637.64
10/28/16	14396	Payroll		CATRON, BARRY	627.61	627.61
10/28/16	14397	Payroll		ADAMS, BRIAN	648.27	648.27
10/28/16	14398	Payroll		ROBINSON, CHRISTOPHER	1,578.32	1,578.32

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
10/28/16	14399	Payroll		HACKWORTH, KENDALL W	689.27	689.27
10/28/16	14400	Payroll		BOLEN, PRESTON L	884.20	884.20
10/28/16	14401	Payroll		FRANCIS, CHRIS	1,097.07	1,097.07
10/28/16	14402	64102	Supplies - T & D	Chris Francis	266.20	266.20
10/28/16	14403	23603	Accrued Ky WTH	Kentucky State Treasurer	3,072.83	3,072.83
					Total of Checks	<u>266,234.77</u>

Total Debits 266,234.77 Total Credits 0.00

Number of Transactions 106

SOUTHERN WATER & SEWER DISTRICT

PO BOX 610

MCDOWELL, KY 41647

REGULAR MONTHLY MEETING DECEMBER 19, 2016

AGENDA

- A. CALL TO ORDER ✓
- B. APPROVAL OF MINUTES ✓
- C. APPROVAL OF FINANCIAL STATEMENTS ✓
- ~~D. RESOLUTION WITH PRESTONSBURG CITY UTILITIES COMMISSION ON THE ASSET PURCHASE AGREEMENT~~
Partial agreement, Barry signed
- E. KENTUCKY ENGINEERING REPORT ✓
- F. SUMMIT ENGINEERING REPORT (HAROLD SEWER) ✓
- G. MANAGERS REPORT
- H. OTHER
- I. ADJOURNMENT

Pre Construction Meetings with R.C.V.C. + 12000 TN Seward

week of Jan

about Phase III

Meeting with Judge + Eddie ASAP + about Resolution

Tom Seward with Larry FH

**SOUTHERN WATER AND SEWER
MONTHLY FILED CONSTRUCTION LOG**

11/22/2016 TO 12/19/2016

NUMBER OF LEAKS (48)

NUMBER OF TAPS (4)

NUMBER OF DIG OUTS (3)

ESTIMATED WATER LOSS 2,900,000 gal

LINE SIZES $\frac{3}{4}$ (39) 1inch (4) 2inch (1) 3inch () 4inch (2)

6inch (2) 8inch () 10inch () 12inch ()

PARST USED: (69) $\frac{3}{4}$ couplings (8) 1 inch couplings (2) 2 inch hymax,s
() 3 inch hymax's (4) 4 inch hymax's (4) 6 inch hymax's () 8 inch
hymax's () 10 inch hymax,s (5) SR-II meter bottoms – (4) $\frac{3}{4}$ regulators

Right Beaver (18) Left Beaver (20) Big Mud (6) Little Mud (2) Sandy
Valley (2)

FILED SUPERVISOR *Chris Robin* DATE *12/19/16*

GENERAL MANAGER *Debra Hall* DATE *12-19-16*

SOUTHERN WATER & SEWER DISTRICT
P.O. BOX 610
MCDOWELL, KY 41647

REGULAR MONTHLY MEETING SEPTEMBER 29, 2016

AGENDA

A. Call to Order ✓

B. Approval of Minutes ✓

C. Approval of Financial Statements ✓

~~D. 2015 Audit~~ ✓

D. E. Kentucky Engineering Report ✓

~~E. Summit Engineering~~ ✓

L G. Managers Report ✓

F H. Other ✓

I I. Adjournment

Southern Water & Sewer Dist.
PO BOX 610
MCDOWELL, KY 41647
REGULAR CALLED MEETING AUGUST 29TH @5PM

ATTENDANCE:

PAULA JOHNSON, CHAIRMAN
JOSEPH JACOBS, COMMISSIONER
LARRY OSBORNE, COMMISSIONER
HAYES HAMILTON, COMMISSIONER
BARRY HALL, COMMISSIONER
PAULA BURKE, STAFF

JEFF REED, SPEARS CPA
BRENDA POWERS, BIG SANDY ADD
MATT CURTIS, KY. ENG. GROUP
DERRICK MOTCH, SUMMITT ENG.
DEAN HALL, GENERAL MANAGER

CALLED TO ORDER BY PAULA JOHNSON @5:04 PM

MOTION TO APPROVE MINUTES
MOTION MADE BY: JOE JACOBS
SECONDED BY: LARRY JOE OSBORNE
MOTION PASSED

**MOTION TO APPROVE FINANCIAL REPORT GIVEN BY JEFF REED
THROUGH AUGUST 2016**

MOTION MADE BY: HAYES HAMILTON
SECONDED BY: BARRY HALL
MOTION PASSED

**MOTION TO APPROVE \$235,000.00 HAROLD PROJECT PHASE III,
PRESTONSBURG CITY UTILITIES WILL PROVIDE INSPECTOR FOR
PROJECT IN WHICH ALL GRANT MONEY WILL FLOW THROUGH FISCAL
COURT WITH SOUTHERN WATER BORROWING NO FUNDS FROM
KENTUCKY INFRASTRUCTURE ON THIS PROJECT.**

MOTION TO APPROVE MADE BY: BARRY HALL
SECONDED BY LARRY JOE OSBORNE
MOTION PASSED

MOTION TO SELL TRUCK TO CITY OF HINDMAN FOR \$1000

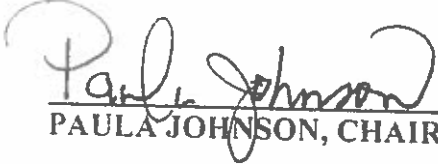
MOTION TO APPROVE MADE BY: JOE JACOBS
SECONDED BY: LARRY JOE OSBORNE
MOTION PASSED

**MOTION FOR JOE TO SPEAK WITH P.D. GEARHEART ABOUT ISSUES
WITH PAYMENT CENTER, HE WILL UPDATE ON NEXT MEETING**

MOTION TO APPROVE MADE BY: BARRY HALL
SECONDED BY: JOE JACOBS
MOTION PASSED

MOTION TO ADJOURN AT 6:01 PM
MOTION MADE BY: HAYES HAMILTON
SECONDED BY: LARRY JOE OSBORNE

WITH THERE BEING NO FURTHER BUSINESS TO DISCUSS THE MEETING
WAS ADJOURNED AT 6:01 PM Passed by the Southern Water & Sewer
Commissioners on this 29th day of Aug. 2016
APPROVED BY:



PAULA JOHNSON, CHAIRMAN

ATTESTED BY



BARRY HALL, SECRETARY

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
09/26/16	1061	72155	Property Insurance	KLC PREMIUM		
09/19/16	1105	60001	Solid Waste Payments	FINANCE	22,875.48	22,875.48
09/03/16	1124	93504	Health Care Reimbursements	FLOYD COUNTY		
09/03/16	1125	93504	Health Care Reimbursements	SOLID WASTE	73,271.08	73,271.08
09/03/16	1126	93504	Health Care Reimbursements	JOE TICE	100.00	100.00
09/30/16	1127	93504	Health Care Reimbursements	JOE TICE	152.64	152.64
09/30/16	1128	93504	Health Care Reimbursements	JOE TICE	198.81	198.81
09/15/16	1129	93504	Health Care Reimbursements	DEAN HALL	102.00	102.00
09/01/16	1474	64104	Utilities - T & D	VOID	0.00	
09/23/16	1475	72110	Life Ins.	CLAUDE WEBB II	88.65	88.65
09/14/16	1478	93501	Transfer of Funds	KY POWER CO	16,977.86	16,977.86
09/19/16	1479	93501	Transfer of Funds	AMERICAN		
09/02/16	13791	64102	Supplies - T & D	GENERAL LIFE	115.00	115.00
09/02/16	13792	23603	Accrued Ky WTH	SWSD	20,000.00	20,000.00
09/02/16	13793	23607	Garnishee	SWSD	4,000.00	4,000.00
09/06/16	14140	64102	Supplies - T & D	FORTLINE, INC	1,292.90	1,292.90
09/09/16	14141	73003	Misc. Expenses	Kentucky State		
09/16/16	14142	62302	Repairs - Pumping	Treasurer	3,223.91	3,223.91
09/19/16	14143	23606	Accrued Sales Tax	Kentucky State		
09/20/16	14144	64104	Utilities - T & D	Treasurer	25.00	25.00
09/21/16	14145	72103	Office Supplies	SURPLUS INC	720.87	720.87
09/29/16	14146	70301	Billing Postage	JIMMY ADKINS	500.00	500.00
09/29/16	14147	72304	Professional Fees	FRASURE ELECTRIC	5,000.00	5,000.00
09/01/16	14149	62000	Contract Labor - Water	KY STATE		
09/01/16	14150	73003	Misc. Expenses	TREASURER	599.14	599.14
09/01/16	14151	64104	Utilities - T & D	KY POWER CO	17,991.88	17,991.88
09/01/16	14153	62302	Repairs - Pumping	STAPLES	205.02	205.02
09/02/16	14154	64101	Uniform Rental - T & D	US POSTAL SERVICE	1,877.08	1,877.08
09/02/16	14155	64102	Supplies - T & D	ECLIPSE DATA		
09/07/16	14156	62320	LAB-SEWER	SOLUTIONS	271.29	271.29
09/09/16	14157	64104	Utilities - T & D	RANDY HALL	400.00	400.00
09/12/16	14158	73003	Misc. Expenses	????	45.80	45.80
09/13/16	14159	64103	Vehicle Repairs - T & D	KY POWER CO	21,408.73	21,408.73
09/14/16	14160	70301	Billing Postage	RICK FRASURE	5,000.00	5,000.00
09/02/16	14161	Payroll		ARAMARK	1,872.59	1,872.59
09/02/16	14162	Payroll		MT AGGREGATES	572.03	572.03
09/02/16	14163	Payroll		MCCOY & MCCOY	7,693.00	7,693.00
09/02/16	14164	Payroll		WILSON EQUIPMENT	110.32	110.32
09/02/16	14165	Payroll		CHAMPS REST	150.00	150.00
09/02/16	14166	Payroll		TIM SHORT	646.80	646.80
09/02/16	14167	Payroll		USPS	1,084.10	1,084.10
09/02/16	14168	Payroll		WEBB, MARIBETH	1,205.67	1,205.67
09/02/16	14169	Payroll		OSBORNE, LARRY J	424.15	424.15
09/02/16	14170	Payroll		JACOBS, JOSEPH G	455.40	455.40
09/02/16	14171	Payroll		HALL, BARRY	424.15	424.15
09/02/16	14172	Payroll		BURKE, PAULA	913.91	913.91
09/02/16	14173	Payroll		ROBINSON, AMBER	707.00	707.00
09/02/16	14174	Payroll		ALLEN, TEDDI	807.92	807.92
09/02/16	14175	Payroll		AUTON, ELIZABETH	766.20	766.20
09/02/16	14176	Payroll		HAMILTON, HAYES	383.77	383.77
09/02/16	14177	Payroll		HUNTER, EVERETT R	956.28	956.28
09/02/16	14178	Payroll		HALL, GEORGE	1,175.03	1,175.03
09/02/16	14179	Payroll		HALL, DEAN M	1,771.05	1,771.05
09/02/16	14180	Payroll		HARRISON, DON E	1,198.85	1,198.85
09/02/16	14175	Payroll		ADKINS,		
09/02/16	14176	Payroll		CHRISTOPHER O	942.58	942.58
09/02/16	14177	Payroll		JUSTICE, DUSTIN R	769.55	769.55
09/02/16	14178	Payroll		SALYER, REECE	1,444.96	1,444.96
09/02/16	14179	Payroll		CONLEY, JUSTIN	1,185.10	1,185.10
09/02/16	14180	Payroll		TICE, JOSEPH	719.80	719.80
				JOHNSON, RICHARD	653.69	653.69
				CROWDER, LOGAN M	1,246.99	1,246.99

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
09/02/16	14181	Payroll		SALISBURY, ANTHONY E. B	675.48	675.48
09/02/16	14182	Payroll		ADKINS, RAY V	1,030.36	1,030.36
09/02/16	14183	Payroll		HORNE, DAVID R	963.53	963.53
09/02/16	14184	Payroll		COLLINS, CODY	660.61	660.61
09/02/16	14185	Payroll		COMPTON, JOSEPH T	787.98	787.98
09/02/16	14186	Payroll		HALL, SHANNON L	931.11	931.11
09/02/16	14187	Payroll		CATRON, BARRY	648.28	648.28
09/02/16	14188	Payroll		ADAMS, BRIAN	606.94	606.94
09/02/16	14189	Payroll		ROBINSON, CHRISTOPHER	1,381.18	1,381.18
09/02/16	14190	Payroll		HACKWORTH, KENDALL W	893.18	893.18
09/02/16	14191	Payroll		BOLEN, PRESTON L	872.72	872.72
09/02/16	14192	Payroll		FRANCIS, CHRIS	1,097.07	1,097.07
09/02/16	14193	72302	Accounting	Michael Spears	1,800.00	1,800.00
09/02/16	14194	73001	Commissioner's Fee	Paula Johnson	500.00	500.00
09/02/16	14195	72302	Accounting	Richard F. Paulmann, CPA	7,500.00	7,500.00
09/16/16	14196	Payroll		WEBB, MARIBETH	3,261.91	3,261.91
09/16/16	14197	Payroll		BURKE, PAULA	866.01	866.01
09/16/16	14198	Payroll		ROBINSON, AMBER	696.28	696.28
09/16/16	14199	Payroll		ALLEN, TEDDI	795.31	795.31
09/16/16	14200	Payroll		AUTON, ELIZABETH	784.92	784.92
09/16/16	14201	Payroll		HUNTER, EVERETT R	764.77	764.77
09/16/16	14202	Payroll		HALL, GEORGE	1,344.63	1,344.63
09/16/16	14203	Payroll		HALL, DEAN M	1,771.04	1,771.04
09/16/16	14204	Payroll		HARRISON, DON E	1,165.60	1,165.60
09/16/16	14205	Payroll		ADKINS, CHRISTOPHER O	870.40	870.40
09/16/16	14206	Payroll		JUSTICE, DUSTIN R	813.12	813.12
09/16/16	14207	Payroll		SALYER, REECE	1,369.55	1,369.55
09/16/16	14208	Payroll		CONLEY, JUSTIN	702.01	702.01
09/16/16	14209	Payroll		TICE, JOSEPH	640.10	640.10
09/16/16	14210	Payroll		JOHNSON, RICHARD	653.69	653.69
09/16/16	14211	Payroll		CROWDER, LOGAN M	835.78	835.78
09/16/16	14212	Payroll		SALISBURY, ANTHONY E. B	631.91	631.91
09/16/16	14213	Payroll		ADKINS, RAY V	730.69	730.69
09/16/16	14214	Payroll		HORNE, DAVID R	951.49	951.49
09/16/16	14215	Payroll		COLLINS, CODY	639.14	639.14
09/16/16	14216	Payroll		COMPTON, JOSEPH T	845.25	845.25
09/16/16	14217	Payroll		HALL, SHANNON L	759.77	759.77
09/16/16	14218	Payroll		CATRON, BARRY	679.27	679.27
09/16/16	14219	Payroll		ADAMS, BRIAN	606.93	606.93
09/16/16	14220	Payroll		ROBINSON, CHRISTOPHER	1,243.17	1,243.17
09/16/16	14221	Payroll		HACKWORTH, KENDALL W	614.14	614.14
09/16/16	14222	Payroll		BOLEN, PRESTON L	826.79	826.79
09/16/16	14223	Payroll		FRANCIS, CHRIS	1,097.07	1,097.07
09/16/16	14224	62305	Chemicals	C.I. Thornburg	4,051.91	4,051.91
09/16/16	14225	73003	Misc. Expenses	Chris Francis	615.05	615.05
09/16/16	14226	23214	N/P - CITIZEN'S NATIONAL (EXCAVATOR)	CITIZENS BANK OF KY	939.61	939.61
09/16/16	14227	60002	Water Purchases	City Of Pikeville	24,214.16	24,214.16
09/16/16	14228	73003	Misc. Expenses	Green Dragon Environmental, Ltd	353.98	353.98
09/16/16	14229	72302	Accounting	Michael Spears	1,200.00	1,200.00
09/16/16	14231	64109	Fuel-Gasoline	WEX BANK	6,482.80	6,482.80
09/16/16	14232	76003	Interest & Penalty Notices	Kentucky State Treasurer	161.52	161.52

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
09/16/16	14233	23607	Garnishee	Kentucky State		
09/15/16	14234	23501	Customer Deposits	Treasurer	25.00	25.00
09/15/16	14235	73003	Misc. Expenses	CHARLOTTE COOK	19.09	19.09
09/15/16	14236	60001	Solid Waste Payments	DEAN HALL	94.01	94.01
09/26/16	14237	64102	Supplies - T & D	PRESTONSBURG		
09/28/16	14238	72103	Office Supplies	CITY UTILITIES	19,113.17	19,113.17
09/30/16	14248	Payroll		MTN AGGREGATE	507.98	507.98
09/30/16	14249	Payroll		DOLLAR GENERAL	39.00	39.00
09/30/16	14250	Payroll		BURKE, PAULA	900.22	900.22
09/30/16	14251	Payroll		ROBINSON, AMBER	717.73	717.73
09/30/16	14252	Payroll		ALLEN, TEDDI	801.62	801.62
09/30/16	14253	Payroll		AUTON, ELIZABETH	791.16	791.16
09/30/16	14254	Payroll		HUNTER, EVERETT R	1,020.15	1,020.15
09/30/16	14255	Payroll		HALL, GEORGE	943.79	943.79
09/30/16	14256	Payroll		HALL, DEAN M	1,771.05	1,771.05
09/30/16	14257	Payroll		HARRISON, DON E	1,379.42	1,379.42
09/30/16	14258	Payroll		ADKINS,		
09/30/16	14259	Payroll		CHRISTOPHER O	769.37	769.37
09/30/16	14260	Payroll		JUSTICE, DUSTIN R	780.45	780.45
09/30/16	14261	Payroll		SALYER, REECE	1,537.21	1,537.21
09/30/16	14262	Payroll		CONLEY, JUSTIN	1,010.20	1,010.20
09/30/16	14263	Payroll		TICE, JOSEPH	833.65	833.65
09/30/16	14264	Payroll		JOHNSON, RICHARD	610.12	610.12
09/30/16	14265	Payroll		CROWDER, LOGAN M	1,064.39	1,064.39
09/30/16	14266	Payroll		SALISBURY,		
09/30/16	14267	Payroll		ANTHONY E. B	642.81	642.81
09/30/16	14268	Payroll		ADKINS, RAY V	962.76	962.76
09/30/16	14269	Payroll		HORNE, DAVID R	951.48	951.48
09/30/16	14270	Payroll		COLLINS, CODY	703.53	703.53
09/30/16	14271	Payroll		COMPTON, JOSEPH T	833.91	833.91
09/30/16	14272	Payroll		HALL, SHANNON L	920.74	920.74
09/30/16	14273	Payroll		CATRON, BARRY	720.62	720.62
09/30/16	14274	Payroll		ADAMS, BRIAN	720.62	720.62
09/30/16	14275	72104	Telephone & Utilities - Office	ROBINSON,		
09/30/16	14276	72110	Life Ins.	CHRISTOPHER	1,243.17	1,243.17
09/30/16	14277	64104	Utilities - T & D	HACKWORTH,		
09/30/16	14278	62305	Chemicals	KENDALL W	828.79	828.79
09/30/16	14279	64102	Supplies - T & D	BOLEN, PRESTON L	780.86	780.86
09/30/16	14280	75001	Training	FRANCIS, CHRIS	1,097.07	1,097.07
09/30/16	14281	72103	Office Supplies	Appalachian Wireless	768.18	768.18
09/30/16	14282	73003	Misc. Expenses	ASSURITY LIFE		
09/30/16	14283	64102	Supplies - T & D	INSURANCE COMP	959.66	959.66
09/30/16	14284	62302	Repairs - Pumping	Big Sandy RECC	1,501.11	1,501.11
09/30/16	14285	73003	Misc. Expenses	C.I. Thornburg	290.62	290.62
09/30/16	14286	73003	Misc. Expenses	C.I. Thornburg	5,309.08	5,309.08
09/30/16	14287	62501	Natural Gas-WTP	Chris Francis	751.51	751.51
09/30/16	14288	64104	Utilities - T & D	CJ BUSINESS FORMS	1,137.90	1,137.90
09/30/16	14289	64102	Supplies - T & D	East Ky Exterminating	45.00	45.00
09/30/16	14290	64103	Vehicle Repairs - T & D	FORTLINE, INC	8,233.00	8,233.00
09/30/16	14291	64103	Vehicle Repairs - T & D	FRASURE ELECTRIC	5,000.00	5,000.00
09/30/16	14292	73003	Misc. Expenses	Hi Tech Security	24.99	24.99
09/30/16	14293	64102	Supplies - T & D	Home City Ice	950.60	950.60
				Kentucky Frontier Gas	25.59	25.59
				KY Power Co.	12,002.94	12,002.94
				Moore's Hardware	2,412.94	2,412.94
				Parts City of McDowell	2,100.84	2,100.84
				Twin Bridge Auto Parts	402.10	402.10
				USA BLUEBOOK	922.20	922.20
				Wright Lumber	2,703.74	2,703.74

Total of Checks 402,729.38

Southern Water and Sewer District Transaction Listing

Date	Reference	Account	Account Description	Description	Amount	Reference Total
Total Debits	<u>402,729.38</u>	Total Credits	<u>0.00</u>			
Number of Transactions		157				

Southern Water & Sewer Dist.
P.O. Box 610
McDowell, Ky 41647
Regular Called Meeting September 29th @5pm

Attendance:

Paula Johnson, Chairman
Joseph Jacobs, Commissioner
Dean Hall, General Manager
Larry Osborne, Commissioner
Kevin Howard, Summitt Eng.

Jeff Reed, Spears CPA
Richard Paulman, Auditor
Hayes Hamilton, Commissioner
Troy Hogge, Ky. Eng. Group
Paula Burke, Staff

Called To Order By Paula Johnson @ 5:03
Motion To Approve Minutes
Motion Made By: Joe Jacobs
Seconded By: Larry Joe Osborne
Motion Passed

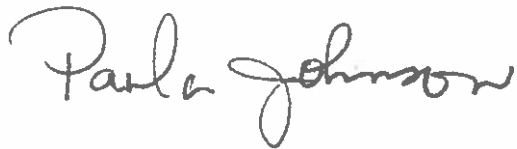
Richard Paulman presented 2015 Audit to Board for approval
Jeff Reed presented September Financials
Motion Made By: Larry Joe Osborne
Seconded By: Hayes Hamilton
Motion Passed

Motion to approve pay raise for Paula Burke
Motion Made By: Hayes Hamilton
Seconded By: Joe Jacobs
Motion Passed

Motion to Adjourn at 6:21 pm
Motion made by: Joe Jacobs
Seconded by: Barry Hall

With there being no further business to discuss the meeting was adjourned at 6:21 pm.
Passed by the Southern Water & Sewer Commissioners on this 29 day of Sep 2016
Approved by:

Paula Johnson, Chairman

A handwritten signature in cursive script that reads "Paula Johnson".

Attested By

A handwritten signature in cursive script that reads "Barry Hall".

Barry Hall, Secretary

SOUTHERN WATER AND SEWER
MONTHLY FILED CONSTRUCTION LOG
8/27/2016 TO 9/29/2016

NUMBER OF LEAKS (76)

NUMBER OF TAPS (4)

NUMBER OF DIG OUTS (6)

ESTIMATED WATER LOSS 4,100,000 gal

LINE SIZES $\frac{3}{4}$ (56) 1inch (7) 2inch (2) 3inch (2) 4inch (4)

6inch () 8inch (5) 10inch () 12inch ()

PARST USED: (109) $\frac{3}{4}$ couplings (14) 1 inch couplings (4) 2 inch hymax,s
(4) 3 inch hymax's (8) 4 inch hymax's () 6 inch hymax's (10) 8 inch
hymax's () 10 inch hymax,s (3) SR-II meter bottoms – (2) $\frac{3}{4}$ regulators

Right Beaver (27) Left Beaver (25) Big Mud (12) Little Mud (6) Sandy
Valley (6)

FILED SUPERVISOR *Ch. Rata* DATE *9/29/16*

GENERAL MANAGER *Deann M Hall* DATE *9-29-16*

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
08/05/16	1471	60002	Water Purchases	PRESTONSBURG		
08/05/16	1472	60002	Water Purchases	CITY UTILITIES	20,726.77	20,726.77
08/22/16	1473	64104	Utilities - T & D	CITY OF PIKEVILLE	19,322.48	19,322.48
08/01/16	13766	73003	Misc. Expenses	KY POWER CO.	31,795.38	31,795.38
08/01/16	13775	70301	Billing Postage	USA BLUEBOOK	922.20	922.20
08/01/16	13933	73003	Misc. Expenses	USPS	1,879.89	1,879.89
08/01/16	14018	23214	N/P - CITIZEN'S NATIONAL (EXCAVATOR)	KY STATE TREASURER CITIZENS BANK	450.00	450.00
08/01/16	14019	64102	Supplies - T & D	FORTLINER	986.59	986.59
08/02/16	14020	73001	Commissioner's Fee	PAULA JOHNSON	5,505.07	5,505.07
08/02/16	14021	73003	Misc. Expenses	PETTY CASH	500.00	500.00
08/04/16	14022	62302	Repairs - Pumping	FRASURE ELECTRIC	500.00	500.00
08/05/16	14023	Payroll		WEBB, MARIBETH	5,000.00	5,000.00
08/05/16	14024	Payroll		OSBORNE, LARRY J	1,205.67	1,205.67
08/05/16	14025	Payroll		JACOBS, JOSEPH G	424.15	424.15
08/05/16	14026	Payroll		HALL, BARRY	455.40	455.40
08/05/16	14027	Payroll		BURKE, PAULA	424.15	424.15
08/05/16	14028	Payroll		ROBINSON, AMBER	859.16	859.16
08/05/16	14029	Payroll		ALLEN, TEDDI	669.44	669.44
08/05/16	14030	Payroll		AUTON, ELIZABETH	364.48	364.48
08/05/16	14031	Payroll		HAMILTON, HAYES	778.68	778.68
08/05/16	14032	Payroll		HUNTER, EVERETT R	383.77	383.77
08/05/16	14033	Payroll		HALL, GEORGE	841.37	841.37
08/05/16	14034	Payroll		HARRISON, DON E	928.36	928.36
08/05/16	14035	Payroll		ADKINS, CHRISTOPHER O	1,264.93	1,264.93
08/05/16	14036	Payroll		JUSTICE, DUSTIN R	827.10	827.10
08/05/16	14037	Payroll		SALYER, REECE	834.90	834.90
08/05/16	14038	Payroll		CONLEY, JUSTIN	1,331.85	1,331.85
08/05/16	14039	Payroll		TICE, JOSEPH	816.16	816.16
08/05/16	14040	Payroll		JOHNSON, RICHARD	845.03	845.03
08/05/16	14041	Payroll		CROWDER, LOGAN M	751.75	751.75
08/05/16	14042	Payroll		SALISBURY, ANTHONY E. B	893.16	893.16
08/05/16	14043	Payroll		ADKINS, RAY V	729.96	729.96
08/05/16	14044	Payroll		HORNE, DAVID R	883.85	883.85
08/05/16	14045	Payroll		COLLINS, CODY	842.97	842.97
08/05/16	14046	Payroll		COMPTON, JOSEPH T	639.14	639.14
08/05/16	14047	Payroll		HALL, SHANNON L	765.01	765.01
08/05/16	14048	Payroll		CATRON, BARRY	737.58	737.58
08/05/16	14049	Payroll		ROBINSON, CHRISTOPHER	617.27	617.27
08/05/16	14050	Payroll		HACKWORTH, KENDALL W	1,243.17	1,243.17
08/05/16	14051	Payroll		BOLEN, PRESTON L	864.52	864.52
08/05/16	14052	Payroll		FRANCIS, CHRIS	792.35	792.35
08/05/16	14053	Payroll		HALL, DEAN M	1,097.07	1,097.07
08/05/16	14054	62305	Chemicals	C.I. Thornburg	1,771.05	1,771.05
08/05/16	14055	73003	Misc. Expenses	Chris Francis	4,815.60	4,815.60
08/05/16	14056	73003	Misc. Expenses	DEAN HALL	279.08	279.08
08/05/16	14057	23501	Customer Deposits	Jackie King	85.00	85.00
08/05/16	14058	23603	Accrued Ky WTH	Kentucky State Treasurer	7.98	7.98
08/05/16	14059	62350	Lab Services	McCoy & McCoy Laboratories	3,219.65	3,219.65
08/05/16	14060	72302	Accounting	Michael Spears	4,750.00	4,750.00
08/05/16	14061	73003	Misc. Expenses	Reece Salyers	1,800.00	1,800.00
08/04/16	14062	64102	Supplies - T & D	MT AGGREGATES	18.55	18.55
08/05/16	14063	75001	Training	DEAN HALL	570.43	570.43
08/08/16	14064	23214	N/P - CITIZEN'S NATIONAL	CITIZEN'S NATIONAL	116.69	116.69

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
08/09/16	14065	64103	(EXCAVATOR)	BANK	939.61	939.61
08/15/16	14066	70301	Vehicle Repairs - T & D	BILLY HUTCHINSON	200.00	200.00
08/19/16	14067	Payroll	Billing Postage	US POSTAL SERVICE	871.67	871.67
08/18/16	14068	72110	Life Ins.	ADAMS, BRIAN	535.32	535.32
08/08/16	14069	72109	Workers Comp	ASSURITY LIFE		
08/08/16	14070	72155	Property Insurance	INSURANCE	2,399.15	2,399.15
08/08/16	14071	64102	Supplies - T & D	KEMI	4,328.29	4,328.29
08/08/16	14072	76001	Advertising	KY LEAGUE OF CITIES	567.39	567.39
08/08/16	14073	73003	Misc. Expenses	WASCON INC	1,875.38	1,875.38
08/08/16	14074	62501	Natural Gas-WIP	FLOYD COUNTY		
08/08/16	14075	64107	Vehicle Repairs - T & D	TIMES	279.90	279.90
08/08/16	14076	64108	Repairs - T & D	HITECH SECURITY	24.99	24.99
08/08/16	14077	73003	Misc. Expenses	KY FRONTIER GAS	24.90	24.90
08/08/16	14078	64107	Vehicle Repairs - T & D	CONLEY BROS TIRE	590.00	590.00
08/08/16	14079	73003	Misc. Expenses	ALLEN'S HARDWARE	17.97	17.97
08/08/16	14080	64102	Supplies - T & D	EAST KY		
08/08/16	14081	64102	Supplies - T & D	EXTERMINATING	45.00	45.00
08/08/16	14082	64104	Utilities - T & D	PARTS CITY OF		
08/08/16	14083	64107	Vehicle Repairs - T & D	MCDOWELL	1,155.64	1,155.64
08/08/16	14084	72110	Life Ins.	MARTIN A/R	300.39	300.39
08/08/16	14085	72103	Office Supplies	HAYES PIPE & SUPPLY	151.90	151.90
08/08/16	14086	73003	Misc. Expenses	MOORE'S TRUE		
08/08/16	14087	64104	Utilities - T & D	VALUE	1,105.57	1,105.57
08/19/16	14088	Payroll		BIG SANDY RECC	941.77	941.77
08/19/16	14089	Payroll		EVAN'S WRECKER		
08/19/16	14090	Payroll		SERVICE	5,354.30	5,354.30
08/19/16	14091	Payroll		AFLAC	1,161.36	1,161.36
08/19/16	14092	Payroll		STATE WIDE PRESS	234.48	234.48
08/19/16	14093	Payroll		SOFTWARE		
08/19/16	14094	Payroll		SOLUTIONS	400.00	400.00
08/19/16	14095	Payroll		APPALACHIAN		
08/19/16	14096	Payroll		WIRELESS	76.35	76.35
08/19/16	14097	Payroll		WEBB, MARIBETH	1,205.67	1,205.67
08/19/16	14098	Payroll		BURKE, PAULA	831.80	831.80
08/19/16	14099	Payroll		ROBINSON, AMBER	696.28	696.28
08/19/16	14100	Payroll		ALLEN, TEDDI	795.31	795.31
08/19/16	14101	Payroll		AUTON, ELIZABETH	784.93	784.93
08/19/16	14102	Payroll		HUNTER, EVERETT R	854.15	854.15
08/19/16	14103	Payroll		HALL, GEORGE	866.69	866.69
08/19/16	14104	Payroll		HALL, DEAN M	1,771.04	1,771.04
08/19/16	14105	Payroll		HARRISON, DON E	1,594.08	1,594.08
08/19/16	14106	Payroll		ADKINS,		
08/19/16	14107	Payroll		CHRISTOPHER O	870.41	870.41
08/19/16	14108	Payroll		JUSTICE, DUSTIN R	922.04	922.04
08/19/16	14109	Payroll		SALYER, REECE	1,554.82	1,554.82
08/19/16	14110	Payroll		CONLEY, JUSTIN	1,010.19	1,010.19
08/19/16	14111	Payroll		TICE, JOSEPH	640.09	640.09
08/19/16	14112	Payroll		JOHNSON, RICHARD	610.13	610.13
				CROWDER, LOGAN M	1,110.04	1,110.04
				SALISBURY,		
				ANTHONY E. B	838.92	838.92
				ADKINS, RAY V	1,210.67	1,210.67
				HORNE, DAVID R	794.75	794.75
				COLLINS, CODY	853.79	853.79
				COMPTON, JOSEPH T	707.60	707.60
				HALL, SHANNON L	826.40	826.40
				CATRON, BARRY	751.62	751.62
				ROBINSON,		
				CHRISTOPHER	1,519.18	1,519.18
				HACKWORTH.		

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
08/19/16	14113	Payroll		KENDALL W	832.33	832.33
08/19/16	14114	Payroll		BOLEN, PRESTON L	953.09	953.09
08/17/16	14115	23606	Accrued Sales Tax	FRANCIS, CHRIS	1,097.07	1,097.07
				Kentucky State		
				Treasurer	775.54	775.54
08/17/16	14116	64104	Utilities - T & D	KY Power Co.	4,606.97	4,606.97
08/19/16	14117	62305	Chemicals	C.I. Thornburg	6,221.30	6,221.30
08/19/16	14119	73003	Misc. Expenses	Teresa Hall	400.00	400.00
08/19/16	14121	64103	Vehicle Repairs - T & D	JR ANDERSON	472.18	472.18
08/19/16	14122	64102	Supplies - T & D	MOORE'S TRUE		
				VALUE	579.80	579.80
08/19/16	14124	73003	Misc. Expenses	PEOPLES - KY	63.48	63.48
08/19/16	14125	64102	Supplies - T & D	FORTLINE INC	9,195.58	9,195.58
08/19/16	14126	72106	Health Insurance	AMERICAN		
				GENERAL LIFE	886.62	886.62
08/19/16	14127	64103	Vehicle Repairs - T & D	P & J TRAILER SALES	1,373.49	1,373.49
08/19/16	14128	73003	Misc. Expenses	PRESTONSBURG		
				FLORAL & GIFTS	90.09	90.09
08/19/16	14129	72106	Health Insurance	COLONIAL LIFE	17,014.88	17,014.88
08/25/16	14130	60001	Solid Waste Payments	FLOYD COUNTY		
				SOLID WASTE	76,219.19	76,219.19
08/23/16	14131	23501	Customer Deposits	MERIDETH A		
				TURNER	37.94	37.94
08/23/16	14132	72103	Office Supplies	STAPLES	987.59	987.59
08/26/16	14133	64101	Uniform Rental - T & D	AARMARK	1,133.35	1,133.35
08/25/16	14134	23501	Customer Deposits	CHRIS HAMILTON	250.00	250.00
08/26/16	14136	75001	Training	DEAN HALL	1,219.52	1,219.52

Total of Checks 300,746.75

Total Debits 300,746.75

Total Credits 0.00

Number of Transactions

121

**SOUTHERN WATER AND SEWER
AGENDA
REGULAR MONTHLY MEETING AUG. 29,
2016 @5:00**

- A CALL TO ORDER *5:00 PM*
- B APPROVAL OF MINUTES *JEFF JUNE, JULY FINANCIALS*
- C SUMMIT ENGINEERING HAROLD SEWER *III Phase BSC cost to operate*
- D BIG SANDY ADD (BRENDA POWERS)
- E KY. ENGINEERING *1-ALLEN TO MARTIN 99% Complete*
2-LACKEY TO WAYLAND
3-MINK BR. TANK -SRF Loan .25%
- F MANAGERS REPORT
- G OTHER
- H ADJOURN

MICHAEL R. SPEARS, CPA, PSC
P.O. BOX 1270
PRESTONSBURG, KY 41653

August 29, 2016

Southern Water and Sewer District
Board of Commissioners
Prestonsburg, KY 41653

RE: July 2016 Financial Statements

Dear Commissioner,

Enclosed you will find your financial statements for the period ended July 31, 2016. In this letter I am giving you some pertinent highlights as I see them.

Balance Sheet as of July 31, 2016

- Cash in Bank is \$39,129 ✓
- Restricted Cash is \$581,712
- Accounts Receivable is \$1,417,899 ✓
- Plant in place is \$25,682,134
- Equity is \$18,688,603

Income Statement - for the month ended July 31, 2016

- Operating Revenue is \$439,240 ✓
 - Operating Expenses Less Depreciation of \$71,879 is \$339,665 ✓
 - Other Income (Construction Income & Interest) \$333,951
 - Other Expense (\$22,712)
 - Net Income/(Loss) before depreciation expense is \$410,814 ✓
 - Net Income/(Loss) after depreciation expense of \$71,879 is \$338,935 ✓
- S. Spears*

I would ask that you review the financials and if you have questions please feel free to contact me at (606) 424-8040.

Sincerely,

Michael R. Spears

Michael Spears

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 7 Months Ended July 31, 2016

	1 Month Ended July 31, 2016	%	7 Months Ended July 31, 2016	%
Sales				
Metered Sales - Residential	\$ 295,816.77	67.35	\$ 1,986,072.49	67.57
Metered Sales - Business	7,713.00	1.76	54,653.03	1.86
Metered Sales - Residential Sewer	13,723.60	3.12	93,519.35	3.18
Metered Sales - Business Sewer	1,016.48	0.23	6,469.79	0.22
Sales for Resale	4,112.74	0.94	29,842.97	1.02
Penalties	7,839.70	1.78	48,826.88	1.66
Meter Service	5,795.15	1.32	28,709.83	0.98
Tap fees	1,373.12	0.31	4,871.48	0.17
Sewer Tap Fees	0.00	0.00	(500.00)	(0.02)
Other Income	4,050.00	0.92	6,550.00	0.22
Garbage Sales Revenue	77,644.88	17.68	544,790.00	18.53
Miscellaneous Income	20,154.72	4.59	135,654.72	4.61
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	439,240.16	100.00	2,939,450.54	100.00
Gross Profit	439,240.16	100.00	2,939,450.54	100.00
Operating Expenses				
Solid Waste Payments	75,533.06	17.20	604,665.49	20.57
Water Purchases	40,049.25	9.12	262,974.26	8.95
Operations Labor - Pumping	7,768.40	1.77	56,830.32	1.93
Chemicals - Sewer	5,048.60	1.15	25,882.56	0.88
Contract Labor	3,000.00	0.68	6,000.00	0.20
Chemicals - Sewer	0.00	0.00	4,610.38	0.16
Supplies - Pumping	0.00	0.00	2,888.24	0.10
Repairs - Pumping	220.42	0.05	10,220.42	0.35
Telephone & Utilities - Pumping	0.00	0.00	1,564.51	0.05
Lab Services	4,750.00	1.08	4,750.00	0.16
Chemicals	10,903.20	2.48	59,910.62	2.04
Sewer Supplies	0.00	0.00	5,550.85	0.19
Supplies	0.00	0.00	502.55	0.02
Natural Gas-WTP	251.30	0.06	2,161.66	0.07
Operations Labor - T & D	49,453.04	11.26	343,842.13	11.70
Wages - Sewer	0.00	0.00	6,000.00	0.20
Wages - Sewer	1,869.00	0.43	14,670.00	0.50
Uniform Rental - T & D	0.00	0.00	2,717.14	0.09
Supplies - T & D	19,943.15	4.54	76,716.50	2.61
Vehicle Repairs - T & D	3,130.41	0.71	9,560.57	0.33
Utilities - T & D	28,199.24	6.42	237,763.52	8.09
Repairs Pump - T & D	0.00	0.00	25,599.83	0.87
Uniform Rental - T & D	0.00	0.00	7,258.25	0.25
Vehicle Repairs - T & D	6,509.94	1.48	20,830.72	0.71
Repairs - T & D	4,293.00	0.98	15,084.03	0.51
Fuel-Gasoline	6,035.98	1.37	37,440.85	1.27
Lab Services - Distribution	0.00	0.00	38,932.80	1.32
Utilities - Sewer	0.00	0.00	2,464.47	0.08
Uniform Rental	0.00	0.00	3,007.30	0.10
Utilities	0.00	0.00	27,637.74	0.94
Repairs - Sewer	625.00	0.14	6,442.18	0.22
Repairs-Sewer	0.00	0.00	375.00	0.01

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 7 Months Ended July 31, 2016

	1 Month Ended July 31, 2016	%	7 Months Ended July 31, 2016	%
Safety supplies	0.00	0.00	973.14	0.03
Billing Postage	1,146.01	0.26	13,103.52	0.45
BILLING CARDS	0.00	0.00	1,978.25	0.07
Wages - Office	10,338.75	2.35	75,374.62	2.56
Office Postage	36.23	0.01	4,684.38	0.16
Office Supplies	1,064.81	0.24	8,481.49	0.29
Telephone & Utilities - Office	764.40	0.17	10,644.63	0.36
Bank Charges	1,804.17	0.41	9,247.05	0.31
Health Insurance	37,688.03	8.58	153,826.18	5.23
Shipping	0.00	0.00	22.00	0.00
Dental Insurance	863.09	0.20	5,815.01	0.20
Workers Comp	2,525.29	0.57	24,200.12	0.82
Life Ins.	3,135.35	0.71	13,822.08	0.47
Contract Labor - Administration	0.00	0.00	200.00	0.01
Credit Card Payment Fees	0.00	0.00	5.95	0.00
Worker's Compensation	0.00	0.00	5,488.59	0.19
Property Insurance	965.59	0.22	26,844.17	0.91
Legal	0.00	0.00	3,000.00	0.10
Accounting	1,800.00	0.41	12,799.00	0.44
Professional Fees	0.00	0.00	9,020.00	0.31
Property Insurance	0.00	0.00	55,477.37	1.89
Commissioners Bond	0.00	0.00	2,315.95	0.08
Commissioner's Fee	2,000.00	0.46	13,500.00	0.46
Misc. Expenses	547.05	0.12	9,751.67	0.33
Training	116.69	0.03	1,306.26	0.04
Advertising	279.90	0.06	507.18	0.02
Interest & Penalty Notices	0.00	0.00	37.41	0.00
Depreciation Expense	63,382.08	14.43	443,674.56	15.09
Depreciation Expense	8,496.82	1.93	59,477.74	2.02
Payroll Taxes	5,674.29	1.29	49,437.62	1.68
PSC Taxes	0.00	0.00	8,948.42	0.30
Employer Pension Expense	1,332.57	0.30	9,967.76	0.34
Health Care Reimbursements	0.00	0.00	1,919.51	0.07
Total Operating Expenses	411,544.11	93.69	2,960,706.52	100.72
Operating Income (Loss)	27,696.05	6.31	(21,255.98)	(0.72)
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(206.16)	0.05	(2,721.30)	0.09
Interest Expense - LOC	(1,000.00)	0.23	(10,336.49)	0.35
Amortization of Premium	(205.02)	0.05	(1,435.14)	0.05
Interest Expense - KIA	(7,332.21)	1.67	(43,071.59)	1.47
Interest Expense - Bonds	(13,968.35)	3.18	(85,965.85)	2.92
Interest Income - Now	49.02	0.01	361.92	0.01
Bond Interest Credit Income	0.00	0.00	1,787.17	0.06
Grant Income (Dept of Transportation)	149,441.72	34.02	351,303.25	11.95
Rural Development - Allen to Martin WT	184,460.17	42.00	184,460.17	6.28
Total Other Income (Expense)	311,239.17	70.86	394,382.14	13.42
Net Income (Loss) Before Taxes	338,935.22	77.16	373,126.16	12.69

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 7 Months Ended July 31, 2016

	1 Month Ended July 31, 2016	%	7 Months Ended July 31, 2016	%
Net Income (Loss)	\$ 338,935.22	77.16	\$ 373,126.16	12.69

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 7 Months Ended July 31, 2016

	1 Month Ended July 31, 2016	%	7 Months Ended July 31, 2016	%
Sales				
Metered Sales - Residential	\$ 295,816.77	67.35	\$ 1,986,072.49	67.57
Metered Sales - Business	7,713.00	1.76	54,653.03	1.86
Sales for Resale	4,112.74	0.94	29,842.97	1.02
Penalties	7,839.70	1.78	48,826.88	1.66
Meter Service	5,795.15	1.32	28,709.83	0.98
Tap fees	1,373.12	0.31	4,871.48	0.17
Other Income	4,050.00	0.92	6,550.00	0.22
Garbage Sales Revenue	77,644.88	17.68	544,790.00	18.53
Miscellaneous Income	20,154.72	4.59	135,654.72	4.61
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	424,500.08	96.64	2,839,971.40	96.62
Gross Profit	424,500.08	96.64	2,839,971.40	96.62
Operating Expenses				
Solid Waste Payments	75,533.06	17.20	604,665.49	20.57
Water Purchases	40,049.25	9.12	262,974.26	8.95
Operations Labor - Pumping	7,768.40	1.77	56,830.32	1.93
Supplies - Pumping	0.00	0.00	2,888.24	0.10
Repairs - Pumping	220.42	0.05	10,220.42	0.35
Telephone & Utilities - Pumping	0.00	0.00	1,564.51	0.05
Lab Services	4,750.00	1.08	4,750.00	0.16
Chemicals	10,903.20	2.48	59,910.62	2.04
Natural Gas-WTP	251.30	0.06	2,161.66	0.07
Operations Labor - T & D	49,453.04	11.26	343,842.13	11.70
Uniform Rental - T & D	0.00	0.00	2,717.14	0.09
Supplies - T & D	19,943.15	4.54	76,716.50	2.61
Vehicle Repairs - T & D	3,130.41	0.71	9,560.57	0.33
Utilities - T & D	28,199.24	6.42	237,763.52	8.09
Repairs Pump - T & D	0.00	0.00	25,599.83	0.87
Uniform Rental - T & D	0.00	0.00	7,258.25	0.25
Vehicle Repairs - T & D	6,509.94	1.48	20,830.72	0.71
Repairs - T & D	4,293.00	0.98	15,084.03	0.51
Fuel-Gasoline	6,035.98	1.37	37,440.85	1.27
Lab Services - Distribution	0.00	0.00	38,932.80	1.32
Safety supplies	0.00	0.00	973.14	0.03
Billing Postage	1,146.01	0.26	13,103.52	0.45
BILLING CARDS	0.00	0.00	1,978.25	0.07
Wages - Office	10,338.75	2.35	75,374.62	2.56
Office Postage	36.23	0.01	4,684.38	0.16
Office Supplies	1,064.81	0.24	8,481.49	0.29
Telephone & Utilities - Office	764.40	0.17	10,644.63	0.36
Bank Charges	1,804.17	0.41	9,247.05	0.31
Health Insurance	37,688.03	8.58	153,826.18	5.23
Shipping	0.00	0.00	22.00	0.00
Dental Insurance	863.09	0.20	5,815.01	0.20
Workers Comp	2,525.29	0.57	24,200.12	0.82
Life Ins.	3,135.35	0.71	13,822.08	0.47
Contract Labor - Administration	0.00	0.00	200.00	0.01
Credit Card Payment Fees	0.00	0.00	5.95	0.00

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Southern Water and Sewer District Transaction Listing

Date	Reference	Account	Account Description	Description	Amount	Reference Total
07/06/16	1017	16201	Construction in Progress	KY ENGINEERING		
07/06/16	1018	16201	Construction in Progress	GROUP	8,042.87	8,042.87
07/27/16	1051	16201	Construction in Progress	BOCA ENTERPRISES	113,574.58	113,574.58
07/27/16	1054	16201	Construction in Progress	BOCA ENTERPRISES	79,894.36	79,894.36
07/27/16	1055	16201	Construction in Progress	KY ENGINEERING		
07/27/16	1056	16201	Construction in Progress	GROUP	5,657.78	5,657.78
07/27/16	1057	16201	Construction in Progress	RALPH STEVENS	2,096.25	2,096.25
07/14/16	1059	72155	Property Insurance	KY ENGINEERING		
07/21/16	1103	60001	Solid Waste Payments	GROUP	4,938.37	4,938.37
07/14/16	1465	93501	Transfer of Funds	RUBIN & HAYES	6,649.98	6,649.98
07/18/16	1466	72103	Office Supplies	REGINSURANCE		
07/20/16	1467	70301	Billing Postage	SERVICES	369.59	369.59
07/21/16	1468	93501	Transfer of Funds	FLOYD COUNTY	76,227.23	76,227.23
07/21/16	1469	64104	Utilities - T & D	SOLID WASTE	30,000.00	30,000.00
07/15/16	13764	16201	Construction in Progress	DEAN HALL	82.41	82.41
07/15/16	13765	16201	Construction in Progress	US POSTAL SERVICE	259.45	259.45
07/14/16	13767	60002	Water Purchases	AMERICAN		
07/15/16	13768	64108	Repairs - T & D	ELECTRIC POWER	21,279.60	21,279.60
07/15/16	13769	73003	Misc. Expenses	BOCA ENTERPRISES	137,598.00	137,598.00
07/18/16	13771	70301	Billing Postage	KY ENGINEERING		
07/22/16	13772	62305	Chemicals	GROUP	11,843.72	11,843.72
07/22/16	13773	73003	Misc. Expenses	CITY OF PIKEVILLE	18,359.80	18,359.80
07/29/16	13776	62020	Chemicals - Sewer	JIMM ADKINS	1,600.00	1,600.00
07/29/16	13777	64103	Vehicle Repairs - T & D	TERESA HALL	200.00	200.00
07/18/16	13778	64102	Supplies - T & D	USPS	886.56	886.56
07/18/16	13779	64102	Supplies - T & D	BIG SANDY RECC	3,499.62	3,499.62
07/18/16	13780	73003	Misc. Expenses	GIL THORNBURG	6,087.60	6,087.60
07/18/16	13781	62501	Natural Gas - WTP	CHRIS FRANCIS	39.07	39.07
07/18/16	13782	64154	Repairs - Sewer	GIL THORNBURG	5,048.60	5,048.60
07/18/16	13783	62302	Repairs - Pumping	JONES BODY SHOP	60.00	60.00
07/18/16	13784	64102	Supplies - T & D	FORLINE INC	8,666.85	8,666.85
07/18/16	13785	64102	Supplies - T & D	HAYES PIPE SUPPLY	2,983.46	2,983.46
07/18/16	13786	60002	Water Purchases	HITROH SECURITY	24.99	24.99
07/18/16	13787	64103	Vehicle Repairs - T & D	KY FRONTIER GAS	9.74	9.74
07/18/16	13788	64108	Repairs - T & D	MCKINNEY'S SEPTIC		
07/18/16	13789	64103	Vehicle Repairs - T & D	SERVICE	625.00	625.00
07/18/16	13790	72155	Property Insurance	MICRO COMM INC	220.42	220.42
07/01/16	13931	62050	Contract Labor	MOORE'S		
07/01/16	13932	23501	Customer Deposits	HARDWARE	3,076.43	3,076.43
07/01/16	13936	72103	Office Supplies	P & J TRAILERS	715.84	715.84
07/01/16	13941	73001	Commissioner's Fee	PRESTONSBURG		
07/08/16	13942	64108	Repairs - T & D	CITY UTILITIES	18,839.61	18,839.61
07/01/16	13943	70301	Billing Postage	TWIN BRIDGE AUTO	1,162.36	1,162.36
07/05/16	13944	72103	Office Supplies	VERMEER SALES &	4,293.00	4,293.00
07/06/16	13945	64108	Repairs - T & D	SERVICES		
		72155	Property Insurance	WILDCAT TIRES	1,408.05	1,408.05
		62050	Contract Labor	WRIGHT NATIONAL		
		23501	Customer Deposits	FLOOD INSURANCE	596.00	596.00
		72103	Office Supplies	C & L		
		73001	Commissioner's Fee	CONSTRUCTION	3,000.00	3,000.00
		64108	Repairs - T & D	TIMOTHY ANGELA		
		70301	Billing Postage	WALMART	117.77	117.77
		72103	Office Supplies	WALMART	326.20	326.20
		64108	Repairs - T & D	PAULA JOHNSON	500.00	500.00
		70301	Billing Postage	FRASURE ELECTRIC	5,000.00	5,000.00
		72103	Office Supplies	McDOWELL		
		64108	Repairs - T & D	POSTMASTER	1,890.29	1,890.29
				STAPLES	656.20	656.20

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
07/06/16	13946	64108	Repairs - T & D	Mountain Aggergates	688.94	688.94
07/09/16	13947	64103	Vehicle Repairs - T & D	CONVEY TIRE	551.75	551.75
07/08/16	13948	62305	Chemicals	C.I. THORNBURG	500.00	500.00
07/07/16	13949	64102	Supplies - T & D	MIDWEST EQUIPMENT SALES	4,815.60	4,815.60
07/08/16	13950	62301	Supplies - Pumping	CHRIS FRANCIS	1,527.69	1,527.69
07/08/16	13951	62301	Supplies - Pumping	CONTINENTAL HYDROD YNE	866.59	866.59
07/08/16	13952	Payroll		WEBB, MARIBETH	1,297.78	1,297.78
07/08/16	13953	Payroll		OSBORNE, CARRY J	424.15	424.15
07/08/16	13954	Payroll		JACOBS, JOSEPH G	455.40	455.40
07/08/16	13955	Payroll		HALL, BARRY A	424.15	424.15
07/08/16	13956	Payroll		BURKE, PAULA	859.16	859.16
07/08/16	13957	Payroll		ROBINSON, AMBER	664.08	664.08
07/08/16	13958	Payroll		AUTON, ELIZABETH	747.49	747.49
07/08/16	13959	Payroll		HAMILTON, HAYES	383.77	383.77
07/08/16	13960	Payroll		HUNTER, EVERETT R	726.46	726.46
07/08/16	13961	Payroll		HALL, GEORGE	990.03	990.03
07/08/16	13962	Payroll		HALL, DEAN M	1,771.05	1,771.05
07/08/16	13963	Payroll		HARRISON, DON E	1,408.05	1,408.05
07/08/16	13964	Payroll		ADKINS, CHRISTOPHER O	1,070.39	1,070.39
07/08/16	13965	Payroll		JUSTICE, DUSTIN R	932.92	932.92
07/08/16	13966	Payroll		WILKS, ROBERT S	803.45	803.45
07/08/16	13967	Payroll		SALYER, REECE	1,444.96	1,444.96
07/08/16	13968	Payroll		CONLEY, JUSTIN	861.81	861.81
07/08/16	13969	Payroll		TICE, JOSEPH	640.09	640.09
07/08/16	13970	Payroll		JOHNSON, RICHARD	860.70	860.70
07/08/16	13971	Payroll		CROWDER, LOGAN M	961.65	961.65
07/08/16	13972	Payroll		SALISBURY, ANTHONY E. B	675.48	675.48
07/08/16	13973	Payroll		ADKINS, RAY V	815.08	815.08
07/08/16	13974	Payroll		HORNE, DAVID R	1,351.29	1,351.29
07/08/16	13975	Payroll		COLLINS, CODY	885.99	885.99
07/08/16	13976	Payroll		COMPTON, JOSEPH T	765.01	765.01
07/08/16	13977	Payroll		HALL, SHANNON L	804.20	804.20
07/08/16	13978	Payroll		CATRON, BARRY	637.94	637.94
07/08/16	13979	Payroll		ROBINSON, CHRISTOPHER	1,420.61	1,420.61
07/08/16	13980	Payroll		HACKWORTH, KENDALL W	853.79	853.79
07/08/16	13981	Payroll		BOLEN, PRESTON L	734.93	734.93
07/08/16	13982	Payroll		FRANCIS, CHRIS	1,097.07	1,097.07
07/08/16	13983	23607	Garnishee	Child Support Enforcement	320.53	320.53
07/08/16	13984	23603	Accrued Ky WTH	KY State Treasurer	3,009.14	3,009.14
07/08/16	13985	72302	Accounting	Michael Spears	1,800.00	1,800.00
07/08/16	13986	23604	Accrued KUI/FUTA	Treasurers, KY Unempl Ins. Fund	2,991.47	2,991.47
07/08/16	13987	23601	Accrued Fica	United States Treasury	98.69	98.69
07/22/16	13988	Payroll		WEBB, MARIBETH	1,277.31	1,277.31
07/22/16	13989	Payroll		BURKE, PAULA	831.80	831.80
07/22/16	13990	Payroll		ROBINSON, AMBER	669.44	669.44
07/22/16	13991	Payroll		AUTON, ELIZABETH	753.73	753.73
07/22/16	13992	Payroll		HUNTER, EVERETT R	726.45	726.45
07/22/16	13993	Payroll		HALL, GEORGE	1,467.96	1,467.96
07/22/16	13994	Payroll		HALL, DEAN M	1,771.04	1,771.04
07/22/16	13995	Payroll		HARRISON, DON E	1,465.29	1,465.29
07/22/16	13996	Payroll		ADKINS, CHRISTOPHER O	812.66	812.66
07/22/16	13997	Payroll		JUSTICE, DUSTIN R	932.92	932.92

Southern Water and Sewer District
Transaction Listing

Date	Reference	Account	Account Description	Description	Amount	Reference Total
07/22/16	13998	Payroll		WILKS, ROBERTS	301.52	301.52
07/22/16	13999	Payroll		SALYER, REECE	1,350.69	1,350.69
07/22/16	14000	Payroll		GONLEY, JUSTIN	747.68	747.68
07/22/16	14001	Payroll		TICE, JOSEPH	640.10	640.10
07/22/16	14002	Payroll		JOHNSON, RICHARD	631.92	631.92
07/22/16	14003	Payroll		CROWDER, LOGAN M	811.35	811.35
07/22/16	14004	Payroll		HALLSBURY		
07/22/16	14005	Payroll		ANTHONY E. B	675.48	675.48
07/22/16	14006	Payroll		ADKINS, TAVY	718.63	718.63
07/22/16	14007	Payroll		HORNE, DAVID R	770.63	770.63
07/22/16	14008	Payroll		COLLINS, GODY	692.80	692.80
07/22/16	14009	Payroll		COMPTON, JOSEPH T	787.97	787.97
07/22/16	14010	Payroll		HALL, SHANNON L	715.36	715.36
07/22/16	14011	Payroll		CATRON, BARRY	679.28	679.28
07/22/16	14012	Payroll		ROBINSON, CHRISTOPHER	1,243.17	1,243.17
07/22/16	14013	Payroll		HACKWORTH, KENDALL W	950.38	950.38
07/22/16	14014	Payroll		BOLEN, PRESTON L	976.06	976.06
07/19/16	14015	23606	Accrued Sales Tax	FRANCIS, CHRIS	1,097.06	1,097.06
07/19/16	14016	23606	Accrued Sales Tax	Treasurer	655.69	655.69
				Treasurer	620.93	620.93
					Total of Checks	682,097.14

Total Debits 682,097.14 Total Credits 0.00

Number of Transactions 117

MICHAEL R. SPEARS, CPA, PSC
P.O. BOX 1270
PRESTONSBURG, KY 41653

July 25, 2016

Southern Water and Sewer District
Board of Commissioners
Prestonsburg, KY 41653

RE: June 2016 Financial Statements

Dear Commissioner,

Enclosed you will find your financial statements for the period ended June 30, 2016. In this letter I am giving you some pertinent highlights as I see them.

Balance Sheet as of June 30, 2016

- Cash in Bank is \$65,438
- Restricted Cash is \$662,024
- Accounts Receivable is \$1,416,077
- Plant in place is \$25,163,917
- Equity is \$20,016,551

Income Statement – for the month ended June 30, 2016

- Operating Revenue is \$528,126 (Including \$115,000 from PCUC)
- Operating Expenses Less Depreciation of \$71,879 is \$431,453
- Other Income (Construction Income & Interest) \$27,666
- Other Expense (\$24,315)
- Net Income/(Loss) before depreciation expense is \$100,023
- Net Income/(Loss) after depreciation expense of \$71,879 is \$28,144

I would ask that you review the financials and if you have questions please feel free to contact me at (606) 424-8040.

Sincerely,

Michael R. Spears

Michael Spears

Southern Water and Sewer District
BALANCE SHEET
As of June 30, 2016
ASSETS

CURRENT ASSETS

Cash on Hand	\$ 460.00
First Guaranty - New	(4,350.32)
Cash - Community Trust Bank (SV)	69,788.11
First Guaranty - Solid Waste Account	761.47
Accounts Receivable - Water	798,626.73
Accounts Receivable - Garbage	495,722.77
Accounts Receivable - Sewer	121,727.21
A/R - CDBG Grant	5,000.00
Provision for Uncollectible Accounts	(235,324.66)
Materials and Supplies	101,231.80
KIA Escrow - New	25,269.78
KIA R & M Reserve - New	62,266.80
KIA R & M Reserve #3 - New	60,344.29
First Guaranty - RD Account	906.82
RD Depreciation Reserve Acct.	40,430.43
RD Escrow Acct	120,207.50
1st Guaranty - FEMA Reimbursements	21,344.60
FGB - Rural Development Construction	4,556.35
FGB - Capital Improvement Account	52,728.78
FGB - RD Sinking Fund (New)	27,348.34
Cash - Pride on the River	970.26
FEMA - 1976 - DR - KY	21,170.14
Insurance Escrow Account	35,087.05
KIA R & M RESERVE A04-06	37,095.00
Construction Account	45,077.94
FGB - Customer Deposit Account	26,910.68
FGB - Health Care Reimbursement	23,820.01
FGB - Allen to Martin WTP	55,727.63

Total Current Assets 2,014,905.51

PROPERTY AND EQUIPMENT

Utility Plant	34,843,909.96
Utility Plant	1,766,340.49
Utility Plant Sewer	7,865,636.26
Construction in Progress	1,729,187.45
Construction in Progress - Sewer	43,921.50
Less: Accumulated Depreciation	<u>(21,085,078.79)</u>

Net Property and Equipment 25,163,916.87

OTHER ASSETS

Prepaid Interest	98,409.92
Accumulated Amortization	<u>(35,673.57)</u>

Total Other Assets 62,736.35

TOTAL ASSETS \$ 27,241,558.73

Southern Water and Sewer District
BALANCE SHEET
As of June 30, 2016

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 132,986.25
A/P - CIP	2,673.84
N/P - FGB LOC	223,000.00
First Guaranty - Office Building	18,519.67
N/P - FIRST GUARANTY (TRUCKS)	5,852.26
N/P - FGB (DEAN'S TRUCK)	17,085.41
N/P - CITIZEN'S NATIONAL (EXCAVATO	31,674.45
Customer Deposits	196,663.26
Customer Deposits - Sewer	190.00
Accrued Fed WTH	(749.90)
Accrued Ky WTH	4,598.79
Accrued KUI/FUTA	4,738.93
Accrued School Tax	7.73
Accrued Sales Tax	1,344.43
Garnishee	1,762.57
Accrued 401-k	6,858.13
Accrued Vacation/Sick Pay	67,054.08
Accrued Interest - KIA III	41,303.79
Accrued Interest - Bonds	50,917.50
Accrued Interest - New Bond	4,420.03
Accrued Interest - Sandy Valley Bond	13,247.57
Accrued Interest - Build America Bond	3,753.76
A/P - Solid Waste	524,312.68

Total Current Liabilities 1,352,215.23

LONG-TERM LIABILITIES

Notes Payable Current Portion	476,322.31
Less Current Portion Notes Payable	(476,322.31)
Bonds Payable Current Portion	68,981.00
N/P - KIA I	542,395.07
N/P - KIA III	1,307,868.53
Bonds Payable	2,109,000.00
N/P - KIA A-04-06	34,019.07
Bonds Payable (New)	195,000.00
RD Note - Sandy Valley 589573	501,509.00
USDA (530,000)	487,000.00
N/P - KIA (A11-16) Harold Sewer	696,001.13
Less Current Portion Bonds Payable	(66,981.00)

Total Long-Term Liabilities 5,872,792.80

Total Liabilities 7,225,008.03

CAPITAL

Invested in Capital Assets	17,705,548.00
Restricted for Capital Projects	30,110.00
Restricted for Maintenance	120,145.00
Restricted for Debt Services	144,655.00
Unrestricted Net Assets	514,136.86
Restricted for Deposits	175,189.00
Current Earnings	168,490.31

Southern Water and Sewer District
BALANCE SHEET
As of June 30, 2016

Retained Earnings	<u>1,158,276.53</u>
Total Stockholders' Equity	<u>20,016,550.70</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ <u>27,241,558.73</u>

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 6 Months Ended June 30, 2016

	1 Month Ended June 30, 2016	%	6 Months Ended June 30, 2016	%
Sales				
Metered Sales - Residential	\$ 293,355.95	55.55	\$ 1,690,255.72	67.60
Metered Sales - Business	8,880.00	1.68	46,940.03	1.88
Metered Sales - Residential Sewer	13,656.60	2.59	79,795.75	3.19
Metered Sales - Business Sewer	836.14	0.16	5,443.31	0.22
Sales for Resale	4,146.12	0.79	25,730.23	1.03
Penalties	6,557.01	1.24	40,987.18	1.64
Meter Service	7,668.68	1.45	22,914.68	0.92
Tap fees	627.49	0.12	3,498.36	0.14
Sewer Tap Fees	0.00	0.00	(500.00)	(0.02)
Other Income	500.00	0.09	2,500.00	0.10
Garbage Sales Revenue	76,897.62	14.56	467,145.12	18.68
Miscellaneous Income	115,000.00	21.78	115,500.00	4.62
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	528,125.61	100.00	2,500,210.38	100.00
Gross Profit	528,125.61	100.00	2,500,210.38	100.00
Operating Expenses				
Solid Waste Payments	150,592.36	28.51	529,132.43	21.16
Water Purchases	37,199.41	7.04	222,925.01	8.92
Operations Labor - Pumping	8,122.04	1.54	49,061.92	1.96
Chemicals - Sewer	0.00	0.00	20,833.96	0.83
Contract Labor	0.00	0.00	3,000.00	0.12
Chemicals - Sewer	0.00	0.00	4,610.38	0.18
Supplies - Pumping	1,534.09	0.29	2,888.24	0.12
Repairs - Pumping	5,000.00	0.95	10,000.00	0.40
Telephone & Utilities - Pumping	0.00	0.00	1,564.51	0.06
Chemicals	10,706.79	2.03	49,007.42	1.96
Sewer Supplies	0.00	0.00	5,550.85	0.22
Supplies	0.00	0.00	502.55	0.02
Natural Gas-WTP	483.12	0.09	1,910.36	0.08
Operations Labor - T & D	45,805.13	8.67	284,389.09	11.77
Wages - Sewer	0.00	0.00	6,000.00	0.24
Wages - Sewer	1,963.50	0.37	12,801.00	0.51
Uniform Rental - T & D	0.00	0.00	2,717.14	0.11
Supplies - T & D	948.70	0.18	56,773.35	2.27
Vehicle Repairs - T & D	0.00	0.00	6,430.16	0.26
Utilities - T & D	59,854.01	11.33	209,564.28	8.38
Repairs Pump - T & D	0.00	0.00	25,599.83	1.02
Uniform Rental - T & D	2,476.75	0.47	7,258.25	0.29
Vehicle Repairs - T & D	5,051.02	0.96	14,320.78	0.57
Repairs - T & D	8,840.69	1.67	10,791.03	0.43
Fuel-Gasoline	8,237.57	1.56	31,404.87	1.26
Lab Services - Distribution	7,788.00	1.47	38,932.80	1.56
Utilities - Sewer	0.00	0.00	2,464.47	0.10
Uniform Rental	0.00	0.00	3,007.30	0.12
Utilities	3,076.09	0.58	27,637.74	1.11
Repairs - Sewer	0.00	0.00	5,817.18	0.23
Repairs-Sewer	0.00	0.00	375.00	0.01
Safety supplies	0.00	0.00	973.14	0.04

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 6 Months Ended June 30, 2016

	1 Month Ended June 30, 2016	%	6 Months Ended June 30, 2016	%
Billing Postage	4,563.73	0.86	11,957.51	0.48
BILLING CARDS	0.00	0.00	1,978.25	0.08
Wages - Office	9,659.17	1.83	65,035.87	2.60
Office Postage	0.00	0.00	4,648.15	0.19
Office Supplies	111.48	0.02	7,416.68	0.30
Telephone & Utilities - Office	1,059.55	0.20	9,880.23	0.40
Bank Charges	1,201.75	0.23	7,442.88	0.30
Health Insurance	21,606.89	4.09	116,138.15	4.65
Shipping	22.00	0.00	22.00	0.00
Dental Insurance	863.09	0.16	4,951.92	0.20
Workers Comp	0.00	0.00	21,674.83	0.87
Life Ins.	1,309.98	0.25	10,686.73	0.43
Contract Labor - Administration	0.00	0.00	200.00	0.01
Credit Card Payment Fees	0.00	0.00	5.95	0.00
Worker's Compensation	5,488.59	1.04	5,488.59	0.22
Legal	1,000.00	0.19	3,000.00	0.12
Accounting	1,800.00	0.34	10,999.00	0.44
Professional Fees	0.00	0.00	9,020.00	0.36
Property Insurance	0.00	0.00	55,477.37	2.22
Commissioners Bond	0.00	0.00	2,315.95	0.09
Commissioner's Fee	2,000.00	0.38	11,500.00	0.46
Misc. Expenses	6,754.82	1.28	9,204.62	0.37
Training	154.50	0.03	1,189.57	0.05
Advertising	0.00	0.00	227.28	0.01
Interest & Penalty Notices	0.00	0.00	37.41	0.00
Depreciation Expense	63,382.08	12.00	380,292.48	15.21
Depreciation Expense	8,496.82	1.61	50,980.92	2.04
Payroll Taxes	5,916.88	1.12	43,763.33	1.75
PSC Taxes	8,948.42	1.69	8,948.42	0.36
Employer Pension Expense	1,312.67	0.25	8,635.19	0.35
Health Care Reimbursements	0.00	0.00	1,919.51	0.08
Total Operating Expenses	503,331.69	95.31	2,523,283.83	100.92
Operating Income (Loss)	24,793.92	4.69	(23,073.45)	(0.92)
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(350.07)	0.07	(2,515.14)	0.10
Interest Expense - LOC	(4,336.49)	0.82	(9,336.49)	0.37
Amortization of Premium	(205.02)	0.04	(1,230.12)	0.05
Interest Expense - KIA	(7,332.21)	1.39	(35,739.38)	1.43
Interest Expense - Bonds	(12,091.47)	2.29	(71,997.50)	2.88
Interest Income - Now	52.70	0.01	312.90	0.01
Bond Interest Credit Income	1,787.17	0.34	1,787.17	0.07
Grant Income (Dept of Transportation)	25,825.68	4.89	201,861.53	8.07
Rural Development - Allen to Martin WT	0.00	0.00	108,420.79	4.34
Total Other Income (Expense)	3,350.29	0.63	191,563.76	7.66
Net Income (Loss) Before Taxes	28,144.21	5.33	168,490.31	6.74
Net Income (Loss)	\$ 28,144.21	5.33	\$ 168,490.31	6.74

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 6 Months Ended June 30, 2016

	1 Month Ended June 30, 2016	%	6 Months Ended June 30, 2016	%
Sales				
Metered Sales - Residential	\$ 293,355.95	55.55	\$ 1,690,255.72	67.60
Metered Sales - Business	8,880.00	1.68	46,940.03	1.88
Sales for Resale	4,146.12	0.79	25,730.23	1.03
Penalties	6,557.01	1.24	40,987.18	1.64
Meter Service	7,668.68	1.45	22,914.68	0.92
Tap fees	627.49	0.12	3,498.36	0.14
Other Income	500.00	0.09	2,500.00	0.10
Garbage Sales Revenue	76,897.62	14.56	467,145.12	18.68
Miscellaneous Income	115,000.00	21.78	115,500.00	4.62
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	513,632.87	97.26	2,415,471.32	96.61
Gross Profit	513,632.87	97.26	2,415,471.32	96.61
Operating Expenses				
Solid Waste Payments	150,592.38	28.51	529,132.43	21.16
Water Purchases	37,199.41	7.04	222,925.01	8.92
Operations Labor - Pumping	8,122.04	1.54	49,061.92	1.96
Supplies - Pumping	1,534.09	0.29	2,888.24	0.12
Repairs - Pumping	5,000.00	0.95	10,000.00	0.40
Telephone & Utilities - Pumping	0.00	0.00	1,564.51	0.06
Chemicals	10,706.79	2.03	49,007.42	1.96
Natural Gas-WTP	483.12	0.09	1,910.36	0.08
Operations Labor - T & D	45,805.13	8.67	294,389.09	11.77
Uniform Rental - T & D	0.00	0.00	2,717.14	0.11
Supplies - T & D	948.70	0.18	56,773.35	2.27
Vehicle Repairs - T & D	0.00	0.00	6,430.16	0.26
Utilities - T & D	59,854.01	11.33	209,564.28	8.38
Repairs Pump - T & D	0.00	0.00	25,599.83	1.02
Uniform Rental - T & D	2,476.75	0.47	7,258.25	0.29
Vehicle Repairs - T & D	5,051.02	0.96	14,320.78	0.57
Repairs - T & D	8,840.69	1.67	10,791.03	0.43
Fuel-Gasoline	8,237.57	1.56	31,404.87	1.26
Lab Services - Distribution	7,788.00	1.47	38,932.80	1.56
Safety supplies	0.00	0.00	973.14	0.04
Billing Postage	4,563.73	0.86	11,957.51	0.48
BILLING CARDS	0.00	0.00	1,978.25	0.08
Wages - Office	9,659.17	1.83	65,035.87	2.60
Office Postage	0.00	0.00	4,648.15	0.19
Office Supplies	111.48	0.02	7,416.68	0.30
Telephone & Utilities - Office	1,059.55	0.20	9,880.23	0.40
Bank Charges	1,201.75	0.23	7,442.88	0.30
Health Insurance	21,606.89	4.09	116,138.15	4.65
Shipping	22.00	0.00	22.00	0.00
Dental Insurance	863.09	0.16	4,951.92	0.20
Workers Comp	0.00	0.00	21,674.83	0.87
Life Ins.	1,309.98	0.25	10,686.73	0.43
Contract Labor - Administration	0.00	0.00	200.00	0.01
Credit Card Payment Fees	0.00	0.00	5.95	0.00
Legal	1,000.00	0.19	3,000.00	0.12

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 6 Months Ended June 30, 2016

	1 Month Ended June 30, 2016	%	6 Months Ended June 30, 2016	%
Accounting	1,800.00	0.34	10,999.00	0.44
Professional Fees	0.00	0.00	9,020.00	0.36
Property Insurance	0.00	0.00	55,477.37	2.22
Commissioners Bond	0.00	0.00	2,315.95	0.09
Commissioner's Fee	2,000.00	0.38	11,500.00	0.46
Misc. Expenses	6,754.82	1.28	9,204.62	0.37
Training	154.50	0.03	1,189.57	0.05
Advertising	0.00	0.00	227.28	0.01
Interest & Penalty Notices	0.00	0.00	37.41	0.00
Depreciation Expense	63,382.08	12.00	380,292.48	15.21
Depreciation Expense	8,496.82	1.61	50,980.92	2.04
Payroll Taxes	5,916.88	1.12	43,763.33	1.75
PSC Taxes	8,948.42	1.69	8,948.42	0.36
Employer Pension Expense	1,312.67	0.25	8,635.19	0.35
Health Care Reimbursements	0.00	0.00	1,919.51	0.08
Total Operating Expenses	492,803.51	93.31	2,425,194.81	97.00
Operating Income (Loss)	20,829.36	3.94	(9,723.49)	(0.39)
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(350.07)	0.07	(2,515.14)	0.10
Interest Expense - LOC	(4,336.49)	0.82	(9,336.49)	0.37
Amortization of Premium	(205.02)	0.04	(1,230.12)	0.05
Interest Expense - KIA	(7,332.21)	1.39	(35,739.38)	1.43
Interest Expense - Bonds	(12,091.47)	2.29	(71,997.50)	2.88
Interest Income - Now	52.70	0.01	312.90	0.01
Bond Interest Credit Income	1,787.17	0.34	1,787.17	0.07
Rural Development - Allen to Martin WT	0.00	0.00	108,420.79	4.34
Total Other Income (Expense)	(22,475.39)	(4.26)	(10,297.77)	(0.41)
Net Income (Loss) Before Taxes	(1,646.03)	(0.31)	(20,021.26)	(0.80)
Net Income (Loss)	\$ (1,646.03)	(0.31)	\$ (20,021.26)	(0.80)

Southern Water and Sewer District
INCOME STATEMENT - SEWER
For the 1 Month and 6 Months Ended June 30, 2016

	1 Month Ended June 30, 2016	%	6 Months Ended June 30, 2016	%
Sales				
Metered Sales - Residential Sewer	\$ 13,656.60	2.59	\$ 79,795.75	3.19
Metered Sales - Business Sewer	836.14	0.16	5,443.31	0.22
Sewer Tap Fees	0.00	0.00	(500.00)	(0.02)
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	14,492.74	2.74	84,739.06	3.39
Gross Profit	14,492.74	2.74	84,739.06	3.39
Operating Expenses				
Chemicals - Sewer	0.00	0.00	20,833.96	0.83
Contract Labor	0.00	0.00	3,000.00	0.12
Chemicals - Sewer	0.00	0.00	4,610.38	0.18
Sewer Supplies	0.00	0.00	5,550.85	0.22
Supplies	0.00	0.00	502.55	0.02
Wages - Sewer	0.00	0.00	6,000.00	0.24
Wages - Sewer	1,963.50	0.37	12,801.00	0.51
Utilities - Sewer	0.00	0.00	2,464.47	0.10
Uniform Rental	0.00	0.00	3,007.30	0.12
Utilities	3,076.09	0.58	27,637.74	1.11
Repairs - Sewer	0.00	0.00	5,817.18	0.23
Repairs-Sewer	0.00	0.00	375.00	0.01
Worker's Compensation	5,488.59	1.04	5,488.59	0.22
Total Operating Expenses	10,528.18	1.99	98,089.02	3.92
Operating Income (Loss)	3,964.56	0.75	(13,349.96)	(0.53)
Other Income (Expense)				
Grant Income (Dept of Transportation)	25,825.68	4.89	201,861.53	8.07
Total Other Income (Expense)	25,825.68	4.89	201,861.53	8.07
Net Income (Loss) Before Taxes	29,790.24	5.64	188,511.57	7.54
Net Income (Loss)	\$ 29,790.24	5.64	\$ 188,511.57	7.54

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
06/01/16	1015	36201	Construction in Progress	KY ENGINEERING GROUP	9,868.31	9,868.31
06/01/16	1016	16201	Construction in Progress	BOCA ENTERPRISES	139,351.77	139,351.77
06/28/16	1058	72153	Worker's Compensation	KACO WORKERS COMP	5,488.59	5,488.59
06/01/16	1101	60001	Solid Waste Payments	FLOYD COUNTY SOLID WASTE	75,827.59	75,827.59
06/23/16	1102	60001	Solid Waste Payments	FLOYD COUNTY SOLID WASTE	74,764.77	74,764.77
06/16/16	1463	70301	Billing Postage	USPS	782.31	782.31
06/17/16	1464	73003	Misc. Expenses	LESLIE EQUIPMENT	204.44	204.44
06/01/16	13728	70301	Billing Postage	UPS	1,891.13	1,891.13
06/10/16	13730	62302	Repairs - Pumping	FRASURE ELECTRIC	5,000.00	5,000.00
06/01/16	13837	72110	Life Ins.	AGLA	1,957.76	1,957.76
06/01/16	13838	64102	Supplies - T & D	Allens Hardware	88.15	88.15
06/01/16	13839	64104	Utilities - T & D	American Electric Power	28,273.86	
06/01/16	13839	64120	Utilities - Sewer	POWER SEWER	1,981.55	30,255.21
06/01/16	13840	64104	Utilities - T & D	Appalachian Wireless	600.39	600.39
06/01/16	13841	64150	Uniform Rental	Aramark Uniform Services	3,007.30	3,007.30
06/01/16	13842	23214	N/P - CITIZEN'S NATIONAL (EXCAVATOR)	CITIZEN'S NATIONAL BANK	939.61	939.61
06/01/16	13843	72104	Telephone & Utilities Office	Eastky Exterminating	45.00	45.00
06/01/16	13844	64102	Supplies - T & D	FORTLINE, INC	7,805.80	7,805.80
06/01/16	13845	73003	Misc. Expenses	Hi-Tech Security	24.99	24.99
06/01/16	13846	23607	Garnishee	Lloyd & McDaniel, PLC	90.08	90.08
06/01/16	13847	73001	Commissioner's Fee	Paul Johnson	500.00	500.00
06/01/16	13848	62501	Natural Gas-WTP	PEOPLES	68.11	68.11
06/01/16	13849	72304	Professional Fees	Thoroughbred Business Group	450.00	450.00
06/01/16	13850	72107	Shipping	UPS	22.00	22.00
06/01/16	13851	64102	Supplies - T & D	Wright Lumber	199.00	199.00
06/01/16	13852	72103	Office Supplies	DEAN HALL	413.39	413.39
06/10/16	13853	Payroll		WEBB, MARIBETH	1,190.20	1,190.20
06/10/16	13854	Payroll		OSBORNE, LARRY J	424.15	424.15
06/10/16	13855	Payroll		JACOBS, JOSEPH G	455.40	455.40
06/10/16	13856	Payroll		HALL, BARRY	424.15	424.15
06/10/16	13857	Payroll		BURKE, PAULA	763.36	763.36
06/10/16	13858	Payroll		ROBINSON, AMBER	558.54	558.54
06/10/16	13859	Payroll		AUTON, ELIZABETH	691.33	691.33
06/10/16	13860	Payroll		HAMILTON, HAYES	383.77	383.77
06/10/16	13861	Payroll		HUNTER, EVERETT R	726.45	726.45
06/10/16	13862	Payroll		HALL, GEORGE	1,435.00	1,435.00
06/10/16	13863	Payroll		HALL, DEAN M	1,754.79	1,754.79
06/10/16	13864	Payroll		HARRISON, DON E	982.60	982.60
06/10/16	13865	Payroll		ADKINS, CHRISTOPHER O	758.68	758.68
06/10/16	13866	Payroll		JUSTICE, DUSTIN R	712.15	712.15
06/10/16	13867	Payroll		WILKS, ROBERT S	396.45	396.45
06/10/16	13868	Payroll		SALYER, REECE	1,315.87	1,315.87
06/10/16	13869	Payroll		CONLEY, JUSTIN	781.93	781.93
06/10/16	13870	Payroll		TICE, JOSEPH	640.09	640.09
06/10/16	13871	Payroll		JOHNSON, RICHARD	610.12	610.12
06/10/16	13872	Payroll		CROWDER, LOGAN M	816.67	816.67
06/10/16	13873	Payroll		HALLSBURY, ANTHONY E. B	667.15	667.15
06/10/16	13874	Payroll		ADKINS, RAY V	895.13	895.13
06/10/16	13875	Payroll		HORNE, DAVID R	855.03	855.03
06/10/16	13876	Payroll		COLLINS, CODY	757.19	757.19
06/10/16	13877	Payroll		COMPTON, JOSEPH T	650.19	650.19
06/10/16	13878	Payroll		HALL, SHANNON L	715.37	715.37
06/10/16	13879	Payroll		ROBINSON,		

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
06/10/16	13880	Payroll		CHRISTOPHER HACKWORTH,	1,453.04	1,453.04
06/10/16	13881	Payroll		KENDALL W	810.86	810.86
06/10/16	13882	Payroll		BOLEN, PRESTON L	953.09	953.09
06/10/16	13883	23501	Customer Deposits	FRANCIS, CHRIS	1,083.65	1,083.65
06/10/16	13884	62305	Chemicals	Blake Roberts	21.65	21.65
06/10/16	13885	23607	Garnishee	C.I. Thornburg	5,117.60	5,117.60
06/10/16	13886	64102	Supplies - T & D	Enforcement	320.53	320.53
06/10/16	13887	60002	Water Purchases	Chris Francis	342.68	342.68
06/10/16	13888	23606	Accrued Sales Tax	City of Pikeville	20,848.12	20,848.12
06/10/16	13889	72302	Accounting	Treasurer	610.36	610.36
06/10/16	13890	60002	Water Purchases	Michael Spears	1,800.00	1,800.00
06/10/16	13891	23501	Customer Deposits	Prestonsburg City	12,678.61	12,678.61
06/10/16	13892	73003	Misc. Expenses	VANDERBILT	40.00	40.00
06/24/16	13893	Payroll		MORTGAGE	989.02	989.02
06/24/16	13894	Payroll		DEAN HALL	1,226.13	1,226.13
06/24/16	13895	Payroll		WEBB, MARIBETH	831.80	831.80
06/24/16	13896	Payroll		BURKE, PAULA	606.84	606.84
06/24/16	13897	Payroll		ROBINSON, AMBER	753.73	753.73
06/24/16	13898	Payroll		AUTON, ELIZABETH	866.91	866.91
06/24/16	13899	Payroll		HUNTER, EVERETT R	990.03	990.03
06/24/16	13900	Payroll		HALL, GEORGE	1,771.04	1,771.04
06/24/16	13901	Payroll		HALL, DEAN M	1,165.59	1,165.59
06/24/16	13902	Payroll		HARRISON, DON E	971.46	971.46
06/24/16	13903	Payroll		ADKINS,	725.99	725.99
06/24/16	13904	Payroll		CHRISTOPHER O	371.46	371.46
06/24/16	13905	Payroll		JUSTICE, DUSTIN R	1,350.70	1,350.70
06/24/16	13906	Payroll		WILKS, ROBERT S	804.75	804.75
06/24/16	13907	Payroll		SALYER, REECE	845.04	845.04
06/24/16	13908	Payroll		CONLEY, JUSTIN	610.12	610.12
06/24/16	13909	Payroll		TICE, JOSEPH	858.93	858.93
06/24/16	13910	Payroll		JOHNSON, RICHARD	740.85	740.85
06/24/16	13911	Payroll		CROWDER, LOGAN M	803.03	803.03
06/24/16	13912	Payroll		SALISBURY,	903.26	903.26
06/24/16	13913	Payroll		ANTHONY E. B	639.14	639.14
06/24/16	13914	Payroll		ADKINS, RAY V	810.94	810.94
06/24/16	13915	Payroll		HORNE, DAVID R	781.99	781.99
06/24/16	13916	Payroll		GOLINS, GODY	558.54	558.54
06/24/16	13917	Payroll		COMPTON, JOSEPH T	1,282.60	1,282.60
06/24/16	13918	Payroll		HALL, SHANNON L	939.65	939.65
06/24/16	13919	Payroll		CATRON, BARRY	907.17	907.17
06/24/16	13920	23607	Garnishee	ROBINSON,	1,229.56	1,229.56
06/24/16	13921	90801	Payroll Taxes	CHRISTOPHER HACKWORTH,	320.53	320.53
06/24/16	13922	62305	Chemicals	KENDALL W	457.64	457.64
06/24/16	13923	75001	Training	BOLEN, PRESTON L	5,589.19	5,589.19
06/24/16	13924	72103	Office Supplies	FRANCIS, CHRIS	154.50	154.50
06/24/16	13925	73003	Misc. Expenses	Child Support	111.48	111.48
06/24/16	13926	64109	Fuel-Gasoline	Enforcement	45.00	45.00
06/24/16	13927	64107	Vehicle Repairs - T & D	United States Treasury	34.35	34.35
06/24/16	13928	73003	Misc. Expenses	C.I. Thornburg	934.00	934.00
06/24/16	13929	72104	Telephone & Utilities Office	Chris Francis	433.25	433.25
06/24/16	13930	72301	Legal	DEAN HALL	200.00	200.00
				Floyd County Clerk	1,000.00	1,000.00
				Richard Johnson		
				Roger Jones		
				Southern Water & Sewer		
				Teresa Hall		
				TYLER GREEN		

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
06/29/16	13934	64107	Vehicle Repairs - T & D	Parts City of McDowell	4,117.02	4,117.02
06/29/16	13935	64102	Supplies - T & D	USA BLUEBOOK	948.70	948.70
06/27/16	13937	16101	Utility Plant	TIM SHORTAUTO	804.58	804.58
06/30/16	13938	64106	Uniform Rental - T & D	Aramark Uniform Services	2,476.75	2,476.75
06/30/16	13939	64110	Lab Services - Distribution	McCoy & McCoy Laboratories	7,788.00	7,788.00
06/30/16	13940	62301	Supplies - Pumping	Metropolitan Compounds, Inc.	496.50	496.50
					Total of Checks	477,335.41
Total Debits		<u>477,335.41</u>	Total Credits		<u>0.00</u>	
Number of Transactions		110				

SOUTHERN WATER & SEWER DISTRICT

PO BOX 610

MCDOWELL, KY 41647

REGULAR CALLED MEETING JUNE 27TH @5PM

ATTENDANCE

PAULA JOHNSON, CHAIRMAN

TROY HOGGE, KY. ENG. GROUP

JOSEPH JACOBS, COMMISSIONER

JEFF REED, SPEARS CPA

LARRY OSBORNE, COMMISSIONER

KEVIN HOWARD, SUMMITT ENGIN.

HAYES HAMILTON, COMMISSIONER

DEAN M. HALL, STAFF

BRENDA POWERS, BIG SANDY ADD

PAULA BURKE, STAFF

Meeting was called to order by PAULA JOHNSON @ 5:04 PM

MOTION TO APPROVE MINUTES

MOTION MADE BY: HAYES HAMILTON

SECONDED BY: LARRY JOE OSBORNE

MOTION PASSED

MOTION TO START BILL BACK FOR ROBERT & PATRICIA ELLIOTT

MOTION MADE BY: LARRY JOE OSBORNE

SECONDED BY: HAYES HAMILTON

MOTION PASSED

MOTION TO SIGN COMMITMENT LETTER PERTAINING TO HAROLD SEWER PROJECT PRESENTED BY BRENDA POWERS WITH BIG SANDY ADD

MOTION MADE BY: JOE JACOBS

SECONDED BY: HAYES HAMILTON

MOTION PASSED

MOTION TO PAY SUMMITT ENGINEERING INVOICE IN THE AMOUNT OF \$48,698.50

MOTION MADE BY: JOE JACOBS

SECONDED BY: LARRY JOE OSBORNE

MOTION FOR RANDY JONES TO PROCEED WITH PSC FILINGS

MOTION MADE BY: JOE JACOBS

SECONDED BY: HAYES HAMILTON

MOTION PASSED

MOTION FOR PAULA JOHNSON AND BARRY HALL TO SIGN LOAN CLOSING

MOTION MADE BY: LARRY JOE OSBORNE

SECONDED BY: HAYES HAMILTON

MOTION PASSED

MOTION TO ACCEPT LETTER OF INTENT FOR OPERATING & MAINTAINING THE 3 SEWER PLANTS

\$3000.00 PER MONTH

MOTION MADE BY: LARRY JOE OSBORNE

SECONDED BY: JOE JACOBS

MOTION PASSED

**MOTION TO ACCEPT KIA LOANS INVITATION W/NO OBLIGATIONS FOR HAROLD PHASE IV,
MELLOWBROOK EXTENSION, WAYLAND WWTP AND WAYLAND LINE PLACEMENT ARRANGEMENT**

MOTION MADE BY: LARRY JOE OSBORNE

SECONDED BY: HAYES HAMILTON

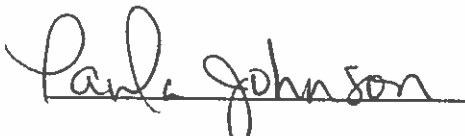
MOTION TO ADJOURN

MOTION MADE BY: HAYES HAMILTON

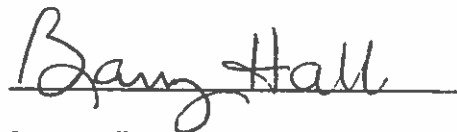
MOTION SECONDED BY: LARRY JOE OSBORNE

MOTION PASSED

With there being no further information to discuss this meeting was adjourned at 6:02 p.m. Passed by the Southern Water & Sewer Commissioners on this 21 day of June 2016.



PAULA JOHNSON, Chairman



Barry Hall, Secretary

**SOUTHERN WATER AND SEWER
MONTHLY FILED CONSTRUCTION LOG
6/28/2016 TO 7/22/2016**

NUMBER OF LEAKS (58)

NUMBER OF TAPS (3)

NUMBER OF DIG OUTS (3)

ESTIMATED WATER LOSS 2,900,000 gal

LINE SIZES ¾ (43) 1inch (6) 2inch (2) 3inch (2) 4inch (4)

6inch () 8inch () 10inch (1) 12inch ()

PARST USED: (71) ¾ couplings (11) 1 inch couplings (4) 2 inch hymax,s
(2) 3 inch hymax's (8) 4 inch hymax's () 6 inch hymax's () 8 inch
hymax's (2) 10 inch hymax,s (3) SR-II meter bottoms – (8) ¾ regulators

Right Beaver (26) Left Beaver (13) Big Mud (7) Little Mud (9) Sandy
Valley ("" 3)

FILED SUPERVISOR Chin Rahi DATE 7/22/16

GENERAL MANAGER _____ DATE _____

Southern Water and Sewer District
Transaction Listing

Date	Reference	Account	Account Description	Description	Amount	Reference Total
06/01/16	1015	16201	Construction in Progress	KY ENGINEERING GROUP	9,868.31	9,868.31
06/01/16	1016	16201	Construction in Progress	BOCA ENTERPRISES	139,351.77	139,351.77
06/28/16	1058	72153	Worker's Compensation	KACO WORKERS COMP	5,488.59	5,488.59
06/01/16	1101	60001	Solid Waste Payments	FLOYD COUNTY SOLID WASTE	75,827.59	75,827.59
06/23/16	1102	60001	Solid Waste Payments	FLOYD COUNTY SOLID WASTE	74,764.77	74,764.77
06/16/16	1463	70301	Billing Postage	USPS	782.31	782.31
06/17/16	1464	73003	Misc. Expenses	LESLIE EQUIPMENT	204.44	204.44
06/01/16	13728	70301	Billing Postage	UPS	1,891.13	1,891.13
06/10/16	13730	62302	Repairs - Pumping	FRASURE ELECTRIC	5,000.00	5,000.00
06/01/16	13837	72110	Life Ins.	AGLA	1,957.76	1,957.76
06/01/16	13838	64102	Supplies - T & D	Allens Hardware	88.15	88.15
06/01/16	13839	64104	Utilities - T & D	American Electric Power	28,273.86	
06/01/16	13839	64120	Utilities - Sewer	POWER-SEWER	1,981.35	30,255.21
06/01/16	13840	64104	Utilities - T & D	Appalachian Wireless	600.39	600.39
06/01/16	13841	64150	Uniform Rental	Aramark Uniform Services	3,007.30	3,007.30
06/01/16	13842	23214	N/P - CITIZEN'S NATIONAL (EXCAVATOR)	CITIZEN'S NATIONAL BANK	939.61	939.61
06/01/16	13843	72104	Telephone & Utilities - Office	East Ky Exterminating	45.00	45.00
06/01/16	13844	64102	Supplies - T & D	FORTLINE, INC	7,805.80	7,805.80
06/01/16	13845	73003	Misc. Expenses	Hi Tech Security	24.99	24.99
06/01/16	13846	23607	Garnishee	Lloyd & McDaniel, PLC	90.08	90.08
06/01/16	13847	73001	Commissioner's Fee	Paula Johnson	500.00	500.00
06/01/16	13848	62501	Natural Gas-WTP	PEOPLES	68.11	68.11
06/01/16	13849	72304	Professional Fees	Thoroughbred Business Group	450.00	450.00
06/01/16	13850	72107	Shipping	UPS	22.00	22.00
06/01/16	13851	64102	Supplies - T & D	Wright Lumber	199.00	199.00
06/01/16	13852	72103	Office Supplies	DEAN HALL	413.39	413.39
06/10/16	13853	Payroll		WEBB, MARIBETH	1,190.20	1,190.20
06/10/16	13854	Payroll		OSBORNE, LARRY J	424.15	424.15
06/10/16	13855	Payroll		JACOBS, JOSEPH G	455.40	455.40
06/10/16	13856	Payroll		HALL, BARRY	424.15	424.15
06/10/16	13857	Payroll		BURKE, PAULA	763.36	763.36
06/10/16	13858	Payroll		ROBINSON, AMBER	558.54	558.54
06/10/16	13859	Payroll		AUTON, ELIZABETH	691.33	691.33
06/10/16	13860	Payroll		HAMILTON, HAYES	383.77	383.77
06/10/16	13861	Payroll		HUNTER, EVERETT R	726.45	726.45
06/10/16	13862	Payroll		HALL, GEORGE	1,435.00	1,435.00
06/10/16	13863	Payroll		HALL, DEAN M	1,754.79	1,754.79
06/10/16	13864	Payroll		HARRISON, DON E	982.60	982.60
06/10/16	13865	Payroll		ADKINS, CHRISTOPHER O	758.68	758.68
06/10/16	13866	Payroll		JUSTICE, DUSTIN R	712.15	712.15
06/10/16	13867	Payroll		WILKS, ROBERT S	396.45	396.45
06/10/16	13868	Payroll		SALYER, REECE	1,315.87	1,315.87
06/10/16	13869	Payroll		CONLEY, JUSTIN	781.93	781.93
06/10/16	13870	Payroll		TICE, JOSEPH	640.09	640.09
06/10/16	13871	Payroll		JOHNSON, RICHARD	610.12	610.12
06/10/16	13872	Payroll		CROWDER, LOGAN M	816.67	816.67
06/10/16	13873	Payroll		SALISBURY, ANTHONY E. B	667.15	667.15
06/10/16	13874	Payroll		ADKINS, RAY V	895.13	895.13
06/10/16	13875	Payroll		HORNE, DAVID R	855.03	855.03
06/10/16	13876	Payroll		COLLINS, CODY	757.19	757.19
06/10/16	13877	Payroll		COMPTON, JOSEPH T	650.19	650.19
06/10/16	13878	Payroll		HALL, SHANNON L	715.37	715.37
06/10/16	13879	Payroll		ROBINSON,		

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
06/10/16	13880	Payroll		CHRISTOPHER HACKWORTH,	1,453.04	1,453.04
06/10/16	13881	Payroll		KENDALL W	810.86	810.86
06/10/16	13882	Payroll		BOLEN, PRESTON L	953.09	953.09
06/10/16	13883	23501	Customer Deposits	FRANCIS, CHRIS	1,083.65	1,083.65
06/10/16	13884	62305	Chemicals	Blake Roberts	21.65	21.65
06/10/16	13885	23607	Garnishee	C.I. Thornburg	5,117.60	5,117.60
				Child Support		
06/10/16	13886	64102	Supplies - T & D	Enforcement	320.53	320.53
06/10/16	13887	60002	Water Purchases	Chris Francis	342.68	342.68
06/10/16	13888	23606	Accrued Sales Tax	City Of Pikeville	20,848.12	20,848.12
				Kentucky State		
06/10/16	13889	72302	Accounting	Treasurer	610.36	610.36
06/10/16	13890	60002	Water Purchases	Michael Spears	1,800.00	1,800.00
				Prestonsburg City		
06/10/16	13891	23501	Customer Deposits	Utilities	12,678.61	12,678.61
				VANDERBILT		
06/10/16	13892	73003	Misc. Expenses	MORTGAGE	40.00	40.00
06/24/16	13893	Payroll		DEAN HALL	989.02	989.02
06/24/16	13894	Payroll		WEBB, MARIBETH	1,226.13	1,226.13
06/24/16	13895	Payroll		BURKE, PAULA	831.80	831.80
06/24/16	13896	Payroll		ROBINSON, AMBER	606.84	606.84
06/24/16	13897	Payroll		AUTON, ELIZABETH	753.73	753.73
06/24/16	13898	Payroll		HUNTER, EVERETT R	866.91	866.91
06/24/16	13899	Payroll		HALL, GEORGE	990.03	990.03
06/24/16	13900	Payroll		HALL, DEAN M	1,771.04	1,771.04
06/24/16	13901	Payroll		HARRISON, DON E	1,165.59	1,165.59
				ADKINS,		
06/24/16	13902	Payroll		CHRISTOPHER O	971.46	971.46
06/24/16	13903	Payroll		JUSTICE, DUSTIN R	725.99	725.99
06/24/16	13904	Payroll		WILKS, ROBERT S	371.46	371.46
06/24/16	13905	Payroll		SALYER, REECE	1,350.70	1,350.70
06/24/16	13906	Payroll		CONLEY, JUSTIN	804.75	804.75
06/24/16	13907	Payroll		TICE, JOSEPH	845.04	845.04
06/24/16	13908	Payroll		JOHNSON, RICHARD	610.12	610.12
06/24/16	13909	Payroll		CROWDER, LOGAN M	858.93	858.93
				SALISBURY,		
06/24/16	13910	Payroll		ANTHONY E. B	740.85	740.85
06/24/16	13911	Payroll		ADKINS, RAY V	803.03	803.03
06/24/16	13912	Payroll		HORNE, DAVID R	903.26	903.26
06/24/16	13913	Payroll		COLLINS, CODY	639.14	639.14
06/24/16	13914	Payroll		COMPTON, JOSEPH T	810.94	810.94
06/24/16	13915	Payroll		HALL, SHANNON L	781.99	781.99
06/24/16	13916	Payroll		CATRON, BARRY	558.54	558.54
				ROBINSON,		
06/24/16	13917	Payroll		CHRISTOPHER	1,282.60	1,282.60
				HACKWORTH,		
06/24/16	13918	Payroll		KENDALL W	939.65	939.65
06/24/16	13919	Payroll		BOLEN, PRESTON L	907.17	907.17
06/24/16	13920	23607	Garnishee	FRANCIS, CHRIS	1,229.56	1,229.56
				Child Support		
06/24/16	13921	90801	Payroll Taxes	Enforcement	320.53	320.53
06/24/16	13922	62305	Chemicals	United States Treasury	457.64	457.64
06/24/16	13923	75001	Training	C.I. Thornburg	5,589.19	5,589.19
06/24/16	13924	72103	Office Supplies	Chris Francis	154.50	154.50
06/24/16	13925	73003	Misc. Expenses	DEAN HALL	111.48	111.48
06/24/16	13926	64109	Fuel-Gasoline	Floyd County Clerk	45.00	45.00
06/24/16	13927	64107	Vehicle Repairs - T & D	Richard Johnson	34.35	34.35
06/24/16	13928	73003	Misc. Expenses	Roger Jones	934.00	934.00
06/24/16	13929	72104	Telephone & Utilities - Office	Southern Water & Sewer	433.25	433.25
06/24/16	13930	72301	Legal	Teresa Hall	200.00	200.00
				TYLER GREEN	1,000.00	1,000.00

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
06/29/16	13934	64107	Vehicle Repairs - T & D	Parts City of McDowell	4,117.02	4,117.02
06/29/16	13935	64102	Supplies - T & D	USA BLUEBOOK	948.70	948.70
06/27/16	13937	16101	Utility Plant	TIM SHORT AUTO	804.58	804.58
06/30/16	13938	64106	Uniform Rental - T & D	Aramark Uniform Services	2,476.75	2,476.75
06/30/16	13939	64110	Lab Services - Distribution	McCoy & McCoy Laboratories	7,788.00	7,788.00
06/30/16	13940	62301	Supplies - Pumping	Metropolitan Compounds, Inc.	496.50	496.50
					Total of Checks	<u>477,335.41</u>

Total Debits 477,335.41

Total Credits 0.00

Number of Transactions 110

SOUTHERN WATER & SEWER DISTRICT
P.O. BOX 610
MCDOWELL, KY 41647

REGULAR MONTHLY MEETING MAY 23 2016

AGENDA

- A. Call to Order
- B. Approval of Minutes
- C. Approval of Financial Statements
- D. Resolution with Prestonsburg City Utilities-Operating Agreement
- E. Resolution to Award Harold Phase III (Tentatively)
- F. Managers Report
- G. Allen to Martin
- H. Harold Phase III
- I. Other
- J. Adjournment

**SOUTHERN WATER & SEWER DISTRICT
REGULAR MONTHLY MEETING
MAY 23, 2016 @ 5:00 P.M.**

ATTENDANCE:

PAULA JOHNSON, CHAIRMAN

BARRY HALL, SECERTARY

LARRY JOE OSBORN, TREASURER

HAYES HAMILTON, COMMISSIONER

JOE JACOBS, COMMISSIONER

BEN HALE, CO. JUDGE EXECUTIVE

DEAN HALL, S.W.S.D MANAGER

MARIBETH WEBB, OFFICE MGR.

KEVIN HOWARD, SUMMIT ENG.

MATT CURTIS, K.E.G.

JEFF REED, CPA

PATTY ELLIOTT, CUSTOMER

RANDY DAVIS, MAGISTRATE DIST. 2

Chairman Paula Johnson called the meeting to order at 5:00 P.M.

MOTON TO APPROVE MINUTES DATED 4/25/16 AND 5/11/16

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: LARRY JOE JACOBS

MOTION PASSED

MOTION TO TABLE THE BIDS FOR THE HAROLD SEWER PROJECT

MOTION MADE BY: JOE JACOBS

MOTION SECONDED BY: BARRY HALL

MOTION PASSED

MOTION TO SUSPEND ROBERT/PATTY ELLIOTT'S WATER BILL UNTIL THE PRESSURE PROBLEM IS RESOLVED IN FINANCE HOLLOW

MOTION MADE BY: JOE JACOBS

MOTION SECONDED BY: LARRY JOE JACOBS

MOTION PASSED

MOTION TO PAY PAY REQUEST FOR BOCA AND KY ENGINEERING GROUP

MOTION MADE BY: HAYES HAMILTON

MOTION SECONDED BY: BARRY HALL

MOTION PASSED

MOTION TO APPROVE THE FINANCIAL STATEMENT FOR APRIL 2016

MOTION MADE BY: LARRY JOE JACOBS

MOTION SECONDED BY: BARRY HALL

MOTION PASSED

MOTION TO ACCEPT THE RESOLUTION WITH PRESTONSBURG CITY UTILITY COMMISSION

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: JOE JACOBS

MOTION PASSED

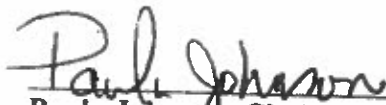
MOTION TO ADJOURN

MOTION MADE BY: BARRY HALL

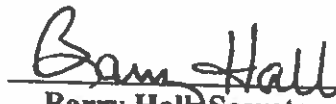
MOTION SECONDED BY: LARRY JOE JACOBS

MOTION PASSED

With there being no further business to discuss, this meeting was adjourned at 6:15 p.m. passed by Southern Water & Sewer District Commissioners on this 23 day of May 2016.



Paula Johnson, Chairman



Barry Hall, Secretary

SOUTHERN WATER AND SEWER
MONTHLY FILED CONSTRUCTION LOG
5/24/2016 TO 6/27/2016

NUMBER OF LEAKS (51)

NUMBER OF TAPS (0)

NUMBER OF DIG OUTS (6)

ESTIMATED WATER LOSS 2,400,000 gal

LINE SIZES ¾ (38) 1inch (6) 2inch () 3inch (1) 4inch (2)

6inch (2) 8inch (2) 10inch 12inch ()

PARST USED: (52) ¾ couplings (11) 1 inch couplings () 2 inch hymax,s
(2) 3 inch hymax's (4) 4 inch hymax's (4) 6 inch hymax's (4) 8 inch
hymax's () 12 inch hymax,s (1) SR-II meter bottoms – (1) ¾ regulators

Right Beaver (23) Left Beaver (9) Big Mud (11) Little Mud (6) Sandy
Valley (2)

FILED SUPERVISOR *CL Robson* DATE 6/27/16

GENERAL MANAGER _____ DATE _____

**SOUTHERN WATER AND SEWER DISTRICT
SPECIAL CALLED MEETING
MAY 11, 2016 @ 10:00 A.M.**

ATTENDANCE:

PAULA JOHNSON, CHAIRMAN

HAYES HAMILTON, COMMISSIONER

BARRY HALL, SECRETARY (VIA PHONE)

DEAN HALL, MANAGER SWSD

JEFF REED, CPA

MARIBETH WEBB, OFFICE MGR. SWSD

This meeting was called to order @ 10:00 A.M. by Chairman, Paula Johnson to discuss renewing the **Line of Credit at First Guaranty Bank.**

MOTION TO RENEW THE LINE OF CREDIT WITH FIRST GUARANTY BANK

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: HAYES HAMILTON

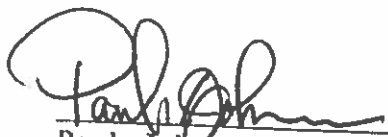
MOTION PASSED

MOTION TO ADJOURN


MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: HAYES HAMILTON

With there being no further business to discuss, this meeting was adjourned at 10:45 a.m. passed by Southern Water & Sewer District Commissioners on this 11 day of May 2016.



Paula Johnson, Chairman



Barry Hall, Secretary

MICHAEL R. SPEARS, CPA, PSC
P.O. BOX 1270
PRESTONSBURG, KY 41653

May 23, 2016

Southern Water and Sewer District
Board of Commissioners
Prestonsburg, KY 41653

RE: April 2016 Financial Statements

Dear Commissioner,

Enclosed you will find your financial statements for the period ended April 30, 2016. In this letter I am giving you some pertinent highlights as I see them.

Balance Sheet as of April 30, 2016

- Cash in Bank is (\$29,894)
- Restricted Cash is \$694,936
- Accounts Receivable is \$1,395,671
- Plant in place is \$25,405,270
- Equity is \$20,115,431

Income Statement for the month ended April 30, 2016

- Operating Revenue is \$390,668 ✓
- Operating Expenses Less Depreciation of \$71,789 is \$353,222 ✓
- Other Income (Construction Income & Interest) \$52 ✓
- Other Expense (\$18,628)
- Net Income/(Loss) before depreciation expense is \$18,870 ✓
- Net Income/(Loss) after depreciation expense of \$71,879 is (\$52,919) ✓

I would ask that you review the financials and if you have questions please feel free to contact me at (606) 424-8040.

Sincerely,



Michael Spears

Southern Water and Sewer District
BALANCE SHEET
As of April 30, 2016
ASSETS

CURRENT ASSETS

Cash on Hand	\$	460.00
First Guaranty - New		(48,588.97)
Cash - Community Trust Bank (SV)		18,895.20
First Guaranty - Solid Waste Account		3,365.46
Accounts Receivable - Water		778,747.14
Accounts Receivable - Garbage		494,960.22
Accounts Receivable - Sewer		121,984.19
A/R - CDBG Grant		5,000.00
Provision for Uncollectible Accounts		(235,324.86)
Materials and Supplies		88,784.89
KIA Escrow - New		112,526.20
KIA R & M Reserve - New		59,658.56
KIA R & M Reserve #3 - New		57,734.37
First Guaranty - RD Account		906.67
RD Depreciation Reserve Acc.		33,094.15
RD Escrow Acct		88,189.52
1st Guaranty - FEMA Reimbursements		21,341.04
FGB - Rural Development Construction		4,555.59
FGB - Capital Improvement Account		105,361.98
FGB - RD Sinking Fund (New)		22,157.00
Cash - Pride on the River		980.26
FEMA - 1976 - DR - KY		21,166.80
Insurance Escrow Account		15,200.95
KIA R & M RESERVE A04-06		35,695.00
Construction Account		19,250.29
FGB - Customer Deposit Account		24,208.40
FGB - Health Care Reimbursement		13,820.01
FGB - Allen to Martin WTP		55,727.83

Total Current Assets 1,919,633.89

PROPERTY AND EQUIPMENT

Utility Plant	33,728,965.83
Utility Plant	1,768,340.49
Utility Plant Sewer	7,864,392.19
Construction in Progress	2,777,442.87
Construction in Progress - Sewer	43,921.50
Less: Accumulated Depreciation	(20,775,793.34)

Net Property and Equipment 25,405,269.54

OTHER ASSETS

Prepaid Interest	98,409.02
Accumulated Amortization	(35,263.53)

Total Other Assets 63,146.39

TOTAL ASSETS \$ 27,388,049.62

Southern Water and Sewer District
BALANCE SHEET
As of April 30, 2016

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	104,930.51
A/P - CIP		47,041.44
N/P - FGB LOC		226,000.00
First Guaranty - Office Building		21,985.27
N/P - FIRST GUARANTY (TRUCKS)		11,587.69
N/P - FGB (DEAN'S TRUCK)		17,876.17
N/P - CITIZEN'S NATIONAL (EXCAVATO		33,194.22
Customer Deposits		194,035.31
Customer Deposits - Sewer		190.00
Accrued Fed WTH		7,297.27
Accrued Ky WTH		1,583.65
Accrued KUI/FUTA		3,572.44
Accrued School Tax		6.33
Accrued Sales Tax		1,296.85
Garnishee		2,032.63
Accrued 401-k		(126.10)
Accrued Vacation/Sick Pay		67,054.08
Accrued Interest - KIA III		25,639.76
Accrued Interest - Bonds		37,102.50
Accrued Interest - New Bond		3,201.73
Accrued Interest - Sandy Valley Bond		10,548.58
Accrued Interest - Build America Bond		2,916.59
A/P - Solid Waste		448,586.00

Total Current Liabilities 1,267,552.92

LONG-TERM LIABILITIES

Notes Payable Current Portion	475,320.09
Less Current Portion Notes Payable	(475,320.09)
Bonds Payable Current Portion	64,981.00
N/P - KIA I	542,395.07
N/P - KIA III	1,440,141.88
Bonds Payable	2,109,000.00
N/P - KIA A-04-06	34,019.07
Bonds Payable (New)	195,000.00
RD Note - Sandy Valley 589573	501,509.00
USDA (530,000)	487,000.00
N/P - KIA (A11-16) Harold Sewer	696,001.13
Less Current Portion Bonds Payable	(64,981.00)

Total Long-Term Liabilities 6,005,088.13

Total Liabilities 7,272,619.05

CAPITAL

Invested in Capital Assets	17,804,982.00
Restricted for Capital Projects	46,457.00
Restricted for Maintenance	100,453.00
Restricted for Debt Services	283,254.00
Unrestricted Net Assets	411,476.35
Restricted for Deposits	153,021.00
Current Earnings	119,463.31

Southern Water and Sewer District
BALANCE SHEET
As of April 30, 2016

Retained Earnings	1,386,323 91
Total Stockholders' Equity	20,115,430 57
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 27,388,049 62

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 4 Months Ended April 30, 2016

	1 Month Ended April 30, 2016	%	4 Months Ended April 30, 2016	%
Sales				
Metered Sales - Residential	\$ 275,753.93	70.59	\$ 1,119,182.23	70.83
Metered Sales - Business	8,592.00	2.20	30,860.03	1.95
Metered Sales - Residential Sewer	13,656.60	3.50	52,644.03	3.33
Metered Sales - Business Sewer	978.40	0.25	3,495.49	0.22
Sales for Resale	4,374.66	1.12	17,398.57	1.10
Penalties	5,593.25	1.43	27,873.18	1.76
Meter Service	2,560.00	0.66	12,700.00	0.80
Tap fees	609.12	0.16	2,261.00	0.14
Sewer Tap Fees	0.00	0.00	(500.00)	(0.03)
Other Income	500.00	0.13	2,000.00	0.13
Garbage Sales Revenue	78,050.00	19.98	312,178.75	19.76
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	390,667.96	100.00	1,580,093.26	100.00
Gross Profit	390,667.96	100.00	1,580,093.26	100.00
Operating Expenses				
Solid Waste Payments	73,274.82	18.76	302,813.39	19.16
Water Purchases	38,616.96	9.88	152,198.87	9.63
Operations Labor - Pumping	10,543.35	2.70	33,636.48	2.13
Chemicals - Sewer	0.00	0.00	20,833.96	1.32
Supplies - Pumping	0.00	0.00	891.80	0.04
Telephone & Utilities - Pumping	1,564.51	0.40	1,564.51	0.10
Chemicals	4,948.60	1.27	29,670.13	1.88
Sewer Supplies	0.00	0.00	3,740.60	0.24
Supplies	119.91	0.03	502.55	0.03
Natural Gas-WTP	0.00	0.00	1,271.93	0.08
Operations Labor - T & D	69,513.12	17.79	202,181.37	12.80
Wages - Sewer	3,000.00	0.77	6,000.00	0.38
Wages - Sewer	2,677.50	0.69	9,015.75	0.57
Uniform Rental - T & D	0.00	0.00	2,717.14	0.17
Supplies - T & D	24,940.23	6.38	33,757.27	2.14
Vehicle Repairs - T & D	0.00	0.00	5,639.81	0.36
Utilities - T & D	39,531.04	10.12	141,405.20	8.95
Repairs Pump - T & D	10,000.00	2.56	25,000.00	1.58
Uniform Rental - T & D	0.00	0.00	4,781.50	0.30
Vehicle Repairs - T & D	5,748.96	1.47	8,082.23	0.51
Repairs - T & D	0.00	0.00	1,950.34	0.12
Fuel-Gasoline	5,872.13	1.50	22,489.67	1.42
Lab Services - Distribution	0.00	0.00	31,144.80	1.97
Utilities - Sewer	2,222.91	0.57	2,464.47	0.16
Utilities	0.00	0.00	23,139.43	1.46
Repairs - Sewer	0.00	0.00	5,817.18	0.37
Safety supplies	0.00	0.00	973.14	0.06
Billing Postage	0.00	0.00	4,616.65	0.29
Wages - Office	15,403.88	3.94	45,524.51	2.88
Office Postage	990.92	0.25	4,648.15	0.29
Office Supplies	606.60	0.16	5,823.62	0.37
Telephone & Utilities - Office	1,123.69	0.29	7,622.80	0.48
Bank Charges	1,515.30	0.39	4,559.90	0.29

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 4 Months Ended April 30, 2016

	1 Month Ended April 30, 2016	%	4 Months Ended April 30, 2016	%
Health Insurance	2,329.70	0.60	77,681.37	4.91
Dental Insurance	961.43	0.25	3,225.74	0.20
Workers Comp	5,025.31	1.29	16,649.52	1.05
Life Ins.	85.42	0.02	7,857.95	0.50
Contract Labor - Administration	0.00	0.00	200.00	0.01
Health Insurance	20.00	0.01	0.00	0.00
Legal	2,000.00	0.51	2,000.00	0.13
Accounting	1,800.00	0.40	7,399.00	0.47
Professional Fees	0.00	0.00	8,570.00	0.54
Property Insurance	11,287.49	2.89	55,477.37	3.51
Commissioners Bond	0.00	0.00	2,315.95	0.15
Commissioner's Fee	2,000.00	0.51	7,500.00	0.47
Misc. Expenses	2,629.54	0.67	6,324.74	0.40
Training	208.00	0.05	963.91	0.06
Advertising	227.28	0.06	227.28	0.01
Interest & Penalty Notices	0.00	0.00	37.41	0.00
Depreciation Expense	63,382.08	16.22	253,528.32	16.05
Depreciation Expense	8,496.82	2.17	33,987.28	2.15
Payroll Taxes	9,829.23	2.46	31,983.01	2.02
Employer Pension Expense	1,935.50	0.50	6,010.29	0.38
Health Care Reimbursements	780.79	0.20	1,919.51	0.12
Total Operating Expenses	425,011.02	108.79	1,669,997.80	105.69
Operating Income (Loss)	(34,343.06)	(8.79)	(89,904.34)	(5.69)
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(200.20)	0.05	(1,592.78)	0.10
Interest Expense - LOC	(1,000.00)	0.28	(4,000.00)	0.25
Amortization of Premium	(205.02)	0.05	(820.08)	0.05
Interest Expense - KIA	(5,268.74)	1.35	(21,074.96)	1.33
Interest Expense - Bonds	(11,953.64)	3.06	(47,814.56)	3.03
Interest Income - Now	52.04	0.01	203.39	0.01
Grant Income (Dept of Transportation)	0.00	0.00	176,035.85	11.14
Rural Development - Allen to Martin WT	0.00	0.00	108,420.79	6.86
Total Other Income (Expense)	(18,575.66)	(4.75)	209,357.65	13.25
Net Income (Loss) Before Taxes	(52,918.62)	(13.55)	119,453.31	7.56
Net Income (Loss)	\$ (52,918.62)	(13.55)	\$ 119,453.31	7.56

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 4 Months Ended April 30, 2016

	1 Month Ended April 30, 2016	%	4 Months Ended April 30, 2016	%
Sales				
Metered Sales - Residential	\$ 275,753.93	70.59	\$ 1,119,182.23	70.83
Metered Sales - Business	8,592.00	2.20	30,860.03	1.95
Sales for Resale	4,374.66	1.12	17,398.57	1.10
Penalties	5,593.25	1.43	27,873.16	1.76
Meter Service	2,560.00	0.66	12,700.00	0.80
Tap fees	609.12	0.16	2,261.00	0.14
Other Income	500.00	0.13	2,000.00	0.13
Garbage Sales Revenue	78,050.00	19.98	312,176.75	19.76
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	376,032.96	96.26	1,524,453.74	96.48
Gross Profit	376,032.96	96.25	1,524,453.74	96.48
Operating Expenses				
Solid Waste Payments	73,274.82	18.76	302,813.39	19.16
Water Purchases	38,616.98	9.88	152,198.87	9.63
Operations Labor - Pumping	10,543.35	2.70	33,636.48	2.13
Supplies - Pumping	0.00	0.00	691.80	0.04
Telephone & Utilities - Pumping	1,584.51	0.40	1,584.51	0.10
Chemicals	4,948.60	1.27	29,670.13	1.88
Natural Gas - WTP	0.00	0.00	1,271.93	0.08
Operations Labor - T & D	69,513.12	17.79	202,181.37	12.80
Uniform Rental - T & D	0.00	0.00	2,717.14	0.17
Supplies - T & D	24,940.23	6.38	33,757.27	2.14
Vehicle Repairs - T & D	0.00	0.00	5,639.61	0.36
Utilities - T & D	39,531.04	10.12	141,405.20	8.95
Repairs Pump - T & D	10,000.00	2.56	25,000.00	1.58
Uniform Rental - T & D	0.00	0.00	4,781.50	0.30
Vehicle Repairs - T & D	5,748.98	1.47	8,082.23	0.51
Repairs - T & D	0.00	0.00	1,950.34	0.12
Fuel - Gasoline	5,872.13	1.50	22,469.67	1.42
Lab Services - Distribution	0.00	0.00	31,144.80	1.97
Safety supplies	0.00	0.00	973.14	0.06
Billing Postage	0.00	0.00	4,616.65	0.29
Wages - Office	15,403.88	3.94	45,524.51	2.88
Office Postage	990.92	0.25	4,648.15	0.29
Office Supplies	606.60	0.16	5,823.62	0.37
Telephone & Utilities - Office	1,123.69	0.29	7,822.80	0.48
Bank Charges	1,515.30	0.39	4,559.90	0.29
Health Insurance	2,329.70	0.60	77,561.37	4.91
Dental Insurance	981.43	0.25	3,225.74	0.20
Workers Comp	5,025.31	1.29	16,649.52	1.05
Life Ins	85.42	0.02	7,857.95	0.50
Contract Labor - Administration	0.00	0.00	200.00	0.01
Legal	2,000.00	0.51	2,000.00	0.13
Accounting	1,800.00	0.46	7,399.00	0.47
Professional Fees	0.00	0.00	8,570.00	0.54
Property Insurance	11,287.49	2.89	55,477.37	3.51
Commissioners Bond	0.00	0.00	2,315.95	0.15
Commissioner's Fee	2,000.00	0.51	7,500.00	0.47

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 4 Months Ended April 30, 2016

	1 Month Ended April 30, 2016	%	4 Months Ended April 30, 2016	%
Misc. Expenses	2,629.54	0.67	6,324.74	0.40
Training	206.00	0.05	983.91	0.06
Advertising	227.28	0.08	227.28	0.01
Interest & Penalty Notices	0.00	0.00	37.41	0.00
Depreciation Expense	63,382.08	16.22	253,528.32	16.05
Depreciation Expense	8,498.82	2.17	33,987.28	2.15
Payroll Taxes	9,829.23	2.46	31,983.01	2.02
Employer Pension Expense	1,935.50	0.50	6,010.29	0.38
Health Care Reimbursements	780.79	0.20	1,919.51	0.12
Total Operating Expenses	416,970.70	106.73	1,598,483.66	101.16
Operating Income (Loss)	(40,937.74)	(10.48)	(74,029.92)	(4.69)
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(200.20)	0.05	(1,592.78)	0.10
Interest Expense - LOC	(1,000.00)	0.26	(4,000.00)	0.25
Amortization of Premium	(205.02)	0.05	(820.08)	0.05
Interest Expense - KIA	(5,268.74)	1.35	(21,074.96)	1.33
Interest Expense - Bonds	(11,953.64)	3.06	(47,814.56)	3.03
Interest Income - Now	52.04	0.01	203.39	0.01
Rural Development - Allen to Martin WT	0.00	0.00	108,420.79	6.86
Total Other Income (Expense)	(18,575.56)	(4.75)	33,321.80	2.11
Net Income (Loss) Before Taxes	(59,513.30)	(15.23)	(40,708.12)	(2.58)
Net Income (Loss)	\$ (59,513.30)	(15.23)	\$ (40,708.12)	(2.58)

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - SEWER
For the 1 Month and 4 Months Ended April 30, 2016

	1 Month Ended April 30, 2016	%	4 Months Ended April 30, 2016	%
Sales				
Metered Sales - Residential Sewer	\$ 13,856.80	3.50	\$ 52,644.03	3.33
Metered Sales - Business Sewer	978.40	0.25	3,495.49	0.22
Sewer Tap Fees	0.00	0.00	(500.00)	(0.03)
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	14,835.00	3.75	55,639.52	3.52
Gross Profit	14,835.00	3.75	55,639.52	3.52
Operating Expenses				
Chemicals - Sewer	0.00	0.00	20,833.96	1.32
Sewer Supplies	0.00	0.00	3,740.80	0.24
Supplies	119.91	0.03	502.55	0.03
Wages - Sewer	3,000.00	0.77	6,000.00	0.38
Wages - Sewer	2,677.50	0.69	9,015.75	0.57
Utilities - Sewer	2,222.91	0.57	2,464.47	0.16
Utilities	0.00	0.00	23,139.43	1.48
Repairs - Sewer	0.00	0.00	5,817.18	0.37
Health Insurance	20.00	0.01	0.00	0.00
Total Operating Expenses	8,040.32	2.08	71,513.94	4.53
Operating Income (Loss)	6,594.68	1.69	(15,874.42)	(1.00)
Other Income (Expense)				
Grant Income (Dept of Transportation)	0.00	0.00	176,035.85	11.14
Total Other Income (Expense)	0.00	0.00	176,035.85	11.14
Net Income (Loss) Before Taxes	6,594.68	1.69	160,161.43	10.14
Net Income (Loss)	\$ 6,594.68	1.69	\$ 160,161.43	10.14

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
04/01/16	1036	23501	Customer Deposits	KAITLIN & COREY		
				TERRY	60.00	60.00
04/07/16	1050	72109	Workers Comp	KEMI	2,525.31	2,525.31
04/07/16	1051	72401	Property Insurance	KLC PREMIUM		
				FINANCE	11,287.49	11,287.49
04/07/16	1052	72109	Workers Comp	KACO	2,500.00	2,500.00
04/22/16	1100	60001	Solid Waste Payments	FLOYD COUNTY		
				SOLID WASTE	73,357.41	73,357.41
04/12/16	1121	93504	Health Care Reimbursements	DEAN HALL	483.01	483.01
04/13/16	1122	93504	Health Care Reimbursements	GEORGE HALL	297.78	297.78
04/07/16	1451	64105	Repairs Pump - T & D	FRASURE ELECTRIC	5,000.00	5,000.00
04/11/16	1452	60002	Water Purchases	PIKEVILLE CITY		
				UTILITIES	21,183.61	21,183.61
04/15/16	1453	72102	Office Postage	MCDOWELL		
				POSTMASTER	941.92	941.92
04/21/16	1454	64104	Utilities - T & D	AMERICAN		
				ELECTRIC POWER	10,000.00	10,000.00
04/29/16	1455	93501	Transfer of Funds	TRANSFER	8,000.00	8,000.00
04/25/16	1456	93501	Transfer of Funds	SWSD REIMB		
				GARBAGE	10,802.75	10,802.75
04/01/16	13292	64001	Operations Labor - T & D	RAY V ADKINS	838.84	838.84
04/01/16	13554	73003	Misc. Expenses	April Isaac	331.22	331.22
04/01/16	13555	23501	Customer Deposits	Leslie Cooley	21.65	21.65
04/01/16	13556	73003	Misc. Expenses	MARGARET KING	593.83	593.83
04/01/16	13557	72102	Office Postage	MCDOWELL		
				POSTMASTER	49.00	49.00
04/01/16	13558	73001	Commissioner's Fee	Paula Johnson	500.00	500.00
04/04/16	13559	64110	Lab Services - Distribution	McCoy & McCoy		
				Laboratories	5,173.13	5,173.13
04/04/16	13560	72103	Office Supplies	STAPLES	566.70	566.70
04/01/16	13571	Payroll		WEBB, MARIBETH	1,292.30	1,292.30
04/01/16	13572	Payroll		OSBORNE, LARRY J	424.52	424.52
04/01/16	13573	Payroll		JACOBS, JOSEPH G	455.35	455.35
04/01/16	13574	Payroll		HALL, BARRY	424.52	424.52
04/01/16	13575	Payroll		HURKE, PAULA	804.55	804.55
04/01/16	13576	Payroll		ALLEN, TEDDI	700.91	700.91
04/01/16	13577	Payroll		AUTON, ELIZABETH	728.92	728.92
04/01/16	13578	Payroll		HAMILTON, HAYES	383.72	383.72
04/01/16	13579	Payroll		HUNTER, EVERETT R	879.44	879.44
04/01/16	13580	Payroll		HALL, GEORGE	1,142.12	1,142.12
04/01/16	13581	Payroll		HALL, DEAN M	1,754.84	1,754.84
04/01/16	13582	Payroll		HARRISON, DON E	982.45	982.45
04/01/16	13583	Payroll		ADKINS,		
				CHRISTOPHER O	758.45	758.45
04/01/16	13584	Payroll		JUSTICE, DUSTIN R	690.52	690.52
04/01/16	13585	Payroll		WILKS, ROBERT S	445.98	445.98
04/01/16	13586	Payroll		SALVER, REECE	1,258.49	1,258.49
04/01/16	13587	Payroll		CONLEY, JUSTIN	0.00	
04/01/16	13587	64001	Operations Labor - T & D	JUSTIN CONLEY	667.93	667.93
04/01/16	13588	Payroll		TICE, JOSEPH	651.62	651.62
04/01/16	13589	Payroll		JOHNSON, RICHARD	642.95	642.95
04/01/16	13590	Payroll		CROWDER, LOGAN M	682.93	682.93
04/01/16	13591	Payroll		SALISBURY,		
				ANTHONY E. B	601.92	601.92
04/01/16	13592	Payroll		ADKINS, RAY V	838.84	838.84
04/01/16	13593	Payroll		HORNE, DAVID R	782.25	782.25
04/01/16	13594	Payroll		COLLINS, CODY	885.86	885.86
04/01/16	13595	Payroll		COMPTON, JOSEPH T	669.10	669.10
04/01/16	13596	Payroll		HALL, SHANNON L	499.46	499.46
04/01/16	13597	Payroll		ROBINSON,		
				CHRISTOPHER	1,039.09	1,039.09
04/01/16	13598	Payroll		HACKWORTH,		

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
04/01/16	13599	Payroll		KENDALL, W	912.68	912.68
04/01/16	13600	Payroll		BOLEN, PRESTON L	689.77	689.77
04/01/16	13601	Payroll		FRANCIS, CHRIS	1,083.23	1,083.23
04/01/16	13602	23607	Garnishee	ALLEN, TEDDI	633.65	633.65
				Child Support		
04/01/16	13603	23607	Garnishee	Enforcement	179.98	179.98
				Child Support		
04/01/16	13604	23603	Accrued Ky WTH	Enforcement	320.53	320.53
				Kentucky, State		
04/01/16	13605	72302	Accounting	Treasurer	2,766.49	2,766.49
04/11/16	13607	62305	Chemicals	Michael Spears	1,800.00	1,800.00
04/11/16	13608	60002	Water Purchases	C.I. Thornburg	4,660.56	4,660.56
				Prestonsburg City		
04/14/16	13609	72103	Office Supplies	Utilities	19,594.53	19,594.53
04/12/16	13610	73003	Misc. Expenses	IGA	39.90	39.90
04/14/16	13611	64020	Wages - Sewer	Teresa Hall	200.00	200.00
04/15/16	13612	72301	Legal	C & L CONSULTANTS	3,000.00	3,000.00
04/19/16	13613	64105	Repairs Pump - T & D	TYLER GREEN	2,000.00	2,000.00
04/21/16	13614	73003	Misc. Expenses	FRASURE ELECTRIC	5,000.00	5,000.00
04/21/16	13615	64104	Utilities - T & D	LOWES	236.07	236.07
				AMERICAN		
04/21/16	13616	64102	Supplies - T & D	ELECTRIC POWER	36,813.57	36,813.57
				HAYES PIPE SUPPLY,		
				INC.		
04/07/16	13617	72110	Life Ins.	AGIA	4,294.40	4,294.40
04/07/16	13618	64104	Utilities - T & D	Appalachian Wireless	1,980.34	1,980.34
04/07/16	13619	23214	N/P - CITIZEN'S NATIONAL (EXCAVATOR)	CITIZEN'S NATIONAL	65.18	65.18
04/07/16	13620	72103	Office Supplies	BANK	939.61	939.61
04/07/16	13621	64102	Supplies - T & D	East Ky Experimenting	45.00	45.00
04/07/16	13622	73003	Misc. Expenses	FORTLINE, INC	11,082.01	11,082.01
04/07/16	13623	64102	Supplies - T & D	Hi Tech Security	74.97	74.97
04/07/16	13624	60002	Water Purchases	Home City Ice	87.50	87.50
				KNOTT COUNTY		
04/07/16	13625	72104	Telephone & Utilities - Office	WATER	10.80	10.80
04/07/16	13626	72103	Office Supplies	PEOPLES	245.61	245.61
04/07/16	13627	64102	Supplies - T & D	State Wide Press	93.28	93.28
04/15/16	13628	Payroll		Wright Lumber	467.69	467.69
04/15/16	13629	Payroll		WEBB, MARIBETH	1,292.31	1,292.31
04/15/16	13630	Payroll		BURKE, PAULA	804.56	804.56
04/15/16	13631	Payroll		ROBINSON, AMBER	381.59	381.59
04/15/16	13632	Payroll		AUTON, ELIZABETH	728.92	728.92
04/15/16	13633	Payroll		HUNTER, EVERETT R	904.98	904.98
04/15/16	13634	Payroll		HALL, GEORGE	864.63	864.63
04/15/16	13635	Payroll		HALL, DEAN M	1,754.85	1,754.85
04/15/16	13636	Payroll		HARRISON, DON E	1,049.00	1,049.00
				ADKINS,		
04/15/16	13637	Payroll		CHRISTOPHER, O	830.60	830.60
04/15/16	13638	Payroll		JUSTICE, DUSTIN R	766.75	766.75
04/15/16	13639	Payroll		WILKS, ROBERT S	445.97	445.97
04/15/16	13640	Payroll		SALYER, REECE	1,239.63	1,239.63
04/15/16	13641	Payroll		CONLEY, JUSTIN	724.99	724.99
04/15/16	13642	Payroll		TICE, JOSEPH	754.10	754.10
04/15/16	13643	Payroll		JOHNSON, RICHARD	719.21	719.21
04/15/16	13644	Payroll		CROWDER, LOGAN M	850.95	850.95
				SALISBURY,		
04/15/16	13645	Payroll		ANTHONY E. B	699.99	699.99
04/15/16	13646	Payroll		ADKINS, RAY V	803.17	803.17
04/15/16	13647	Payroll		HORNE, DAVID R	734.04	734.04
04/15/16	13648	Payroll		COLLINS, CODY	671.21	671.21
04/15/16	13649	Payroll		COMPTON, JOSEPH T	715.41	715.41
04/15/16	13650	Payroll		HALL, SHANNON L	0.00	0.00
				ROBINSON,		

Southern Water and Sewer District
Transaction Listing

Date	Reference	Account	Account Description	Description	Amount	Reference Total
04/15/16	13651	Payroll		CHRISTOPHER HACKWORTH,	1,275.66	1,275.66
04/15/16	13652	Payroll		KENDALL W	735.60	735.60
04/15/16	13653	Payroll		BOLEN, PRESTON L	596.76	596.76
04/15/16	13654	23607	Garnishee	FRANCIS, CHRIS	1,083.23	1,083.23
				Child Support		
				Enforcement	320.53	320.53
04/15/16	13656	Payroll		HALL, SHANNON L	782.13	782.13
04/29/16	13657	Payroll		WEBB, MARIBETH	1,272.07	1,272.07
04/29/16	13658	Payroll		BURKE, PAULA	790.73	790.73
04/29/16	13659	Payroll		ROBINSON, AMBER	577.87	577.87
04/29/16	13660	Payroll		AUTON, ELIZABETH	716.30	716.30
04/29/16	13661	Payroll		HUNTER, EVERETT R	739.22	739.22
04/29/16	13662	Payroll		HALL, GEORGE	1,034.16	1,034.16
04/29/16	13663	Payroll		HALL, DEAN M	1,754.78	1,754.78
04/29/16	13664	Payroll		HARRISON, DON E	1,264.93	1,264.93
04/29/16	13665	Payroll		ADKINS,		
				CHRISTOPHER O	801.97	801.97
04/29/16	13666	Payroll		JUSTICE, DUSTIN R	733.94	733.94
04/29/16	13667	Payroll		WILKS, ROBERT S	825.35	825.35
04/29/16	13668	Payroll		SALYER, REECE	1,447.85	1,447.85
04/29/16	13669	Payroll		CONLEY, JUSTIN	896.05	896.05
04/29/16	13670	Payroll		TICE, JOSEPH	640.09	640.09
04/29/16	13671	Payroll		JOHNSON, RICHARD	740.85	740.85
04/29/16	13672	Payroll		CROWDER, LOGAN M	930.81	930.81
04/29/16	13673	Payroll		SALISBURY,		
				ANTHONY E B	612.67	612.67
04/29/16	13674	Payroll		ADKINS, RAY V	951.48	951.48
04/29/16	13675	Payroll		HORNE, DAVID R	1,216.06	1,216.06
04/29/16	13676	Payroll		COLLINS, CODY	864.52	864.52
04/29/16	13677	Payroll		COMPTON, JOSEPH T	657.84	657.84
04/29/16	13678	Payroll		HALL, SHANNON L	770.88	770.88
04/29/16	13679	Payroll		ROBINSON,		
				CHRISTOPHER	1,453.04	1,453.04
04/29/16	13680	Payroll		HACKWORTH,		
				KENDALL W	714.27	714.27
04/29/16	13681	Payroll		BOLEN, PRESTON L	705.12	705.12
04/29/16	13682	Payroll		FRANCIS, CHRIS	1,083.64	1,083.64
04/29/16	13683	23607	Garnishee	Child Support		
				Enforcement	320.53	320.53
04/29/16	13684	23603	Accrued Ky WTH	Kentucky State		
				Treasurer	2,860.30	2,860.30
04/29/16	13685	23604	Accrued KUI/FUTA	Treasurer KY Unempl.		
				Ins. Fund	5,997.96	5,997.96
04/29/16	13686	23601	Accrued Fica	United States Treasury	24.24	24.24
04/29/16	13687	Payroll		CONLEY, JUSTIN	896.06	896.06
04/27/16	13688	23501	Customer Deposits	Steve Clark	40.00	40.00
04/27/16	13689	62305	Chemicals	C.I. Thornburg	4,948.60	4,948.60
04/14/16	13691	62303	Telephone & Utilities - Pumping	BIG SANDY RECC	1,564.51	1,564.51
04/14/16	13692	16201	Construction in Progress	KY ENGINEERING		
				GROUP	7,570.56	7,570.56
04/14/16	13693	64102	Supplies - T & D	MOORE'S		
				HARDWARE	1,956.67	1,956.67
04/14/16	13694	73003	Misc. Expenses	S. RAY SLONE	685.17	685.17
04/14/16	13695	64107	Vehicle Repairs - T & D	TWIN BRIDGE AUTO		
				PARTS	819.29	819.29
04/14/16	13696	73003	Misc. Expenses	VERNON KELLY		
				SLONE	583.25	583.25
04/25/16	13697	23104	A/P - CIP	KY ENGINEERING		
				GROUP	6,406.54	6,406.54
04/25/16	13698	64107	Vehicle Repairs - T & D	XTREME AUTO & PERFORMANCE	2,690.04	2,690.04

Southern Water and Sewer District Transaction Listing

Date	Reference	Account	Account Description	Description	Amount	Reference Total
Total of Checks						<u>359,011.01</u>
Total Debits		<u>359,011.01</u>	Total Credits		<u>0.00</u>	
Number of Transactions		147				

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
04/01/16	1036	23501	Customer Deposits	KAITLIN & COREY		
04/07/16	1050	72109	Workers Comp	TERRY	60.00	60.00
04/07/16	1051	72401	Property Insurance	KEMI	2,525.91	2,525.91
04/07/16	1052	72109	Workers Comp	KLC PREMIUM		
04/22/16	1100	60001	Solid Waste Payments	FINANCE	11,287.49	11,287.49
04/12/16	1121	93504	Health Care Reimbursements	KACO	2,500.00	2,500.00
04/13/16	1122	93504	Health Care Reimbursements	FLOYD COUNTY		
04/07/16	1451	64105	Repairs Pump - T & D	SOLID WASTE	73,357.41	73,357.41
04/11/16	1452	60002	Water Purchases	DEAN HALL	483.01	483.01
04/15/16	1453	72102	Office Postage	GEORGE HALL	297.78	297.78
04/21/16	1454	64104	Utilities - T & D	FRASURE ELECTRIC	5,000.00	5,000.00
04/29/16	1455	93501	Transfer of Funds	PIKEVILLE CITY		
04/25/16	1456	93501	Transfer of Funds	UTILITIES	21,183.61	21,183.61
04/01/16	13292	64001	Operations Labor - T & D	MCDOWELL		
04/01/16	13554	73003	Misc. Expenses	POSTMASTER	941.92	941.92
04/01/16	13555	23501	Customer Deposits	AMERICAN		
04/01/16	13556	73003	Misc. Expenses	ELECTRIC POWER	10,000.00	10,000.00
04/01/16	13557	72102	Office Postage	TRANSFER	8,000.00	8,000.00
04/01/16	13558	73001	Commissioner's Fee	SWSD REIMB		
04/04/16	13559	64110	Lab Services - Distribution	GARBAGE	10,802.75	10,802.75
04/04/16	13560	72103	Office Supplies	RAY V ADKINS	838.84	838.84
04/01/16	13571	Payroll		April Isaac	331.22	331.22
04/01/16	13572	Payroll		Leslie Cooley	21.65	21.65
04/01/16	13573	Payroll		MARGARET KING	593.83	593.83
04/01/16	13574	Payroll		MCDOWELL		
04/01/16	13575	Payroll		POSTMASTER	49.00	49.00
04/01/16	13576	Payroll		Paula Johnson	500.00	500.00
04/01/16	13577	Payroll		McCoy & McCoy		
04/01/16	13578	Payroll		Laboratories	5,173.13	5,173.13
04/01/16	13579	Payroll		STAPLES	566.70	566.70
04/01/16	13580	Payroll		WEBB, MARIBETH	1,292.30	1,292.30
04/01/16	13581	Payroll		OSBORNE, LARRY J	424.52	424.52
04/01/16	13582	Payroll		JACOBS, JOSEPH G	455.35	455.35
04/01/16	13583	Payroll		HALL, BARRY	424.52	424.52
04/01/16	13584	Payroll		BURKE, PAULA	804.55	804.55
04/01/16	13585	Payroll		ALLEN, TEDDI	700.91	700.91
04/01/16	13586	Payroll		AUTON, ELIZABETH	728.92	728.92
04/01/16	13587	Payroll		HAMILTON, HAYES	383.72	383.72
04/01/16	13588	Payroll		HUNTER, EVERETT R	879.44	879.44
04/01/16	13589	Payroll		HALL, GEORGE	1,142.12	1,142.12
04/01/16	13590	Payroll		HALL, DEAN M	1,754.84	1,754.84
04/01/16	13591	Payroll		HARRISON, DON E	982.45	982.45
04/01/16	13592	Payroll		ADKINS, RAY		
04/01/16	13593	Payroll		CHRISTOPHER O	758.45	758.45
04/01/16	13594	Payroll		JUSTICE, DUSTIN R	690.52	690.52
04/01/16	13595	Payroll		WILKS, ROBERT S	445.98	445.98
04/01/16	13596	Payroll		SALYER, REECE	1,258.49	1,258.49
04/01/16	13597	Payroll		CONLEY, JUSTIN	0.00	
04/01/16	13598	Payroll	Operations Labor - T & D	JUSTIN CONLEY	667.93	667.93
04/01/16	13599	Payroll		TICE, JOSEPH	651.62	651.62
04/01/16	13600	Payroll		JOHNSON, RICHARD	642.95	642.95
04/01/16	13601	Payroll		CROWDER, LOGAN M	682.93	682.93
04/01/16	13602	Payroll		SALISBURY, T		
04/01/16	13603	Payroll		ANTHONY E. B	601.92	601.92
04/01/16	13604	Payroll		ADKINS, RAY V	838.84	838.84
04/01/16	13605	Payroll		HORNE, DAVID R	782.25	782.25
04/01/16	13606	Payroll		COLLINS, CODY	885.86	885.86
04/01/16	13607	Payroll		COMPTON, JOSEPH T	669.10	669.10
04/01/16	13608	Payroll		HALL, SHANNON L	499.46	499.46
04/01/16	13609	Payroll		ROBINSON,		
04/01/16	13610	Payroll		CHRISTOPHER	1,039.09	1,039.09
04/01/16	13611	Payroll		HACKWORTH,		

**Southern Water and Sewer District
Transaction Listing**

Date	Reference	Account	Account Description	Description	Amount	Reference Total
04/01/16	13599	Payroll		KENDALL W	912.68	912.68
04/01/16	13600	Payroll		BOLEN, PRESTON L	689.77	689.77
04/01/16	13601	Payroll		FRANCIS, CHRIS	1,083.23	1,083.23
04/01/16	13602	23607	Garnishee	ALLEN, TEDDI	633.65	633.65
				Child Support		
04/01/16	13603	23607	Garnishee	Enforcement	179.98	179.98
				Child Support		
04/01/16	13604	23603	Accrued Ky WTH	Enforcement	320.53	320.53
				Kentucky State		
04/01/16	13605	72302	Accounting	Treasurer	2,766.49	2,766.49
04/11/16	13607	62305	Chemicals	Michael Spears	1,800.00	1,800.00
04/11/16	13608	60002	Water Purchases	C.I. Thornburg	4,660.56	4,660.56
				Prestonsburg City		
				Utilities	19,594.53	19,594.53
04/14/16	13609	72103	Office Supplies	IGA	39.90	39.90
04/12/16	13610	73003	Misc. Expenses	Teresa Hall	200.00	200.00
04/14/16	13611	64020	Wages - Sewer	C & L CONSULTANTS	3,000.00	3,000.00
04/15/16	13612	72301	Legal	TYLER GREEN	2,000.00	2,000.00
04/19/16	13613	64105	Repairs Pump - T & D	FRASURE ELECTRIC	5,000.00	5,000.00
04/21/16	13614	73003	Misc. Expenses	LOWES	236.07	236.07
04/21/16	13615	64104	Utilities - T & D	AMERICAN		
				ELECTRIC POWER	36,813.57	36,813.57
04/21/16	13616	64102	Supplies - T & D	HAYES PIPE SUPPLY, INC.	4,294.40	4,294.40
04/07/16	13617	72110	Life Ins.	AGLA	1,980.34	1,980.34
04/07/16	13618	64104	Utilities - T & D	Appalachian Wireless	65.18	65.18
04/07/16	13619	23214	N/P - CITIZEN'S NATIONAL (EXCAVATOR)	CITIZEN'S NATIONAL BANK	939.61	939.61
04/07/16	13620	72103	Office Supplies	East Ky. Exterminating	45.00	45.00
04/07/16	13621	64102	Supplies - T & D	FORTLINE, INC	11,082.01	11,082.01
04/07/16	13622	73003	Misc. Expenses	Hi Tech Security	74.97	74.97
04/07/16	13623	64102	Supplies - T & D	Home City Ice	87.50	87.50
04/07/16	13624	60002	Water Purchases	KNOTT COUNTY		
				WATER	10.80	10.80
04/07/16	13625	72104	Telephone & Utilities - Office	PEOPLES	245.61	245.61
04/07/16	13626	72103	Office Supplies	State Wide Press	93.28	93.28
04/07/16	13627	64102	Supplies - T & D	Wright Lumber	467.69	467.69
04/15/16	13628	Payroll		WEBB, MARIBETH	1,292.31	1,292.31
04/15/16	13629	Payroll		BURKE, PAULA	804.56	804.56
04/15/16	13630	Payroll		ROBINSON, AMBER	381.59	381.59
04/15/16	13631	Payroll		AULTON, ELIZABETH	728.92	728.92
04/15/16	13632	Payroll		HUNTER, EVERETT R	904.98	904.98
04/15/16	13633	Payroll		HALL, GEORGE	864.63	864.63
04/15/16	13634	Payroll		HALL, DEAN M	1,754.85	1,754.85
04/15/16	13635	Payroll		HARRISON, DONE	1,049.00	1,049.00
04/15/16	13636	Payroll		ADKINS,		
04/15/16	13637	Payroll		CHRISTOPHER O	830.60	830.60
04/15/16	13638	Payroll		JUSTICE, DUSTIN R	766.75	766.75
04/15/16	13639	Payroll		WILKS, ROBERT S	445.97	445.97
04/15/16	13640	Payroll		SALYER, REECE	1,239.63	1,239.63
04/15/16	13641	Payroll		CONLEY, JUSTIN	724.99	724.99
04/15/16	13642	Payroll		TICE, JOSEPH	754.10	754.10
04/15/16	13643	Payroll		JOHNSON, RICHARD	719.21	719.21
04/15/16	13644	Payroll		CROWDER, LOGAN M	850.95	850.95
				SALISBURY,		
04/15/16	13645	Payroll		ANTHONY E. B	699.99	699.99
04/15/16	13646	Payroll		ADKINS, RAY V	803.17	803.17
04/15/16	13647	Payroll		HORNE, DAVID R	734.04	734.04
04/15/16	13648	Payroll		COLLINS, CODY	671.21	671.21
04/15/16	13649	Payroll		COMPTON, JOSEPH T	715.41	715.41
04/15/16	13650	Payroll		HALL, SHANNON L	0.00	0.00
				ROBINSON,		

Southern Water and Sewer District
Transaction Listing

Date	Reference	Account	Account Description	Description	Amount	Reference Total
04/15/16	13651	Payroll		CHRISTOPHER HACKWORTH,	1,275.66	1,275.66
04/15/16	13652	Payroll		KENDALL W	735.60	735.60
04/15/16	13653	Payroll		BOLEN, PRESTON L	596.76	596.76
04/15/16	13654	23607	Garnishee	FRANCIS, CHRIS	1,083.23	1,083.23
				Child Support Enforcement	320.53	320.53
04/15/16	13656	Payroll		HALL, SHANNON L	782.13	782.13
04/29/16	13657	Payroll		WEBB, MARIBETH	1,272.07	1,272.07
04/29/16	13658	Payroll		BURKE, PAULA	790.73	790.73
04/29/16	13659	Payroll		ROBINSON, AMBER	577.87	577.87
04/29/16	13660	Payroll		AUTON, ELIZABETH	716.30	716.30
04/29/16	13661	Payroll		HUNTER, EVERETT R	739.22	739.22
04/29/16	13662	Payroll		HALL, GEORGE	1,034.16	1,034.16
04/29/16	13663	Payroll		HALL, DEAN M	1,754.78	1,754.78
04/29/16	13664	Payroll		HARRISON, DON E	1,264.93	1,264.93
04/29/16	13665	Payroll		ADKINS,		
04/29/16	13666	Payroll		CHRISTOPHER O	801.97	801.97
04/29/16	13667	Payroll		JUSTICE, DUSTIN R	733.94	733.94
04/29/16	13668	Payroll		WILKS, ROBERT S	825.35	825.35
04/29/16	13669	Payroll		SALVER, REECE	1,447.85	1,447.85
04/29/16	13670	Payroll		CONLEY, JUSTIN	896.05	896.05
04/29/16	13671	Payroll		TICE, JOSEPH	640.09	640.09
04/29/16	13672	Payroll		JOHNSON, RICHARD	740.85	740.85
04/29/16	13673	Payroll		CROWDER, LOGAN M	930.81	930.81
				SALISBURY,		
04/29/16	13674	Payroll		ANTHONY, B B	612.67	612.67
04/29/16	13675	Payroll		ADKINS, RAY V	951.48	951.48
04/29/16	13676	Payroll		HORNE, DAVID R	1,216.06	1,216.06
04/29/16	13677	Payroll		COLLINS, CODY	864.52	864.52
04/29/16	13678	Payroll		GOMPTON, JOSEPH T	657.84	657.84
04/29/16	13679	Payroll		HALL, SHANNON L	770.88	770.88
				ROBINSON,		
04/29/16	13680	Payroll		CHRISTOPHER HACKWORTH,	1,453.04	1,453.04
04/29/16	13681	Payroll		KENDALL W	714.27	714.27
04/29/16	13682	Payroll		BOLEN, PRESTON L	705.12	705.12
04/29/16	13683	23607	Garnishee	FRANCIS, CHRIS	1,083.64	1,083.64
				Child Support Enforcement	320.53	320.53
04/29/16	13684	23603	Accrued Ky WTH	Kentucky State		
04/29/16	13685	23604	Accrued KUI/FUTA	Treasurer	2,860.30	2,860.30
				Treasurer's KY Unempl.		
04/29/16	13686	23601	Accrued Fica	Ins. Fund	5,997.96	5,997.96
04/29/16	13687	Payroll		United States Treasury	24.24	24.24
04/27/16	13688	23501	Customer Deposits	CONLEY, JUSTIN	896.06	896.06
04/27/16	13689	62305	Chemicals	Steve Clark	40.00	40.00
04/14/16	13691	62303	Telephone & Utilities - Pumping	C.I. Thornburg	4,948.60	4,948.60
04/14/16	13692	16201	Construction in Progress	BIG SANDY RECC	1,564.51	1,564.51
				KY ENGINEERING GROUP		
04/14/16	13693	64102	Supplies - T & D	MOORE'S	7,570.56	7,570.56
				HARDWARE		
04/14/16	13694	73003	Misc. Expenses	S. RAY SLONE	1,956.67	1,956.67
04/14/16	13695	64107	Vehicle Repairs - T & D	TWIN BRIDGE AUTO	685.17	685.17
				PARTS		
04/14/16	13696	73003	Misc. Expenses	VERNON KELLY	819.29	819.29
				SLONE		
04/25/16	13697	23104	A/P - CIP	KY ENGINEERING	583.25	583.25
				GROUP		
04/25/16	13698	64107	Vehicle Repairs - T & D	XTREME AUTO & PERFORMANCE	6,406.54	6,406.54
					2,690.04	2,690.04

04/01/16 - 04/30/16

Southern Water and Sewer District Transaction Listing

SWSD
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Date	Reference	Account	Account Description	Description	Amount	Reference Total
Total of Checks						<u>359,011.01</u>
Total Debits		<u>359,011.01</u>	Total Credits		<u>0.00</u>	
Number of Transactions		147				

**SOUTHERN WATER AND SEWER DISTRICT
REGULAR MONTHLY MEETING
APRIL 25, 2016 @ 5:00 P.M.**

ATTENDANCE:

PAULA JOHNSON, CHAIRMAN

HAYES HAMILTON, COMMISSIONER

BARRY HALL, SECRETARY

LARRY JOE OSBORNE, TREASURER

JOE JACOBS, COMMISSONER

JEFF REED, CPA

MATT CURTIS, KEG ENG.

KEVIN HOWARD, SUMMIT ENG.

DEAN HALL, MANAGER SWSD

MARIBETH WEBB, OFFICE MGR. SWSD

Chairman Paula Johnson called the meeting to order at 5:00 P.M.

MOTION TO APPROVE MINUTES DATED 3/28/16

MOTION MADE BY: JOE JACOBS

MOTION SECONDED BY: HAYES HAMILTON

MOTION PASSED

MOTION TO APPROVE MINUTES DATED 4/11/16

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: JOE JACOBS

MOTION PASSED

MOTION TO APPROVE THE FINANCIAL STATEMENT FOR MARCH 2016

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: HAYES HAMILTON

MOTION PASSED

Discussion with Matt Curtis from KY Engineering concerning the Allen-Martin Line relocation. Matt also informed the board that Boca Enterprises was the low bidder on the state relocation project, with a bid of \$56,970.00.

MOTION TO ACCEPT THE LOW BIDDER, BOCA ENTERPRISES

MOTION MADE BY: JOE JACOBS

MOTION SECONDED BY: HAYES HAMILTON

MOTION PASSED

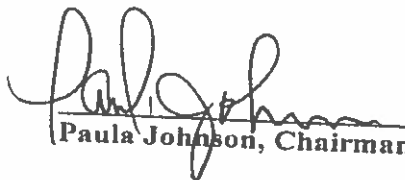
MOTION TO ADJOURN

MOTION MADE BY: HAYES HAMILTON

MOTION SECONDED BY: BARRY HALL

MOTION PASSED

With there being no further business to discuss, this meeting was adjourned at 6:15 p.m. passed by Southern Water & Sewer District Commissioners on this 25 day of April, 2016.



Paula Johnson, Chairman



Barry Hall, Secretary

**SOUTHERN WATER AND SEWER
MONTHLY FILED CONSTRUCTION LOG
4/25/2016 TO 5/23/2016**

NUMBER OF LEAKS (35)

NUMBER OF TAPS (4)

NUMBER OF DIG OUTS (6)

ESTIMATED WATER LOSS 1,200,000 gal

LINE SIZES $\frac{3}{4}$ (27) 1inch (1) 2inch () 3inch () 4inch (4)

6inch (2) 8inch () 10inch (1) 12inch ()

PARST USED: (27) $\frac{3}{4}$ couplings (2) 1 inch couplings () 2 inch hymax's ()
3 inch hymax's (4) 4 inch hymax's (4) 6 inch hymax's () 8 inch hymax's
(2) 10 inch hymax's () 12 inch hymax's (2) SR-II meter bottoms – () $\frac{3}{4}$
regulators

Right Beaver (9) Left Beaver (14) Big Mud (5) Little Mud (3) Sandy Valley
(4)

FILED SUPERVISOR *Ch Ph* DATE *5/23/16*

GENERAL MANAGER *Don W Hall* DATE *5-23-16*

**SOUTHERN WATER & SEWER DISTRICT
P.O. BOX 610
MCDOWELL, KY 41647**

REGULAR MONTHLY MEETING MARCH 28, 2016

AGENDA

- A. Call to Order**
- B. Approval of Minutes**
- C. Approval of Financial Statements**
- D. Managers Report**
- E. Other**
- F. Adjournment**

*Southern Water & Sewer District
Regular Monthly Meeting
February 22, 2016 @ 5:00 P.M.*

Attendance:

Paula Johnson, Chairman	Kevin Howard, Summit Eng.
Larry Joe Osborne, Treasurer	Troy Hogge, KEG Eng.
Barry Hall, Secretary	Denise Thomas, Big Sandy ADD
Joe Jacobs, Commissioner	Randy Davis, Magistrate Dist. 2
Hayes Hamilton, Commissioner	
Dean Hall, Manager	
Jeff Reed, CPA	
Ben Hale, Floyd Co. Judge Exec.	

Chairman, Paula Johnson called the meeting to order at 5:00 P.M.

MOTION TO APPROVE MINUTES DATED FEBRUARY 1, 2016

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: HAYES HAMILTON

MOTION PASSED

MOTION TO APPROVE THE FINANCIAL STATEMENT FOR JANUARY 2016

MOTION MADE BY: HAYES HAMILTON

MOTION SECONDED BY: LARRY JOE OSBORNE

MOTION PASSED

MOTION TO APPROVE CHANGE ORDER FOR BOCA ENTERPRISES TO STOP WORK DURING WINTER MONTHS

MOTION MADE BY: BARRYHALL

MOTION SECONDED BY: LARRY JOE OSBORNE

MOTION PASSED

MOTION TO APPROVE LEAGALLY BINDING AGREEMENT ON PHASE III SEWER PROJECT AS PRESENTED BY DENISE THOMAS

MOTION MADE BY: JOE JACOBS

MOTION SECONDED BY: HAYES HAMILTON

MOTION PASSED

Floyd County Judge Executive, Ben Hale swore in Hayes Hamilton and Barry Hall as Commissioners for Southern Water & Sewer District, with terms of 12/15/15 thru 12/14/2019.

MOTION FOR SOUTHERN WATER & SEWER DISTRICT TO ASK THE BOARD AND MANAGEMENT OF THE PRESTONSBURG CITY'S UTILITIES COMMISSION TO JOIN US IN A JOINT APPLICATION TO BE SUBMITTED TO THE KENTUCKY PUBLIC SERVICE COMMISSION FOR THE TRANSFER OF THE DISTRICT'S CUSTOMERS AND THE WATER LINES OF THE AREA FORMLY SERVED BY THE SANDY VALLEY WATER DISTRICT; THE DISTRICT'S CUSTOMERS AND WATER LINES LOCATED ALONG KY ROUTE 850 FROM THE TOP OF HIPPO MOUNTAIN ON ROUTE 850 TO WHERE THE VALVE WITH PRESTONSBURG IS LOCATED NEAR KY ROUTE 404, INCLUDING THE STORAGE TAKN ON TOP OF HIPPO MOUNTAIN; THE NEW SEWER PLANT AND COLLECTION LINES AND SEWER CUSTOMERS IN THE BETSY LAYNE AND HAROLD AREA; AND THE TRANSFER OF THE OPERATIONS AND MAINTENANCE RESPONSIBILITIES OF THE SEWER LINES AND SEWER PLANTS AT WAYLAND AND EASTERN.

MOTION MADE BY: JOE JACOBS

MOTION SECONDED BY: LARRY JOE OSBORNE

MOTION PASSED

MICHAEL R. SPEARS, CPA, PSC
P.O. BOX 1270
PRESTONSBURG, KY 41653

March 28, 2016

Southern Water and Sewer District
Board of Commissioners
Prestonsburg, KY 41653

RE: February 2016 Financial Statements

Dear Commissioner,

Enclosed you will find your financial statements for the period ended February 29, 2016. In this letter I am giving you some pertinent highlights as I see them.

Balance Sheet as of February 29, 2016

- Cash in Bank is \$52,309
- Restricted Cash is \$754,797
- Accounts Receivable is \$1,365,195
- Plant in place is \$25,462,824
- Equity is \$20,152,226
-

Income Statement – for the month ended February 29, 2016

- Operating Revenue is \$407,266
- Operating Expenses Less Depreciation of \$71,789 is \$402,799
- Other Income (Construction Income & Interest) \$260,752
- Other Expense (\$19,058)
- Net Income/(Loss) before depreciation expense is \$246,251
- Net Income/(Loss) after depreciation expense of \$71,879 is \$174,372

I would ask that you review the financials and if you have questions please feel free to contact me at (606) 424-8040.

Sincerely,



Michael Spears

Southern Water and Sewer District
BALANCE SHEET
As of February 29, 2016
ASSETS

CURRENT ASSETS

Cash on Hand	\$	460.00
First Guaranty - New		18,922.56
Cash - Community Trust Bank (SV)		33,386.35
First Guaranty - Solid Waste Account		79,533.46
Accounts Receivable - Water		750,286.67
Accounts Receivable - Garbage		494,129.73
Accounts Receivable - Sewer		120,798.81
AVR - CDBG Grant		5,000.00
Provision for Uncollectible Accounts		(235,324.66)
Prepaid Insurance - KACO		2,500.00
Materials and Supplies		58,087.76
KIA Escrow - New		67,510.54
KIA R & M Reserve - New		57,046.76
KIA R & M Reserve #3 - New		55,124.90
First Guaranty - RD Account		908.52
RD Depreciation Reserve Acct.		80,834.16
RD Escrow Acct		56,177.24
1st Guaranty - FEMA Reimbursements		21,337.48
FGB - Rural Development Construction		4,554.83
FGB - Capital Improvement Account		110,382.19
FGB - RD Sinking Fund (New)		18,753.53
Cash - Pride on the River		990.26
FEMA - 1976 - DR - KY		21,163.06
Insurance Escrow Account		2,621.55
KIA R & M RESERVE A04-06		34,295.00
Construction Account		43,004.25
FGB - Customer Deposit Account		21,572.52
FGB - Health Care Reimbursement		23,480.80
FGB - Allen to Martin WTP		<u>55,727.63</u>

Total Current Assets 2,003,023.90

PROPERTY AND EQUIPMENT

Utility Plant	33,674,088.83
Utility Plant	1,766,340.49
Utility Plant Sewer	7,864,392.19
Construction in Progress	2,746,116.43
Construction in Progress - Sewer	43,821.50
Less: Accumulated Depreciation	<u>(20,632,035.54)</u>

Net Property and Equipment 25,462,823.90

OTHER ASSETS

Prepaid Interest	96,409.82
Accumulated Amortization	<u>(34,853.49)</u>

Total Other Assets 63,556.43

TOTAL ASSETS \$ 27,529,404.23

Southern Water and Sewer District
BALANCE SHEET
As of February 29, 2016

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	159,276.87
A/P - CIP		53,447.98
N/P - FGB LOC		228,000.00
First Guaranty - Office Building		25,419.31
N/P - FIRST GUARANTY (TRUCKS)		13,478.94
N/P - FGB (DEAN'S TRUCK)		18,882.19
N/P - CITIZEN'S NATIONAL (EXCAVATO		34,947.75
Customer Deposits		191,468.96
Customer Deposits - Sewer		190.00
Accrued Fed WTH		(824.35)
Accrued Ky WTH		3,242.25
Accrued KUI/FUTA		5,351.56
Accrued School Tax		4.93
Accrued Sales Tax		714.91
Garnishee		2,032.83
Accrued 401-k		3,674.33
Accrued Vacation/Sick Pay		67,054.08
Accrued Interest - KIA III		15,102.28
Accrued Interest - Bonds		20,655.00
Accrued Interest - New Bond		1,770.89
Accrued Interest - Sandy Valley Bond		6,398.52
Accrued Interest - Build America Bond		1,039.71
A/P - Solid Waste		521,007.43

Total Current Liabilities 1,372,112.17

LONG-TERM LIABILITIES

Notes Payable Current Portion	475,320.09
Less Current Portion Notes Payable	(475,320.09)
Bonds Payable Current Portion	64,981.00
N/P - KIA I	542,395.07
N/P - KIA III	1,440,141.88
Bonds Payable	2,109,000.00
N/P - KIA A-04-06	34,019.07
Bonds Payable (New)	195,000.00
RD Note - Sandy Valley 589573	501,509.00
USDA (530,000)	487,000.00
N/P - KIA (A11-16) Harold Sewer	696,001.13
Less Current Portion Bonds Payable	<u>(64,981.00)</u>

Total Long-Term Liabilities 6,005,068.13

Total Liabilities 7,377,178.30

CAPITAL

Invested in Capital Assets	17,804,992.00
Restricted for Capital Projects	46,457.00
Restricted for Maintenance	100,453.00
Restricted for Debt Services	283,254.00
Unrestricted Net Assets	411,476.35
Restricted for Deposits	153,021.00
Current Earnings	165,600.53

Restricted For Management Use Only

**Southern Water and Sewer District
BALANCE SHEET
As of February 29, 2016**

Retained Earnings	<u>1,386,972.05</u>
Total Stockholders' Equity	<u>20,152,225.93</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ <u>27,529,404.23</u>

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 2 Months Ended February 29, 2016

	1 Month Ended February 29, 2016	%	2 Months Ended February 29, 2016	%
Sales				
Metered Sales - Residential	\$ 292,579.49	71.84	\$ 564,401.94	70.94
Metered Sales - Business	7,602.60	1.87	15,275.73	1.92
Metered Sales - Residential Sewer	13,237.00	3.25	26,555.32	3.34
Metered Sales - Business Sewer	835.80	0.21	1,732.86	0.22
Sales for Resale	3,274.44	0.80	7,257.63	0.91
Penalties	6,753.86	1.68	15,088.35	1.89
Meter Service	4,180.00	1.03	6,720.00	0.84
Tap fees	738.58	0.18	2,032.15	0.26
Sewer Tap Fees	(500.00)	(0.12)	(500.00)	(0.06)
Other Income	500.00	0.12	1,000.00	0.13
Garbage Sales Revenue	78,065.00	19.17	156,053.75	19.61
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	407,266.37	100.00	795,597.73	100.00
Gross Profit	407,266.37	100.00	795,597.73	100.00
Operating Expenses				
Solid Waste Payments	75,723.05	18.59	151,372.14	19.03
Water Purchases	48,553.19	11.92	86,593.63	10.88
Operations Labor - Pumping	8,050.08	1.98	16,531.73	2.08
Chemicals - Sewer	7,628.78	1.87	15,776.36	1.98
Supplies - Pumping	217.03	0.05	217.03	0.03
Chemicals	9,072.77	2.23	15,003.37	1.89
Supplies	0.00	0.00	382.64	0.05
Natural Gas-WTP	321.17	0.08	321.17	0.04
Operations Labor - T & D	48,889.94	12.00	91,245.21	11.47
Wages - Sewer	1,963.50	0.48	4,485.00	0.56
Supplies - T & D	5,339.62	1.31	5,589.62	0.70
Vehicle Repairs - T & D	5,414.61	1.33	5,639.61	0.71
Utilities - T & D	44,463.36	10.92	88,053.79	11.07
Repairs Pump - T & D	5,000.00	1.23	10,000.00	1.26
Uniform Rental - T & D	4,781.50	1.17	4,781.50	0.60
Vehicle Repairs - T & D	87.97	0.02	87.97	0.01
Repairs - T & D	1,229.11	0.30	1,509.11	0.19
Fuel-Gasoline	5,893.07	1.45	11,508.59	1.45
Lab Services - Distribution	14,139.42	3.47	18,639.42	2.34
Utilities - Sewer	4,782.60	1.17	0.00	0.00
Utilities	10,551.18	2.59	18,433.96	2.32
Repairs - Sewer	5,817.18	1.43	5,817.18	0.73
Safety supplies	973.14	0.24	973.14	0.12
Billing Postage	1,910.06	0.47	2,712.82	0.34
Wages - Office	10,160.35	2.49	19,989.46	2.51
Office Postage	2,806.92	0.69	2,806.92	0.35
Office Supplies	3,335.09	0.82	4,205.36	0.53
Telephone & Utilities - Office	1,259.42	0.31	2,128.10	0.27
Bank Charges	1,124.04	0.28	1,889.83	0.24
Health Insurance	20,261.16	4.97	59,455.10	7.47
Dental Insurance	754.77	0.19	1,509.54	0.19
Workers Comp	5,025.31	1.23	9,098.90	1.14
Life Ins.	3,450.18	0.85	4,374.89	0.55

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 2 Months Ended February 29, 2016

	1 Month Ended February 29, 2016	%	2 Months Ended February 29, 2016	%
Contract Labor - Administration	0.00	0.00	200.00	0.03
Accounting	1,800.00	0.44	3,799.00	0.48
Professional Fees	8,570.00	2.10	8,570.00	1.08
Property Insurance	19,114.90	4.89	30,402.39	3.82
Commissioners Bond	890.75	0.22	2,315.95	0.29
Commissioner's Fee	1,500.00	0.37	3,500.00	0.44
Misc. Expenses	1,696.40	0.42	2,890.40	0.36
Training	580.36	0.14	580.36	0.07
Depreciation Expense	63,382.08	15.56	126,764.16	15.93
Depreciation Expense	8,486.82	2.09	16,993.64	2.14
Payroll Taxes	8,131.95	2.00	15,607.31	1.96
Employer Pension Expense	1,444.71	0.35	2,825.94	0.36
Health Care Reimbursements	0.00	0.00	1,136.72	0.14
Total Operating Expenses	474,587.54	116.53	676,720.94	110.20
Operating Income (Loss)	(67,321.17)	(16.53)	(61,123.21)	(10.20)
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(631.06)	0.15	(977.34)	0.12
Interest Expense - LOC	(1,000.00)	0.25	(2,000.00)	0.25
Amortization of Premium	(205.02)	0.05	(410.04)	0.05
Interest Expense - KIA	(5,268.74)	1.29	(10,537.48)	1.32
Interest Expense - Bonds	(11,953.64)	2.94	(23,907.28)	3.00
Interest Income - Now	51.18	0.01	99.24	0.01
Grant Income (Dept of Transportation)	152,279.97	37.39	176,035.85	22.13
Rural Development - Allen to Martin WT	106,420.79	26.62	106,420.79	13.63
Total Other Income (Expense)	241,693.46	59.35	246,723.74	31.01
Net Income (Loss) Before Taxes	174,372.31	42.82	165,600.53	20.81
Net Income (Loss)	\$ 174,372.31	42.82	\$ 165,600.53	20.81

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 2 Months Ended February 29, 2016

	1 Month Ended February 29, 2016		%	2 Months Ended February 29, 2016		%
Sales						
Metered Sales - Residential	\$	292,579.49	71.84	\$	564,401.94	70.94
Metered Sales - Business		7,602.60	1.87		15,275.73	1.92
Sales for Resale		3,274.44	0.80		7,257.63	0.91
Penalties		6,753.66	1.66		15,088.35	1.89
Meter Service		4,180.00	1.03		6,720.00	0.84
Tap fees		738.58	0.18		2,032.15	0.26
Other Income		500.00	0.12		1,000.00	0.13
Garbage Sales Revenue		78,065.00	19.17		156,053.75	19.61
Less Returns & Allowances		0.00	0.00		0.00	0.00
Total Sales		393,693.77	96.67		767,609.55	96.51
Gross Profit		393,693.77	96.67		767,609.55	96.51
Operating Expenses						
Solid Waste Payments		75,723.06	18.59		151,372.14	19.03
Water Purchases		48,553.19	11.92		88,593.63	10.88
Operations Labor - Pumping		8,050.08	1.98		16,531.73	2.08
Supplies - Pumping		217.03	0.06		217.03	0.03
Chemicals		9,072.77	2.23		15,003.37	1.89
Natural Gas-WTP		321.17	0.08		321.17	0.04
Operations Labor - T & D		48,889.84	12.00		91,245.21	11.47
Supplies - T & D		5,339.82	1.31		5,589.82	0.70
Vehicle Repairs - T & D		5,414.81	1.33		5,639.81	0.71
Utilities - T & D		44,483.36	10.92		88,053.79	11.07
Repairs Pump - T & D		5,000.00	1.23		10,000.00	1.26
Uniform Rental - T & D		4,781.50	1.17		4,781.50	0.60
Vehicle Repairs - T & D		87.97	0.02		87.97	0.01
Repairs - T & D		1,229.11	0.30		1,509.11	0.19
Fuel-Gasoline		5,893.07	1.45		11,508.59	1.45
Lab Services - Distribution		14,139.42	3.47		18,639.42	2.34
Safety supplies		973.14	0.24		973.14	0.12
Billing Postage		1,910.06	0.47		2,712.82	0.34
Wages - Office		10,160.35	2.49		19,989.45	2.51
Office Postage		2,808.92	0.89		2,808.92	0.35
Office Supplies		3,335.09	0.82		4,205.35	0.53
Telephone & Utilities - Office		1,259.42	0.31		2,128.10	0.27
Bank Charges		1,124.04	0.28		1,889.83	0.24
Health Insurance		20,261.16	4.97		59,455.10	7.47
Dental Insurance		754.77	0.19		1,509.54	0.19
Workers Comp		5,025.31	1.23		9,098.90	1.14
Life Ins.		3,450.18	0.85		4,374.89	0.55
Contract Labor - Administration		0.00	0.00		200.00	0.03
Accounting		1,800.00	0.44		3,799.00	0.48
Professional Fees		8,570.00	2.10		8,570.00	1.08
Property Insurance		19,114.90	4.89		30,402.39	3.82
Commissioners Bond		890.75	0.22		2,315.95	0.29
Commissioner's Fee		1,500.00	0.37		3,500.00	0.44
Misc. Expenses		1,696.40	0.42		2,890.40	0.36
Training		580.36	0.14		580.36	0.07
Depreciation Expense		83,382.08	15.56		126,764.16	15.93

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 2 Months Ended February 29, 2016

	1 Month Ended February 29, 2016	%	2 Months Ended February 29, 2016	%
Depreciation Expense	8,498.82	2.09	16,993.64	2.14
Payroll Taxes	8,131.95	2.00	15,607.31	1.96
Employer Pension Expense	1,444.71	0.35	2,825.94	0.36
Health Care Reimbursements	0.00	0.00	1,138.72	0.14
Total Operating Expenses	443,844.30	108.98	831,825.80	104.55
Operating Income (Loss)	(50,150.53)	(12.31)	(64,016.25)	(8.05)
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(831.06)	0.15	(977.34)	0.12
Interest Expense - LOC	(1,000.00)	0.25	(2,000.00)	0.25
Amortization of Premium	(205.02)	0.05	(410.04)	0.05
Interest Expense - KIA	(5,268.74)	1.29	(10,537.48)	1.32
Interest Expense - Bonds	(11,953.64)	2.94	(23,907.28)	3.00
Interest Income - Now	51.18	0.01	99.24	0.01
Rural Development - Alien to Martin WT	108,420.79	26.62	108,420.79	13.63
Total Other Income (Expense)	89,413.51	21.95	70,687.89	8.88
Net Income (Loss) Before Taxes	39,262.98	9.64	6,671.64	0.84
Net Income (Loss)	\$ 39,262.98	9.64	\$ 6,671.64	0.84

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - SEWER
For the 1 Month and 2 Months Ended February 29, 2016

	1 Month Ended February 29, 2016	%	2 Months Ended February 29, 2016	%
Sales				
Metered Sales - Residential Sewer	\$ 13,237.00	3.25	\$ 26,555.32	3.34
Metered Sales - Business Sewer	835.60	0.21	1,732.88	0.22
Sewer Tap Fees	(500.00)	(0.12)	(500.00)	(0.06)
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	13,572.60	3.33	27,788.18	3.49
Gross Profit	13,572.60	3.33	27,788.18	3.49
Operating Expenses				
Chemicals - Sewer	7,628.78	1.87	15,776.36	1.98
Supplies	0.00	0.00	382.64	0.05
Wages - Sewer	1,983.50	0.48	4,485.00	0.56
Utilities - Sewer	4,782.60	1.17	0.00	0.00
Utilities	10,551.18	2.59	18,433.96	2.32
Repairs - Sewer	5,817.18	1.43	5,817.18	0.73
Total Operating Expenses	30,743.24	7.55	44,895.14	5.64
Operating Income (Loss)	(17,170.64)	(4.22)	(17,106.96)	(2.15)
Other Income (Expense)				
Grant Income (Dept of Transportation)	152,279.97	37.39	176,035.85	22.13
Total Other Income (Expense)	152,279.97	37.39	176,035.85	22.13
Net Income (Loss) Before Taxes	135,109.33	33.17	158,928.89	19.98
Net Income (Loss)	\$ 135,109.33	33.17	\$ 158,928.89	19.98

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT
Actual vs. Budget

	1 Month Ended February 29, 2016 Actual	1 Month Ended February 29, 2016 Budget	2 Months Ended February 29, 2016 Actual	2 Months Ended February 29, 2016 Budget
Sales				
Metered Sales - Residential	\$ 292,579.49	\$ 0.00	\$ 564,401.94	\$ 0.00
Metered Sales - Business	7,802.80	0.00	15,275.73	0.00
Metered Sales - Residential Sewer	13,237.00	0.00	26,555.32	0.00
Metered Sales - Business Sewer	835.60	0.00	1,732.86	0.00
Sales for Resale	3,274.44	0.00	7,257.63	0.00
Penalties	6,753.66	0.00	15,068.35	0.00
Meter Service	4,180.00	0.00	6,720.00	0.00
Tap fees	738.58	0.00	2,032.15	0.00
Sewer Tap Fees	(500.00)	0.00	(500.00)	0.00
Other Income	500.00	0.00	1,000.00	0.00
Garbage Sales Revenue	78,065.00	0.00	156,053.75	0.00
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	407,266.37	0.00	795,597.73	0.00
Gross Profit	407,266.37	0.00	795,597.73	0.00
Operating Expenses				
Solid Waste Payments	75,723.05	0.00	151,372.14	0.00
Water Purchases	48,553.19	0.00	86,593.63	0.00
Operations Labor - Pumping	8,050.08	0.00	16,531.73	0.00
Chemicals - Sewer	7,828.78	0.00	15,776.36	0.00
Supplies - Pumping	217.03	0.00	217.03	0.00
Chemicals	9,072.77	0.00	15,003.37	0.00
Supplies	0.00	0.00	382.64	0.00
Natural Gas-WTP	321.17	0.00	321.17	0.00
Operations Labor - T & D	48,889.94	0.00	91,245.21	0.00
Wages - Sewer	1,963.50	0.00	4,485.00	0.00
Supplies - T & D	5,339.62	0.00	5,589.62	0.00
Vehicle Repairs - T & D	5,414.81	0.00	5,839.61	0.00
Utilities - T & D	44,463.36	0.00	88,053.79	0.00
Repairs Pump - T & D	5,000.00	0.00	10,000.00	0.00
Uniform Rental - T & D	4,781.50	0.00	4,781.50	0.00
Vehicle Repairs - T & D	87.97	0.00	87.97	0.00
Repairs - T & D	1,229.11	0.00	1,509.11	0.00
Fuel-Gasoline	5,893.07	0.00	11,508.59	0.00
Lab Services - Distribution	14,139.42	0.00	18,639.42	0.00
Utilities - Sewer	4,782.60	0.00	0.00	0.00
Utilities	10,551.18	0.00	18,433.96	0.00
Repairs - Sewer	5,817.18	0.00	5,817.18	0.00
Safety supplies	973.14	0.00	973.14	0.00
Billing Postage	1,910.08	0.00	2,712.82	0.00
Wages - Office	10,180.35	0.00	19,989.45	0.00
Office Postage	2,806.92	0.00	2,806.92	0.00
Office Supplies	3,335.09	0.00	4,205.35	0.00
Telephone & Utilities - Office	1,259.42	0.00	2,128.10	0.00
Bank Charges	1,124.04	0.00	1,889.83	0.00
Health Insurance	20,251.16	0.00	59,455.10	0.00
Dental Insurance	754.77	0.00	1,509.54	0.00
Workers Comp	5,025.31	0.00	9,098.90	0.00
Life Ins.	3,450.18	0.00	4,374.89	0.00

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT
Actual vs. Budget

	1 Month Ended February 29, 2016 Actual	1 Month Ended February 29, 2016 Budget	2 Months Ended February 29, 2016 Actual	2 Months Ended February 29, 2016 Budget
Contract Labor - Administration	0.00	0.00	200.00	0.00
Accounting	1,800.00	0.00	3,799.00	0.00
Professional Fees	8,570.00	0.00	8,570.00	0.00
Property Insurance	19,114.90	0.00	30,402.39	0.00
Commissioners Bond	890.75	0.00	2,315.95	0.00
Commissioner's Fee	1,500.00	0.00	3,500.00	0.00
Misc. Expenses	1,696.40	0.00	2,890.40	0.00
Training	580.36	0.00	580.36	0.00
Depreciation Expense	63,382.08	0.00	126,784.16	0.00
Depreciation Expense	8,496.82	0.00	16,993.64	0.00
Payroll Taxes	8,131.95	0.00	15,607.31	0.00
Employer Pension Expense	1,444.71	0.00	2,825.94	0.00
Health Care Reimbursements	0.00	0.00	1,138.72	0.00
Total Operating Expenses	474,587.54	0.00	876,720.94	0.00
Operating Income (Loss)	(67,321.17)	0.00	(81,123.21)	0.00
Other Income (Expense)				
Interest Income - Now	51.18	0.00	99.24	0.00
Rural Development - Allen to Martin WT	108,420.79	0.00	108,420.79	0.00
Interest Expense - First Guaranty Bank	(631.06)	0.00	(977.34)	0.00
Interest Expense - LOC	(1,000.00)	0.00	(2,000.00)	0.00
Amortization of Premium	(205.02)	0.00	(410.04)	0.00
Interest Expense - KIA	(5,268.74)	0.00	(10,537.48)	0.00
Interest Expense - Bonds	(11,953.64)	0.00	23,907.28	0.00
Total Other Income (Expense)	89,413.51	0.00	70,887.89	0.00
Net Income (Loss) Before Taxes	22,092.34	0.00	(10,435.32)	0.00
Net Income (Loss)	\$ 22,092.34	\$ 0.00	\$ (10,435.32)	\$ 0.00

Restricted For Management Use Only

SOUTHERN WATER AND SEWER
NOTE PAYABLE ANALYSIS
2/29/2016

DESCRIPTION		DATE OF NOTE	ORIGINAL AMOUNT	INTEREST RATE	PAYMENT AMOUNT	NUMBER OF REMAINING PAYMENTS	CURRENT PRINCIPAL BALANCE	
FIRST GUARANTY BANK	OFFICE BUILDING	5/25/2007	167,940.00	5.50 %	1,829.60	15	25,419.31	
FIRST GUARANTY BANK	TRUCKS	9/25/2013	63,097.10	7.99%	1,976.82	7	13,478.94	
FIRST GUARANTY BANK	DEAN'S TRUCK	9/22/2014	25,018.00	5.90%	482.52	43	18,662.19	
CITIZEN'S NATIONAL BANK	EXCAVATOR	6/9/2015	41,355.00	4.32%	939.61	40	34,947.75	
BONDS								
USDA		1/1/2003	2,515,000.00	4.50%	VARIOUS	53	2,109,000.00	
USDA		1/1/2006	225,000.00	4.25%	VARIOUS	57	195,000.00	
USDA		1/1/2006	589,573.00	4.75%	VARIOUS	49	501,509.00	
USDA		1/1/2011	530,000.00	2.25%	VARIOUS	66	487,000.00	
KY INFRASTRUCTURE AUTHORITY								
KIA - I		6/1/1995	1,362,870.05	3.00%	34,607.94	18	542,395.15	
KIA - IH		12/1/2007	2,831,354.23	3.00%	71,897.79	24	1,440,141.86	
KIA - A04-06		12/1/2005	67,376.00	1.00%	1,862.64	19	34,019.07	
KIA - A11-16		6/1/2014	765,900.00	1.00%	21,173.70	18	696,001.13	
TOTAL LOANS DUE 2-29-2106								6,097,574.40

**SOUTHERN WATER AND SEWER
MONTHLY FILED CONSTRUCTION LOG
2/22/2016 TO 3/28/2016**

NUMBER OF LEAKS (28)

NUMBER OF TAPS (2)

NUMBER OF DIG OUTS (1)

ESTIMATED WATER LOSS 504,000 gal

LINE SIZES ¾ (25) 1inch (1) 3inch () 4inch (2)

6inch () 8inch () 10inch 12inch ()

PARST USED: (49) ¾ couplings – (2) 1 inch couplings – () 3 inch
hymax's – (4) 4 inch hymax's () 6 inch hymax's ()-8 inch hymax's ()- 12
inch hymax,s (10) SR-II meter bottoms – (4) ¾ regulators

Right Beaver (8) Left Beaver (11) Big Mud (2) Little Mud (2) Sandy Valley
(5)

FILED SUPERVISOR Chris Rehn DATE 3/28/16

GENERAL MANAGER _____ DATE _____

1.0 Pricing and Finance Options

Southern Water and Sewer, Drive-By System Proposal (Pricing Good for 90 Days)

7000	5/8"x3/4" PD Meters with Tesla T-4 Registers	\$155.00 ea	\$1,085,000.00
1	Panasonic Toughbooks, Transceivers, Route Software and 3-Onsight Trainings Over 90 days	\$12,500.00 ea	\$12,500.00
		Total	\$1,097,500.00

Proposed Product Quick Facts Per AMR Meter Specifications

- Tesla T-4 has NO WIRES protruding from the register to the AMR end point
- The Tesla T-4 can profile individual customers with hourly readings up to 120 days
- The Tesla T-4 warranty is 25 years, 12 years full replacement and 13 years prorated replacement
- All Product is Made in the United States

Financing Option Based on \$1,097,500.00

Term:	5 Year	7 Years	10 Years	12 Years
Payment Amount:	\$239,704.95	\$176,162.39	\$128,866.28	\$111,333.61
Interest Rate:	2.260%	2.414%	2.849%	2.989%
Payments Due	One year from Signing & Annually thereafter			



SOUTHERN WATER AND SEWER
MONTHLY FILED CONSTRUCTION LOG
2/22/2016 TO 3/28/2016

NUMBER OF LEAKS (28)

NUMBER OF TAPS (2)

NUMBER OF DIG OUTS (1)

ESTIMATED WATER LOSS 504,000 gal

LINE SIZES ¾ (25) 1inch (1) 3inch () 4inch (2)

6inch () 8inch () 10inch 12inch ()

PARST USED: (49) ¾ couplings – (2) 1 inch couplings – () 3 inch
hymax's – (4) 4 inch hymax's () 6 inch hymax's ()-8 inch hymax's ()- 12
inch hymax,s (10) SR-II meter bottoms – (4) ¾ regulators

Right Beaver (8) Left Beaver (11) Big Mud (2) Little Mud (2) Sandy Valley
(5)

FILED SUPERVISOR Chris Robin DATE 3/28/16

GENERAL MANAGER _____ DATE _____

MATTHEW G. BEVIN
GOVERNOR



CHARLES G. SNAPE
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF ENFORCEMENT
300 FAIR OAKS LANE
FRANKFORT KENTUCKY 40601
www.kentucky.gov

March 10, 2016

CERTIFIED MAIL No. 7014 1200 0000 3893 9621
Return Receipt Requested

Mr. Dean Hall, Utility Manager
Southern Water and Sewer District
PO Box 610
McDowell, KY 41647

Re: AI Names: Eastern, Harold, and Wayland WWTP
AI Nos. 97144, 110746, 35761
Case Nos. DOW 150522, DOW 150525, DOW 150261
Activity No. ERF20150001
KPDES Permits: KY0109258, KY0109258, KY0105228
Floyd County

Dear Mr. Hall:

An Administrative Conference between Southern Water and Sewer District and the Division of Enforcement is scheduled for April 6, 2016, beginning at 10:30 AM Eastern Time. The meeting will be held at the Division of Enforcement, 300 Fair Oaks Lane, Frankfort, Kentucky 40601. The purpose of the Administrative Conference will be to discuss the violations that were cited at all three facilities listed above.

Please find the enclosed map to assist you in locating the conference. When you arrive at 300 Fair Oaks Lane, enter the front of the building and ask for Corey Craft. The receptionist will contact me and I will escort you to the conference room. Since the Administrative Conference is informal, legal representation is not required. If you feel a legal representative is needed, please contact me at least five (5) working days prior to the meeting.

If you are unable to resolve your case in the Division of Enforcement, it may be necessary to refer your case for formal legal action. Should you have any questions regarding this correspondence, please contact me at (502) 564-2150, extension 3286.

Respectfully,

A handwritten signature in black ink, appearing to read "Corey Craft".

Corey Craft
Environmental Enforcement Specialist
Division of Enforcement

Enclosure



SOUTHERN WATER & SEWER DISTRICT

PO BOX 610

MCDOWELL, KY 41647

REGULAR MEETING FEBRUARY 22, 2016 @5PM

AGENDA

- CALL TO ORDER @ 5:00 pm
- ✓ • APPROVAL OF MINUTES
- ✓ • FINANCIAL STATEMENT
- ✓ • KENTUCKY ENGINEERING GROUP
- ✓ • SUMMIT ENGINEERING
- ✓ • NEW FLOYD COUNTY CENTRAL SCHOOL CONTRACT
- ✓ • LEGALLY BINDING AGREEMENT WITH FLOYD COUNTY FISCAL COURT
- ✓ • TRUCK BIDS
- ✓ • MANAGERS REPORT
- OTHER wayland Sewer, ^① approve em, ^② seek money
- ADJOURN

***SOUTHERN WATER & SEWER DISTRICT
REGULAR MONTHLY MEETING
MONDAY, FEBRUARY 1, 2016 @ 5:00 P.M.***

ATTENDANCE:

PAULA JOHNSON, CHAIRMAN

LARRY JOE OSBORNE, TREASURER

BARRY HALL, SECRETARY

HAYES HAMILTON, COMMISSONER

DEAN HALL, MANAGER

TROY HOGGE, KEG ENG.

KEVIN HOWARD, SUMMIT ENG.

JEFF REED, CPA

Chairman, Paula Johnson called the meeting to order at 5:00 P.M.

MOTION TO APPROVE JANUARY 2016 MINUTES

MOTION MADE BY: HAYES HAMILTON

MOTION SECONDED BY: LARRY JOE OSBORNE

MOTION PASSED

MOTION TO APPROVE JANUARY 2016 FINANCIAL STATEMENT

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: HAYES HAMILTON

MOTION PASSED

**MOTION TO AUTHORIZE DEAN HALL TO PROCEED WITH
ADVERTISING FOR HAROLD PHASE III**

MOTION MADE BY: HAYES HAMILTON

MOTION SECONDED BY: LARRY JOE OSBORNE

MOTION PASSED

**MOTION TO ACCEPT \$25,000.00 AS PAYMENT IN FULL FROM
THE CITY OF HINDMAN**

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: LARRY JOE OSBORNE

MOTION PASSED

MOTION TO PROCEED WITH RIVER CROSSING @ JUSTELL

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: HAYES HAMILTON

MOTION PASSED

MOTION TO GIVE EMPLOYEEES A FIFTY CENT RAISE

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: HAYES HAMILTON

MOTION PASSED

MOTION TO ADVERTISE FOR TRUCK BIDS

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: HAYES HAMILTON

MOTION TO ADJOURN

MOTION MADE BY: BARRY HALL

MOTION SECONDED BY: LARRY JOE OSBORNE

With there being no further business to discuss, this meeting was adjourned at 7:15 p.m. passed by Southern Water & Sewer District Commissioners on this _____ day of _____, 2015.

PAULA JOHNSON, CHAIRMAN

BARRY HALL, SECRETARY

Southern Water and Sewer District
BALANCE SHEET
As of January 31, 2016
ASSETS

CURRENT ASSETS

Cash on Hand	\$	460.00
First Guaranty - New		8,491.70
Cash - Community Trust Bank (SV)		19,625.44
First Guaranty - Solid Waste Account		12,623.68
Accounts Receivable - Water		784,825.46
Accounts Receivable - Garbage		497,415.56
Accounts Receivable - Sewer		122,350.50
A/R - CDBG Grant		5,000.00
Provision for Uncollectible Accounts		(235,324.66)
Prepaid Insurance - KACO		2,500.00
Materials and Supplies		58,087.76
KIA Escrow - New		45,005.79
KIA R & M Reserve - New		55,742.26
KIA R & M Reserve #3 - New		53,820.55
First Guaranty - RD Account		908.45
RD Depreciation Reserve Acct.		76,962.83
RD Escrow Acct		40,173.17
1st Guaranty - FEMA Reimbursements		21,335.78
FGB - Rural Development Construction		4,554.47
FGB - Capital Improvement Account		102,013.60
FGB - RD Sinking Fund (New)		17,052.08
Cash - Pride on the River		995.26
FEMA - 1976 - DR - KY		2,089.07
Insurance Escrow Account		1,307.90
KIA R & M RESERVE A04-06		33,595.00
Construction Account		43,000.94
FGB - Customer Deposit Account		19,877.87
FGB - Health Care Reimbursement		28,485.39
FGB - Allen to Martin WTP		50,788.78

Total Current Assets 1,873,742.59

PROPERTY AND EQUIPMENT

Utility Plant	33,674,088.83
Utility Plant	1,786,340.49
Utility Plant Sewer	7,884,392.19
Construction in Progress	2,511,868.83
Construction in Progress - Sewer	43,921.50
Less: Accumulated Depreciation	(20,560,158.64)

Net Property and Equipment 25,300,445.20

OTHER ASSETS

Prepaid Interest	98,408.92
Accumulated Amortization	(34,648.47)

Total Other Assets 63,761.45

TOTAL ASSETS \$ 27,237,949.24

Restricted For Management Use Only

Southern Water and Sewer District

BALANCE SHEET

As of January 31, 2016

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES	
Accounts Payable	\$ 131,964.13
A/P - CIP	53,447.98
N/P - FGB LOC	229,000.00
First Guaranty - Office Building	27,124.59
N/P - FIRST GUARANTY (TRUCKS)	15,351.58
N/P - FGB (DEAN'S TRUCK)	19,048.25
N/P - CITIZEN'S NATIONAL (EXCAVATO	35,627.24
Customer Deposits	189,838.15
Customer Deposits - Sewer	190.00
Accrued Fed WTH	(1,299.20)
Accrued Ky WTH	2,900.73
Accrued KUI/FUTA	2,573.03
Accrued School Tax	2.55
Accrued Sales Tax	608.59
Garnishee	2,482.63
Accrued 401-k	3,675.94
Accrued Vacation/Sick Pay	67,054.08
Accrued Interest - KIA III	9,833.54
Accrued Interest - Bonds	12,431.25
Accrued Interest - New Bond	1,055.47
Accrued Interest - Sandy Valley Bond	4,320.49
Accrued Interest - Build America Bond	101.27
A/P - Solid Waste	445,284.38
Total Current Liabilities	1,252,617.67
LONG-TERM LIABILITIES	
Notes Payable Current Portion	475,320.09
Less Current Portion Notes Payable	(475,320.09)
Bonds Payable Current Portion	64,981.00
N/P - KIA I	542,395.07
N/P - KIA III	1,440,141.86
Bonds Payable	2,109,000.00
N/P - KIA A-04-06	34,019.07
Bonds Payable (New)	195,000.00
RD Note - Sandy Valley 589573	501,508.00
USDA (530,000)	487,000.00
N/P - KIA (A11-16) Harold Sewer	696,001.13
Less Current Portion Bonds Payable	(64,981.00)
Total Long-Term Liabilities	8,005,066.13
Total Liabilities	7,257,683.80
CAPITAL	
Invested in Capital Assets	17,604,992.00
Restricted for Capital Projects	46,457.00
Restricted for Maintenance	100,453.00
Restricted for Debt Services	283,254.00
Unrestricted Net Assets	411,476.35
Restricted for Deposits	153,021.00
Current Earnings	(6,359.96)

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Southern Water and Sewer District

BALANCE SHEET

As of January 31, 2016

Retained Earnings	<u>1,386,972.05</u>
Total Stockholders' Equity	19,980,265.44
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ <u>27,237,949.24</u>

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 1 Month Ended January 31, 2016

	1 Month Ended January 31, 2016		%	1 Month Ended January 31, 2016		%
Sales						
Metered Sales - Residential	\$	271,822.45	70.00	\$	271,822.45	70.00
Metered Sales - Business		7,673.13	1.98		7,673.13	1.98
Metered Sales - Residential Sewer		13,318.32	3.43		13,318.32	3.43
Metered Sales - Business Sewer		897.26	0.23		897.26	0.23
Sales for Resale		3,983.19	1.03		3,983.19	1.03
Penalties		8,314.69	2.14		8,314.69	2.14
Meter Service		2,540.00	0.65		2,540.00	0.65
Tap fees		1,293.57	0.33		1,293.57	0.33
Other Income		500.00	0.13		500.00	0.13
Garbage Sales Revenue		77,988.75	20.08		77,988.75	20.08
Less Returns & Allowances		0.00	0.00		0.00	0.00
Total Sales		388,331.36	100.00		388,331.36	100.00
Gross Profit		388,331.36	100.00		388,331.36	100.00
Operating Expenses						
Solid Waste Payments		75,649.09	19.48		75,649.09	19.48
Water Purchases		38,040.44	9.80		38,040.44	9.80
Operations Labor - Pumping		8,481.55	2.18		8,481.55	2.18
Chemicals - Sewer		8,147.58	2.10		8,147.58	2.10
Chemicals		5,930.60	1.53		5,930.60	1.53
Supplies		382.64	0.10		382.64	0.10
Operations Labor - T & D		42,355.27	10.91		42,355.27	10.91
Wages - Sewer		2,521.50	0.65		2,521.50	0.65
Supplies - T & D		250.00	0.06		250.00	0.06
Vehicle Repairs - T & D		225.00	0.06		225.00	0.06
Utilities - T & D		43,590.43	11.23		43,590.43	11.23
Repairs Pump - T & D		5,000.00	1.29		5,000.00	1.29
Repairs - T & D		280.00	0.07		280.00	0.07
Fuel-Gasoline		5,815.52	1.45		5,815.52	1.45
Lab Services - Distribution		4,500.00	1.16		4,500.00	1.16
Utilities		3,100.18	0.80		3,100.18	0.80
Billing Postage		802.76	0.21		802.76	0.21
Wages - Office		9,829.10	2.53		9,829.10	2.53
Office Supplies		870.26	0.22		870.26	0.22
Telephone & Utilities - Office		868.68	0.22		868.68	0.22
Bank Charges		765.79	0.20		765.79	0.20
Health Insurance		39,193.94	10.09		39,193.94	10.09
Dental Insurance		754.77	0.19		754.77	0.19
Workers Comp		4,073.59	1.05		4,073.59	1.05
Life Ins.		924.71	0.24		924.71	0.24
Contract Labor - Administration		200.00	0.05		200.00	0.05
Accounting		1,999.00	0.51		1,999.00	0.51
Property Insurance		11,287.49	2.91		11,287.49	2.91
Commissioners Bond		1,425.20	0.37		1,425.20	0.37
Commissioner's Fee		2,000.00	0.52		2,000.00	0.52
Misc. Expenses		1,194.00	0.31		1,194.00	0.31
Depreciation Expense		63,382.08	16.32		63,382.08	16.32
Depreciation Expense		8,496.82	2.19		8,496.82	2.19
Payroll Taxes		7,475.36	1.92		7,475.36	1.92

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - CONSOLIDATED
For the 1 Month and 1 Month Ended January 31, 2016

	1 Month Ended January 31, 2016	%	1 Month Ended January 31, 2016	%
Employer Pension Expense	1,381.23	0.36	1,381.23	0.36
Health Care Reimbursements	1,138.72	0.29	1,138.72	0.29
Total Operating Expenses	402,133.40	103.55	402,133.40	103.55
Operating Income (Loss)	(13,802.04)	(3.55)	(13,802.04)	(3.55)
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(346.28)	0.09	(346.28)	0.09
Interest Expense - LOC	(1,000.00)	0.26	(1,000.00)	0.26
Amortization of Premium	(205.02)	0.05	(205.02)	0.05
Interest Expense - KIA	(5,268.74)	1.36	(5,268.74)	1.36
Interest Expense - Bonds	(11,953.64)	3.08	(11,953.64)	3.08
Interest Income - Now	48.06	0.01	48.06	0.01
Grant Income (Dept of Transportation)	23,755.88	6.12	23,755.88	6.12
Rural Development - Allen to Martin WT	2,411.82	0.62	2,411.82	0.62
Total Other Income (Expense)	7,442.08	1.92	7,442.08	1.92
Net Income (Loss) Before Taxes	(6,359.96)	(1.64)	(6,359.96)	(1.64)
Net Income (Loss)	\$ (6,359.96)	(1.64)	\$ (6,359.96)	(1.64)

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 1 Month Ended January 31, 2016

	1 Month Ended January 31, 2016	%	1 Month Ended January 31, 2016	%
Sales				
Metered Sales - Residential	\$ 271,822.45	70.00	\$ 271,822.45	70.00
Metered Sales - Business	7,673.13	1.98	7,673.13	1.98
Sales for Resale	3,983.19	1.03	3,983.19	1.03
Penalties	8,314.69	2.14	8,314.69	2.14
Meter Service	2,540.00	0.65	2,540.00	0.65
Tap fees	1,293.57	0.33	1,293.57	0.33
Other Income	500.00	0.13	500.00	0.13
Garbage Sales Revenue	77,988.75	20.08	77,988.75	20.08
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	374,115.78	96.34	374,115.78	96.34
Gross Profit	374,115.78	96.34	374,115.78	96.34
Operating Expenses				
Solid Waste Payments	75,649.09	19.48	75,649.09	19.48
Water Purchases	38,040.44	9.80	38,040.44	9.80
Operations Labor - Pumping	8,481.65	2.18	8,481.65	2.18
Chemicals	5,930.60	1.53	5,930.60	1.53
Operations Labor - T & D	42,355.27	10.91	42,355.27	10.91
Supplies - T & D	250.00	0.06	250.00	0.06
Vehicle Repairs - T & D	225.00	0.06	225.00	0.06
Utilities - T & D	43,590.43	11.23	43,590.43	11.23
Repairs Pump - T & D	5,000.00	1.29	5,000.00	1.29
Repairs - T & D	280.00	0.07	280.00	0.07
Fuel-Gasoline	5,815.52	1.45	5,815.52	1.45
Lab Services - Distribution	4,500.00	1.16	4,500.00	1.16
Billing Postage	802.76	0.21	802.76	0.21
Wages - Office	9,829.10	2.53	9,829.10	2.53
Office Supplies	870.28	0.22	870.28	0.22
Telephone & Utilities - Office	868.68	0.22	868.68	0.22
Bank Charges	765.79	0.20	765.79	0.20
Health Insurance	39,193.94	10.09	39,193.94	10.09
Dental Insurance	754.77	0.19	754.77	0.19
Workers Comp	4,073.59	1.05	4,073.59	1.05
Life Ins.	924.71	0.24	924.71	0.24
Contract Labor - Administration	200.00	0.05	200.00	0.05
Accounting	1,999.00	0.51	1,999.00	0.51
Property Insurance	11,287.49	2.91	11,287.49	2.91
Commissioners Bond	1,425.20	0.37	1,425.20	0.37
Commissioner's Fee	2,000.00	0.52	2,000.00	0.52
Misc. Expenses	1,194.00	0.31	1,194.00	0.31
Depreciation Expense	63,382.08	16.32	63,382.08	16.32
Depreciation Expense	8,496.82	2.19	8,496.82	2.19
Payroll Taxes	7,475.36	1.92	7,475.36	1.92
Employer Pension Expense	1,381.23	0.36	1,381.23	0.36
Health Care Reimbursements	1,138.72	0.29	1,138.72	0.29
Total Operating Expenses	387,981.50	99.91	387,981.50	99.91
Operating Income (Loss)	(13,865.72)	(3.57)	(13,865.72)	(3.57)

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - WATER
For the 1 Month and 1 Month Ended January 31, 2016

	1 Month Ended January 31, 2016	%	1 Month Ended January 31, 2016	%
Other Income (Expense)				
Interest Expense - First Guaranty Bank	(346.28)	0.09	(346.28)	0.09
Interest Expense - LOC	(1,000.00)	0.26	(1,000.00)	0.26
Amortization of Premium	(205.02)	0.05	(205.02)	0.05
Interest Expense - KIA	(5,268.74)	1.36	(5,268.74)	1.36
Interest Expense - Bonds	(11,953.64)	3.08	(11,953.64)	3.08
Interest Income - Now	48.06	0.01	48.06	0.01
Rural Development - Allen to Marin WT	2,411.82	0.62	2,411.82	0.62
Total Other Income (Expense)	(16,313.80)	(4.20)	(16,313.80)	(4.20)
Net Income (Loss) Before Taxes	(30,179.52)	(7.77)	(30,179.52)	(7.77)
Net Income (Loss)	\$ (30,179.52)	(7.77)	\$ (30,179.52)	(7.77)

Restricted For Management Use Only

Southern Water and Sewer District
INCOME STATEMENT - SEWER
For the 1 Month and 1 Month Ended January 31, 2016

	1 Month Ended January 31, 2016	%	1 Month Ended January 31, 2016	%
Sales				
Metered Sales - Residential Sewer	\$ 13,318.32	3.43	\$ 13,318.32	3.43
Metered Sales - Business Sewer	897.26	0.23	897.26	0.23
Less Returns & Allowances	0.00	0.00	0.00	0.00
Total Sales	14,215.58	3.66	14,215.58	3.66
Gross Profit	14,215.58	3.66	14,215.58	3.66
Operating Expenses				
Chemicals - Sewer	8,147.58	2.10	8,147.58	2.10
Supplies	382.64	0.10	382.64	0.10
Wages - Sewer	2,521.50	0.65	2,521.50	0.65
Utilities	3,100.18	0.80	3,100.18	0.80
Total Operating Expenses	14,151.90	3.64	14,151.90	3.64
Operating Income (Loss)	63.68	0.02	63.68	0.02
Other Income (Expense)				
Grant Income (Dept of Transportation)	23,755.88	6.12	23,755.88	6.12
Total Other Income (Expense)	23,755.88	6.12	23,755.88	6.12
Net Income (Loss) Before Taxes	23,819.56	6.13	23,819.56	6.13
Net Income (Loss)	\$ 23,819.56	6.13	\$ 23,819.56	6.13

Restricted For Management Use Only

LEGALLY BINDING AGREEMENT

This agreement entered into this _____ day of February, 2016, by and between the **Floyd County Fiscal Court**, hereinafter referred to as the **Recipient**, and the **Southern Water and Sewer District**, hereinafter called the **Participating Party**. This agreement is being executed in two original contracts, each of which is deemed an original.

WHEREAS, the Recipient has entered into a Grant Agreement with the Commonwealth of Kentucky, Department of Local Government (DLG), and

WHEREAS, the payment of funds to the Recipient under the terms of the Grant Agreement is contingent upon the Participating Party contracting to undertake certain responsibilities, and

WHEREAS, the funds made available under the terms of the Grant Agreement will directly benefit the Participating Party,

NOW, THEREFORE, for and in consideration of the sum of ONE DOLLAR (\$1.00) paid to the Participating Party, and in further consideration of the mutual promises and covenants hereinafter contained, IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

The **Recipient and Participating Party** do hereby agree to carry out and perform all of the activities required of it under the terms and conditions of the Grant Agreement, which agreement is incorporated herein by reference as if copied in full.

The Recipient agrees as follows:

- a) To perform project activities as enumerated in Exhibit B of the Grant Agreement as enumerated below:
 - i. The Recipient shall design and construct approximately 19,370 LF of various sized sewer fore main (1.25" service lines to 10" main lines), encasements, gate valves, 13 6 residential grinder pumps and a lift station to provide first

- time sewer service to the Harold/Betsy Layne area of southern Floyd County.
- ii. The Recipient will provide the necessary engineering design, surveying, inspection services and start-up services.
 - iii. The Recipient will provide necessary administration of the project by a certified CDBG grant administrator to assure compliance with all applicable state, federal and local statutes, as set forth in the KCDBG Statement of Assurances signed by former Judge-Executive R. D. Marshall on July 25, 2014 and submitted on or about that date as part of the project application.
 - iv. The Recipient will expend no more than \$29,300 in CDBG funds to cover the planning and administrative costs of the project.
 - v. The Recipient will have the project advertised for bid within six (6) months of the date of the fully executed grant agreement and completed by December 30, 2017.
 - vi. The Recipient assures that Davis-Bacon and state wage rates will be incorporated into all construction contracts where they are applicable.
 - vii. The Recipient will include in the bid document a requirement that the contractor erect a project sign according to CDBG specifications.
 - viii. The Recipient is currently using an accounting system that meets the requirements of the Kentucky Uniform System of Accounting.
 - ix. The Recipient will provide other funds for the project as listed below:

i. ARC	\$390,000
ii. HB 265 Coal Severance Grant	\$200,000
iii. KIA – SRF	\$235,000
 - x. The Recipient will be responsible for determining the objectives of each activity and measuring the outcomes of each activity funded with CDBG funds utilizing a performance measurement system provided by DLG. This data shall be reported to DLG at project closeout.
 - xi. The Recipient will ensure compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and all applicable regulations in the acquisition of any easement required by project activities such as service lines.

- b) To maintain for a period of five years following project closeout all financial records and documents relative to disbursement of any CDBG or other funds identified in and required by the Grant Agreement. Such records include, but are not limited to, ledgers, bank statements, contracts, invoices and reports.
- c) To grant access to inspect, copy, audit and examine at all reasonable times employment and financial records to any duly authorized representative of the Commonwealth, HUD, Inspector General and General Accounting Office of the United States, for a period up to five years following completion of closeout procedures.
- d) To comply with all State and Federal laws and regulations pertinent to the project.

The Participating Party agrees as follows:

- a) To perform project activities as enumerated in Exhibit B of the Grant Agreement as enumerated below:
 - i. The Participating Party will own and ensure the maintenance of the facilities for the benefit of at least 51 percent low and moderate-income persons, thereby meeting the National Objective of low and moderate-income (LMI) benefit. The project shall provide improved service to approximately 136 customers.
- b) To perform project activities as enumerated in Exhibit D of the Grant Agreement as enumerated below:
 - i. Cost overruns will be borne by the Participating Party.
 - ii. The Participating Party will employ a properly trained and certified Collection System II Operator to operate the sewer system.

The **Participating Party** further agrees to the following terms and conditions:

- a) That no transfer of grant funds by the Recipient to the Participating Party shall be or be deemed an assignment of grant funds, and that the Participating Party shall neither succeed to any rights, benefits, or advantages of the Recipient under the terms of the hereinabove described Grant Agreement nor attain any rights, privileges, authorities or interest in or under the said agreement.
- b) That the Participating Party acknowledges nothing contained in the said agreement, nor in any contract between the parties hereto, nor

any act of the Commonwealth, the Recipient or any other party shall be deemed or construed to create any relationship or third-party beneficiary, principal and agent, limited or general partnership, or joint venture, or of any association or relationship involving the Commonwealth.

- c) That the Recipient shall not be liable to the Participating Party or any party except the Commonwealth, for the completion of, or the failure to complete, any activities which are a part of the project herein contemplated, except those specified in Exhibit B, of the said Grant Agreement.
- d) None of the Participating Party's designees, agents, members, officers or employees, has or shall have any interest, direct or indirect, in any contract or subcontract or the proceeds thereof, for work to be performed in connection with the project herein contemplated at any time during or after such person's tenure with the Nonprofit (and/or) Participating Party.
- e) The obligations of the parties are totally contingent upon the obtaining of a Release of Funds from the Department for Local Government and no project activities other than environmentally exempt activities may occur until the release is achieved.
- f) Recipient and Participating Party agree and accept that all applicable provisions of the Grant Agreement are incorporated into and made a part of this Legally Binding Agreement.

**County
Legally Binding Agreement**

This Agreement being formally adopted this _____ day of February, 2016:

Recipient: Floyd Co. Fiscal Court Examined as to form and legality:

Judge-Executive Ben Hale

Recipient Attorney

State of Kentucky
County of Floyd

Subscribed, sworn to and acknowledged before me by
_____, _____ (Title) _____ by and through its resolution,
on this ____ day of _____, 2016.

My Commission expires:

Notary Public

**Water and Sewer District
Legally Binding Agreement**

Participating Party: Southern Water and Sewer District

(President/Chairman)

State of Kentucky
County of _____

Subscribed, sworn to and acknowledged before me by
_____, _____ (Title) _____ by and through its resolution,
on this ____ day of _____, 2016.

My Commission expires:

Notary Public

SOUTHERN WATER & SEWER DISTRICT

P.O. Box 610
245 KY Rt. 680
McDowell, KY 41647

Ph. (606) 377-9296

Fax. (606) 377-9286

Date: January 25, 2016

Mr. Douglas Hoff, Area Specialist
USDA Rural Development
200 West First Street
Morehead, Kentucky 40351

RE: Allen to Martin Water Transmission Main
Stop Work due to Winter Weather

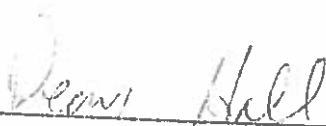
Doug,

The Contractor, BOCA Enterprises has requested to have the contract time to be stopped due to the inability to work on and/or along the Kentucky Highway 1428 due to weather.

We concur that this is a valid claim and agree to stop the contract time as of January 22, 2016. As of this date of work stoppage 154 calendar work days have expired and only 71 calendar work days remain. We expect BOCA to begin work back on approximately March 21, 2016, if weather allows.

Please feel free to contact me if you have any questions or need additional information.

Sincerely,



Mr. Dean Hall, Manager
Southern Water and Sewer District

Pc: Kentucky Engineering Group, PLLC
BOCA Enterprises
File

SOUTHERN WATER & SEWER DISTRICT

P.O. Box 610
245 KY Rt. 680
McDowell, KY 41647

Ph. (606) 377-9296

Fax. (606) 377-9286

Original Contract Start Date:	August 20, 2015
Contract Time:	<u>180 Calendar Days</u>
Original Contract Completion:	February 16, 2016
Change Order No.1 Increase:	<u>90 Calendar Days</u>
Revised Contract Completion:	May 16, 2016
Change Order No.2 Decrease:	<u>45 Calendar Days</u>
Revised Contract Completion:	April 1, 2016
Change Order No.3 Increase:	<u>71 Calendar Days</u>
Revised Contract Completion:	June 11, 2016

EQUAL OPPORTUNITY EMPLOYER