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

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

Nebo Water District

(Name of Utility)

45 N Bernard St

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

Nebo, KY 42441

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

270-249-3709

(Telephone Number)

BASIC INFORMATION

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

Valerie Coffman

(Name)

45 N Bernard St

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

Nebo, KY 42441

(Address - City, State, Zip)

270-249-3709

(Telephone Number)

nebowaterdistrict@outlook.com

(Email Address)

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

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

YES NO N/A

4. a. Applicant is a corporation that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- b. Applicant is a limited liability company that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- c. Applicant is a limited partnership that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- d. Applicant is a sole proprietorship or partnership.
- e. Applicant is a water district organized pursuant to KRS Chapter 74.
- f. Applicant is a water association organized pursuant to KRS Chapter 273.
5. a. A paper copy of this application has been mailed to Office of Rate Intervention, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.
- b. An electronic copy of this application has been electronically mailed to Office of Rate Intervention, Office of Attorney General at rateintervention@ag.ky.gov.
6. a. Applicant has 20 or fewer customers and has mailed written notice of the proposed rate adjustment to each of its customers no later than the date this application was filed with the Public Service Commission. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
- b. Applicant has more than 20 customers and has included written notice of the proposed rate adjustment with customer bills that were mailed by the date on which the application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
- c. Applicant has more than 20 customers and has made arrangements to publish notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in its service area, the first publication having been made by the date on which this Application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
7. Applicant requires a rate adjustment for the reasons set forth in the attachment entitled "Reasons for Application." **(Attach completed "Reasons for Application" Attachment.)**

YES NO N/A

8. Applicant proposes to charge the rates that are set forth in the attachment entitled "Current and Proposed Rates." **(Attach completed "Current and Proposed Rates" Attachment.)**
9. Applicant proposes to use its annual report for the immediate past year as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31, 2022.
10. Applicant has reason to believe that some of the revenue and expense items set forth in its most recent annual report have or will change and proposes to adjust the test period amount of these items to reflect these changes. A statement of the test period amount, expected changes, and reasons for each expected change is set forth in the attachment "Statement of Adjusted Operations." **(Attach a completed copy of appropriate "Statement of Adjusted Operations" Attachment and any invoices, letters, contracts, receipts or other documents that support the expected change in costs.)**
11. Based upon test period operations, and considering any known and measurable adjustments, Applicant requires additional revenues of \$ 204,278 and total revenues from service rates of \$ 1,079,862. The manner in which these amounts were calculated is set forth in "Revenue Requirement Calculation" Attachment. **(Attach a completed "Revenue Requirement Calculation" Attachment.)**
12. As of the **date of the filing of this application**, Applicant had 1605 customers.
13. A billing analysis of Applicant's current and proposed rates is attached to this application. **(Attach a completed "Billing Analysis" Attachment.)**
14. Applicant's depreciation schedule of utility plant in service is attached. **(Attach a schedule that shows per account group: the asset's original cost, accumulated depreciation balance as of the end of the test period, the useful lives assigned to each asset and resulting depreciation expense.)**
15. a. Applicant has outstanding evidences of indebtedness, such as mortgage agreements, promissory notes, or bonds.
- b. Applicant has attached to this application a copy of each outstanding evidence of indebtedness (e.g., mortgage agreement, promissory note, bond resolution).
- c. Applicant has attached an amortization schedule for each outstanding evidence of indebtedness.

YES NO N/A

- 16. a. Applicant is not required to file state and federal tax returns.
- b. Applicant is required to file state and federal tax returns.
- c. Applicant's most recent state and federal tax returns are attached to this Application.
(Attach a copy of returns.)
- 17. Approximately 0 (Insert dollar amount or percentage of total utility plant) of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions.
- 18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires to complete such form.

By submitting this application, the Applicant consents to the procedures set forth in 807 KAR 5:076 and waives any right to place its proposed rates into effect earlier than six months from the date on which the application is accepted by the Public Service Commission for filing.

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

Signed Valerie Coffman
Officer of the Company/Authorized Representative
Title Office Clerk
Date January 29, 2024

COMMONWEALTH OF KENTUCKY

COUNTY OF Hopkins

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

Mark Matheny
Notary Public
My commission expires: 02-01-2027

KYNP66094

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

- Customer Notice of Proposed Rate Adjustment
- "Reasons for Application" Attachment
- Current and Proposed Rates" Attachment
- "Statement of Adjusted Operations" Attachment
- "Revenue Requirements Calculation" Attachment
- Attachment Billing Analysis" Attachment
- Depreciation Schedules
- Outstanding Debt Instruments (i.e., Bond Resolutions, Mortgages, Promissory Notes, Amortization Schedules.)
- State Tax Return
- Federal Tax Return
- Statement of Disclosure of Related Party Transactions - ARF Form 3

**LIST OF ATTACHMENTS
NEBO WATER DISTRICT**

1. Customer Notice of Proposed Rate Adjustments
2. Reasons for Application
3. Current and Proposed Rates
4. Statement of Adjusted Operations and Revenue Requirements with the following attachments:
 - i. References
 - ii. Table A - Depreciation Expense Adjustments
 - iii. Table B - Debt Service Schedule
5. Current Billing Analysis
6. Proposed Billing Analysis
7. Depreciation Schedule
8. Outstanding Debt Instruments
9. Amortization Schedules
10. Statements of Disclosure of Related Party Transactions
11. Board Resolution

Attachment #1

NEBO WATER DISTRICT CUSTOMER NOTICE

Notice is hereby given that the Nebo Water District expects to file an application with the Kentucky Public Service Commission on or about January 10, 2024, seeking approval of a proposed adjustment to its water rates. The proposed rates shall not become effective until the Public Service Commission has issued an order approving these rates.

CURRENT AND PROPOSED MONTHLY RATES												
Nebo Water District												
<u>CURRENT RATE SCHEDULE</u>					<u>PROPOSED RATE SCHEDULE</u>					<u>DIFFERENCE</u> <u>PERCENT</u>		
<u>5/8" x 3/4" Meters</u>					<u>5/8" x 3/4" Meters</u>							
First	2,000	gallons	\$ 23.15	Minimum Bill	First	2,000	gallons	\$ 28.55	Minimum Bill	\$	5.40	23.33%
Next	2,000	gallons	\$ 9.57	per 1,000 gallons	Next	2,000	gallons	\$ 11.80	per 1,000 gallons	\$	2.23	23.33%
Next	6,000	gallons	\$ 9.07	per 1,000 gallons	Next	6,000	gallons	\$ 11.19	per 1,000 gallons	\$	2.12	23.33%
Next	10,000	gallons	\$ 8.58	per 1,000 gallons	Next	10,000	gallons	\$ 10.58	per 1,000 gallons	\$	2.00	23.33%
Over	20,000	gallons	\$ 8.08	per 1,000 gallons	Over	20,000	gallons	\$ 9.97	per 1,000 gallons	\$	1.89	23.33%
<u>1" Meters</u>					<u>1" Meters</u>							
First	4,000	gallons	\$ 42.28	Minimum Bill	First	4,000	gallons	\$ 52.14	Minimum Bill	\$	9.86	23.33%
Next	6,000	gallons	\$ 9.07	per 1,000 gallons	Next	6,000	gallons	\$ 11.19	per 1,000 gallons	\$	2.12	23.33%
Next	10,000	gallons	\$ 8.58	per 1,000 gallons	Next	10,000	gallons	\$ 10.58	per 1,000 gallons	\$	2.00	23.33%
Over	20,000	gallons	\$ 8.08	per 1,000 gallons	Next	20,000	gallons	\$ 9.97	per 1,000 gallons	\$	1.89	23.33%
<u>1 1/2" Meters</u>					<u>1 1/2" Meters</u>							
First	10,000	gallons	\$ 96.71	Minimum Bill	First	10,000	gallons	\$ 119.27	Minimum Bill	\$	22.56	23.33%
Next	10,000	gallons	\$ 8.58	per 1,000 gallons	Next	10,000	gallons	\$ 10.58	per 1,000 gallons	\$	2.00	23.33%
Over	20,000	gallons	\$ 8.08	per 1,000 gallons	Over	20,000	gallons	\$ 9.97	per 1,000 gallons	\$	1.89	23.33%
<u>2" Meters</u>					<u>2" Meters</u>							
First	20,000	gallons	\$ 182.51	Minimum Bill	First	20,000	gallons	\$ 225.09	Minimum Bill	\$	42.58	23.33%
Over	20,000	gallons	\$ 8.08	per 1,000 gallons	Over	20,000	gallons	\$ 9.97	per 1,000 gallons	\$	1.89	23.33%
<u>4" Meters</u>					<u>4" Meters</u>							
First	50,000	gallons	\$ 424.91	Minimum Bill	First	50,000	gallons	\$ 524.04	Minimum Bill	\$	99.13	23.33%
Over	50,000	gallons	\$ 8.08	per 1,000 gallons	Over	50,000	gallons	\$ 9.97	per 1,000 gallons	\$	1.89	23.33%

If the Public Service Commission approves the proposed water rates, then the monthly water bill for a customer using an average of 4,000 gallons per month will increase from \$42.29 to \$52.16. This is an increase of \$9.87 or 23.33%. Further, a table representing the increase for an average customer for each usage class is shown below.

CURRENT AND PROPOSED BILLS
NEBO WATER DISTRICT

<u>Gallons</u> per Month	<u>Meter</u> Size	<u>Existing</u> Bill	<u>Proposed</u> Bill	<u>Change</u>	<u>Percentage</u>
4,000	5/8 x 3/4"	42.29	52.16	9.87	23.33%
4,000	1"	42.28	52.14	9.86	23.33%
20,000	1 1/2"	182.51	225.09	42.58	23.33%
20,000	2"	182.51	225.09	42.58	23.33%
50,000	4"	424.91	524.04	99.13	23.33%

The rates contained in this notice are the rates proposed by Nebo Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates shown in this notice.

Nebo Water District has available for inspection at its office the application which it submitted to the Public Service Commission. A person may examine this application at the District's office located at 49 N Bernard St, Nebo, KY 42441. You may contact the office at 270-249-3709.

A person may also examine the application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, PO Box 615, Frankfort, Kentucky, 40602. You may contact the Public Service Commission at 502-564-3940.

A person may submit a timely written request for intervention to the Public Service Commission, PO Box 615, Frankfort, KY, 40602, establishing the grounds for the request including the status and interest of the party. If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of this notice, the Public Service Commission may take final action on the application.

Attachment #2

REASONS FOR APPLICATION

(In the space below list all reasons why the Applicant requires a rate adjustment. Describe any event or occurrence of significance that may affect the Applicant's present or future financial condition, including but not limited to excessive water line losses, regulatory changes, major repairs, planned construction, and increases in wholesale water costs.)

Nebo Water District is requesting a 23.33 percent rate increase for its water customers. The rate increase will generate an approximate total of \$204,278 in additional annual revenue. The District requires the increase for the following reasons:

1. To restore the District to a sound financial condition; and
2. To enable the District to enhance its financial capacity so it can continue to operate its system in compliance with the federal Safe Drinking Water Act, as amended in 1996, and KRS Chapter 151.

Attachment #3

**CURRENT AND PROPOSED MONTHLY RATES
Nebo Water District**

<u>CURRENT RATE SCHEDULE</u>					<u>PROPOSED RATE SCHEDULE</u>					<u>DIFFERENCE PERCENT</u>	
<u>5/8" x 3/4" Meters</u>					<u>5/8" x 3/4" Meters</u>						
First	2,000	gallons	\$ 23.15	Minimum Bill	First	2,000	gallons	\$ 28.55	Minimum Bill	\$ 5.40	23.33%
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Over	20,000	gallons	\$ 8.08	per 1,000 gallons	Over	20,000	gallons	\$ 9.97	per 1,000 gallons	\$ 1.89	23.33%
<u>1" Meters</u>					<u>1" Meters</u>						
First	4,000	gallons	\$ 42.28	Minimum Bill	First	4,000	gallons	\$ 52.14	Minimum Bill	\$ 9.86	23.33%
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<u>1 1/2" Meters</u>					<u>1 1/2" Meters</u>						
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<u>4" Meters</u>					<u>4" Meters</u>						
First	50,000	gallons	\$ 424.91	Minimum Bill	First	50,000	gallons	\$ 524.04	Minimum Bill	\$ 99.13	23.33%
Over	50,000	gallons	\$ 8.08	per 1,000 gallons	Over	50,000	gallons	\$ 9.97	per 1,000 gallons	\$ 1.89	23.33%

Attachment #4

SCHEDULE OF ADJUSTED OPERATIONS

Nebo Water District

	<u>Test Year</u>	<u>Adjustments</u>	<u>Ref.</u>	<u>Proforma</u>
<u>Operating Revenues</u>				
Total Metered Retail Sales	862,702	12,882	(A)	875,584
Sales to Public Authorities	3,274			3,274
Other Water Revenues:				
Forfeited Discounts	14,297			14,297
Misc. Service Revenues	16,622			16,622
Rents from Water Property	2,400			2,400
Total Operating Revenues	899,295			912,177
<u>Operating Expenses</u>				
Operation and Maintenance				
Salaries and Wages - Employees	251,567	(3,300)	(B)	248,267
Salaries and Wages - Officers	10,800			10,800
Employee Pensions and Benefits	47,347			47,347
Purchased Water	459,978	(10,275)	(C)	449,703
Purchased Power	17,355	(388)	(C)	16,967
Chemicals				-
Materials and Supplies	45,861	(7,700)	(B)	38,161
Contractual Services	14,808			14,808
Transportation Expenses	14,555			14,555
Insurance - Gen. Liab. & Workers Comp.	12,123			12,123
Insurance - Other	2,942			2,942
Bad Debt	1,267			1,267
Miscellaneous Expenses	31,192			31,192
Total Operation and Mnt. Expenses	909,795			888,132
Depreciation Expense	73,097	3,565	(D)	76,662
Taxes Other Than Income	21,433			21,433
Total Operating Expenses	1,004,325			986,227
Total Utility Operating Income	(105,030)			(74,051)

REVENUE REQUIREMENTS

Pro Forma Operating Expenses	986,227
Divide by: 88 percent Operating Ratio	0.88
Total Revenue Requirement	1,120,713
Less: Other Operating Revenue	33,319
Sales to Public Authorities	3,274
Nonutility Income	-
Interest Income	4,258
Revenue Required From Sales of Water	1,079,862
Less: Revenue from Sales with Present Rates	875,584
Required Revenue Increase	204,278
Percent Increase	23.33%

REFERENCES

- A. The Current Billing Analysis results in pro forma water sales revenue of \$878,858. This reflects a full year at the retail rates that were effective in 2022 and indicates an increase to water sales of \$12,882 is required.
- B. Labor and Materials were adjusted by \$11,000 to reflect expenses incurred for tapping fees.
- C. Purchased Water and Purchased Power were adjusted by \$10,275 and \$388, respectively to reflect expenses incurred to pump water lost in excess of 15 percent allowable by PSC regulations.
- D. The PSC requires adjustments to a water utility's depreciation expense when asset lives fall outside the ranges recommended by NARUC in its publication titled "Depreciation Practices for Small Utilities" and by Commission on Rural Water in its publication titled "Average Service Lifetimes, Major Systems Components – Wastewater Systems". Therefore, adjustments are included to bring asset lives to the midpoint of the recommended ranges resulting in an increase in depreciation expense of \$3,565, as shown in Table A.
- E. Nebo Water District received \$34,200 in grant funding during the test period. An adjustment to remove Nonutility Income reported on the 2022 annual report was made as this was income not expected to recur in the future.

Table A
DEPRECIATION EXPENSE ADJUSTMENTS
Nebo Water District

<u>Asset</u>	<u>Date in Service</u>	<u>Original Cost *</u>	<u>Life</u>	<u>Reported Depr. Exp.</u>	<u>Life</u>	<u>Proforma Depr. Exp.</u>	<u>Depreciation Expense Adjustment</u>
<u>General Plant</u>							
Structures & Improvements	varies	\$ 70,051	varies	2,198	37.5	1,868	(330)
Communication & Computer Eqmt.	varies	\$ 14,794	varies	2,113	10.0	1,479	(634)
Office Furniture & Equipment					22.5	-	-
Power Operated Equipment	varies	\$ 3,514	varies	502	12.5	281	(221)
Tools, Shop, & Garage Equipment					17.5	-	-
<u>Source of Supply Plant</u>							
Collecting & Impounding Reservoirs					62.5	-	-
Supply Mains					62.5	-	-
<u>Pumping Plant</u>							
Structures & Improvements					37.5	-	-
Telemetry					10.0	-	-
Pumping Equipment		\$ 6,901	40.0	173	20.0	345	172
<u>Transmission & Distribution Plant</u>							
Hydrants	varies	\$ 9,128	40	229	50.0	229	-
Transmission & Distribution Mains	varies	\$ 1,282,524	40	32,063	62.5	20,520	(11,543)
Meter Installations	varies	\$ 15,857	10	1,586	45.0	352	(1,234)
Meter Change-outs					15.0	-	-
Pump Equipment	varies	\$ 36,403	10	3,640	20.0	1,820	(1,820)
Tank Fence					37.5	-	-
Services					40.0	-	-
Reservoirs & Tanks	varies	\$ 144,296	40	3,608	45.0	3,207	(401)
Tank Painting & Repairs	varies	\$ 639,636	30	21,321	15.0	42,642	21,321
<u>Transportation Equipment</u>							
Entire Group	05/31/19	\$ 27,425	5.0	5,485	7.0	3,918	(1,567)
<u>Water Treatment Plant</u>							
Structures and Improvements					62.5	-	-
Water Treatment Equipment					27.5	-	-
TOTALS		\$ 2,250,529		\$ 72,918		\$ 76,662	\$ 3,744

* Includes only costs associated with assets that contributed to depreciation expense in the test year.

Table B
DEBT SERVICE SCHEDULE
Nebo Water District
CY 2022 - 2026

	<u>CY 2024</u>		<u>CY 2025</u>		<u>CY 2026</u>		<u>CY 2027</u>		<u>CY 2028</u>		<u>TOTALS</u>
	<u>Principal</u>	<u>Interest & Fees</u>	<u>Principal</u>	<u>Interest & Fees</u>	<u>Principal</u>	<u>Interest & Fees</u>	<u>Principal</u>	<u>Interest & Fees</u>	<u>Principal</u>	<u>Interest & Fees</u>	
Series B12-03	4,616	1,087	4,708	985	4,806	881	4,900	775	4,998	666	-
TOTALS	4,616	1,087	4,708	985	4,806	881	4,900	775	4,998	666	\$ 28,422
Average Annual Principal & Interest											\$ 5,684
Average Annual Coverage											\$ 1,137

Attachment #5

CURRENT BILLING ANALYSIS - CURRENT USAGE & EXISTING RATES
Nebo Water District

SUMMARY

	No. of Bills	Gallons Sold	Revenue	
5/8" X 3/4" Meters	18,811	67,981,700	\$ 775,868	
1" Meters	216	1,584,800	17,258	
1 1/2" Meters	24	1,548,700	13,163	
2" Meters	109	5,527,600	52,013	
Fire Hydrant	2	115,700	935	
4" Meters	24	2,630,900	21,760	
5/8" Meters	48	175,600	2,640	
5/8" Meters	12	113,700	1,181	
Totals	19,321	81,954,600	\$ 884,819	
Less Billing Adjustments			\$ (5,961)	
Net Total			\$ 878,858	
Less PSC Annual Report			\$ (865,976)	
SAO Adjustment			\$ 12,882	-1.5%

5/8" x 3/4" METERS

	USAGE	BILLS	GALLONS	FIRST 2,000	NEXT 2,000	NEXT 6,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	2,000	5,909	6,121,100	6,121,100	-	-	-	-	6,121,100
NEXT	2,000	7,002	20,990,400	14,004,000	6,986,400	-	-	-	20,990,400
NEXT	6,000	5,244	29,871,900	10,488,000	10,488,000	8,895,900	-	-	29,871,900
NEXT	10,000	502	6,417,000	1,004,000	1,004,000	3,012,000	1,397,000	-	6,417,000
ALL OVER	20,000	154	4,581,300	308,000	308,000	924,000	1,540,000	1,501,300	4,581,300
TOTAL		18,811	67,981,700	31,925,100	18,786,400	12,831,900	2,937,000	1,501,300	67,981,700

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	2,000	18,811	32,017,200	\$ 23.15	\$ 435,475
NEXT	2,000		18,847,100	\$ 9.57	180,367
NEXT	6,000		12,850,100	\$ 9.07	116,550
NEXT	10,000		2,997,800	\$ 8.58	25,721
ALL OVER	20,000		2,197,400	\$ 8.08	17,755
TOTAL		18,811	68,909,600		\$ 775,868

1" METERS

	USAGE	BILLS	GALLONS	FIRST 4,000	NEXT 6,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	4,000	95	168,300	168,300	-	-	-	168,300
NEXT	6,000	81	550,700	280,000	270,700	-	-	550,700
NEXT	10,000	26	371,300	96,000	144,000	131,300	-	371,300
ALL OVER	20,000	14	494,500	56,000	84,000	140,000	214,500	494,500
TOTAL		216	1,584,800	600,300	498,700	271,300	214,500	1,584,800

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	4,000	216	652,300	\$ 42.28	\$ 9,132
NEXT	6,000		466,700	\$ 9.07	4,233
NEXT	10,000		251,700	\$ 8.58	2,160
ALL OVER	20,000		214,500	\$ 8.08	1,733
TOTAL		216	1,585,200		\$ 17,258

1 1/2" METERS

	USAGE	BILLS	GALLONS	FIRST 10,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	10,000	8	56,300	56,300	-	-	56,300
NEXT	10,000	3	52,900	30,000	22,900	-	52,900
ALL OVER	20,000	13	1,439,500	130,000	130,000	1,179,500	1,439,500
		24	1,548,700	216,300	152,900	1,179,500	1,548,700

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	10,000	24	216,300	\$ 96.71	\$ 2,321
NEXT	10,000		152,900	\$ 8.58	1,312
ALL OVER	20,000		1,179,500	\$ 8.08	9,530
TOTAL		24	1,548,700		\$ 13,163

2" METERS

	USAGE	BILLS	GALLONS	FIRST 20,000	ALL OVER 20,000	TOTAL
FIRST	20,000	58	532,400	532,400	-	532,400
ALL OVER	20,000	51	4,995,200	1,020,000	3,975,200	4,995,200
		109	5,527,600	1,552,400	3,975,200	5,527,600

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	20,000	109	1,552,400	\$ 182.51	\$ 19,894
ALL OVER	20,000		3,975,200	\$ 8.08	32,120
TOTAL		109	5,527,600		\$ 52,013

FIRE HYDRANT

	USAGE	BILLS	GALLONS	FIRST 0	ALL OVER 0	TOTAL
FIRST	0	2	115,700	115,700	-	115,700
ALL OVER	0	0	-	-	-	-
		2	115,700	115,700	-	115,700

REVENUE BY RATE INCREMENT

		BILLS	GALLONS	RATE	REVENUE
FIRST	0	2	115,700	\$ -	\$ 935
ALL OVER	0		-	\$ -	-

TOTAL	2	115,700	\$	935
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4" METERS

	USAGE	BILLS	GALLONS	FIRST 50,000	ALL OVER 50,000	TOTAL
FIRST	50,000	0	-	-	-	-
ALL OVER	50,000	24	2,630,900	1,200,000	1,430,900	2,630,900
		24	2,630,900	1,200,000	1,430,900	2,630,900

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	50,000	24	1,200,000 \$ 424.91	\$ 10,198
ALL OVER	50,000		1,430,900 \$ 8.08	11,562
TOTAL	24	2,630,900		\$ 21,760

5/8" METERS

	USAGE	BILLS	GALLONS	FIRST 4,000	NEXT 6,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	4,000	30	57,500	57,500	-	-	-	57,500
NEXT	6,000	17	107,700	68,000	39,700	-	-	107,700
NEXT	10,000	1	10,400	4,000	6,000	400	-	10,400
ALL OVER	20,000	0	-	-	-	-	-	-
TOTAL		48	175,600	129,500	45,700	400	-	175,600

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	4,000	48	129,500 \$ 46.30	\$ 2,222
NEXT	6,000		45,700 \$ 9.07	414
NEXT	10,000		400 \$ 8.58	3
ALL OVER	20,000		- \$ 8.08	-
TOTAL	48	175,600		\$ 2,640

5/8" METERS

	USAGE	BILLS	GALLONS	FIRST 4,000	NEXT 6,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	4,000	1	-	-	-	-	-	-
NEXT	6,000	7	60,500	28,000	32,500	-	-	60,500
NEXT	10,000	4	53,200	16,000	24,000	13,200	-	53,200
ALL OVER	20,000	0	-	-	-	-	-	-
TOTAL		12	113,700	44,000	56,500	13,200	-	113,700

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	4,000	12	44,000 \$ 46.30	\$ 556
NEXT	6,000		56,500 \$ 9.07	512
NEXT	10,000		13,200 \$ 8.58	113
ALL OVER	20,000		- \$ 8.08	-
TOTAL	12	113,700		\$ 1,181

Attachment #6

PROPOSED BILLING ANALYSIS - CURRENT USAGE & PROPOSED RATES
Nebo Water District

SUMMARY

Percent Increase: 23.33%

	No. of Bills	Gallons Sold	Revenue	
5/8" X 3/4" Meters	18,811	67,981,700	\$ 956,882	
1" Meters	216	1,584,800	21,285	
1 1/2" Meters	24	1,548,700	16,234	
2" Meters	109	5,527,600	64,148	
Fire Hydrant	2	115,700	935	
4" Meters	24	2,630,900	26,836	
5/8" Meters	48	175,600	3,256	
5/8" Meters	12	113,700	1,457	
Totals	19,321	81,954,600	\$ 1,091,033	
Less Billing Adjustments			\$ (5,961)	
Net Total			\$ 1,085,072	
Less Required Revenue from Water Sales			\$(1,079,862)	
Difference			\$ 5,210	-0.5%

5/8" x 3/4" METERS

	USAGE	BILLS	GALLONS	FIRST 2,000	NEXT 2,000	NEXT 6,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	2,000	5,909	6,121,100	6,121,100	-	-	-	-	6,121,100
NEXT	2,000	7,002	20,990,400	14,004,000	6,986,400	-	-	-	20,990,400
NEXT	6,000	5,244	29,871,900	10,488,000	10,488,000	8,895,900	-	-	29,871,900
NEXT	10,000	502	6,417,000	1,004,000	1,004,000	3,012,000	1,397,000	-	6,417,000
ALL OVER	20,000	154	4,581,300	308,000	308,000	924,000	1,540,000	1,501,300	4,581,300
TOTAL		18,811	67,981,700	31,925,100	18,786,400	12,831,900	2,937,000	1,501,300	67,981,700

REVENUE BY RATE INCREMENT

	USAGE	BILLS	GALLONS	RATE	REVENUE
FIRST	2,000	18,811	32,017,200	\$ 28.55	\$ 537,073
NEXT	2,000		18,847,100	\$ 11.80	222,447

NEXT	6,000	12,850,100	\$	11.19	143,742
NEXT	10,000	2,997,800	\$	10.58	31,722
ALL OVER	20,000	2,197,400	\$	9.97	21,897
TOTAL	18,811	68,909,600	\$		956,882

1" METERS

	USAGE	BILLS	GALLONS	FIRST 4,000	NEXT 6,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	4,000	95	168,300	168,300	-	-	-	168,300
NEXT	6,000	81	550,700	280,000	270,700	-	-	550,700
NEXT	10,000	26	371,300	96,000	144,000	131,300	-	371,300
ALL OVER	20,000	14	494,500	56,000	84,000	140,000	214,500	494,500
TOTAL		216	1,584,800	600,300	498,700	271,300	214,500	1,584,800

REVENUE BY RATE INCREMENT

	USAGE	BILLS	GALLONS	RATE	REVENUE
FIRST	4,000	216	652,300	\$ 52.14	\$ 11,263
NEXT	6,000		466,700	\$ 11.19	5,221
NEXT	10,000		251,700	\$ 10.58	2,663
ALL OVER	20,000		214,500	\$ 9.97	2,138
TOTAL		216	1,585,200		\$ 21,285

1 1/2" METERS

	USAGE	BILLS	GALLONS	FIRST 10,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	10,000	8	56,300	56,300	-	-	56,300
NEXT	10,000	3	52,900	30,000	22,900	-	52,900
ALL OVER	20,000	13	1,439,500	130,000	130,000	1,179,500	1,439,500
		24	1,548,700	216,300	152,900	1,179,500	1,548,700

REVENUE BY RATE INCREMENT

	USAGE	BILLS	GALLONS	RATE	REVENUE
FIRST	10,000	24	216,300	\$ 119.27	\$ 2,863
NEXT	10,000		152,900	\$ 10.58	1,618
ALL OVER	20,000		1,179,500	\$ 9.97	11,754
TOTAL		24	1,548,700		\$ 16,234

2" METERS

	USAGE	BILLS	GALLONS	FIRST 20,000	ALL OVER 20,000	TOTAL
FIRST	20,000	58	532,400	532,400	-	532,400
ALL OVER	20,000	51	4,995,200	1,020,000	3,975,200	4,995,200
		109	5,527,600	1,552,400	3,975,200	5,527,600

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	20,000	109	\$ 225.09	\$ 24,535
ALL OVER	20,000		\$ 9.97	39,613
TOTAL	109	5,527,600		\$ 64,148

FIRE HYDRANT

	USAGE	BILLS	GALLONS	FIRST 0	ALL OVER 0	TOTAL
FIRST	0	2	115,700	115,700	-	115,700
ALL OVER	0	0	-	-	-	-
		2	115,700	115,700	-	115,700

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
FIRST	0	2	\$ -	\$ 935
ALL OVER	0		\$ -	-
TOTAL	2	115,700		\$ 935

4" METERS

	USAGE	BILLS	GALLONS	FIRST 50,000	ALL OVER 50,000	TOTAL
FIRST	50,000	0	-	-	-	-
ALL OVER	50,000	24	2,630,900	1,200,000	1,430,900	2,630,900
		24	2,630,900	1,200,000	1,430,900	2,630,900

REVENUE BY RATE INCREMENT

	BILLS	GALLONS	RATE	REVENUE
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FIRST	50,000	24	1,200,000	\$	524.04	\$	12,577
ALL OVER	50,000		1,430,900	\$	9.97		14,259
TOTAL		24	2,630,900			\$	26,836

5/8" METERS

	USAGE	BILLS	GALLONS	FIRST 4,000	NEXT 6,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	4,000	30	57,500	57,500	-	-	-	57,500
NEXT	6,000	17	107,700	68,000	39,700	-	-	107,700
NEXT	10,000	1	10,400	4,000	6,000	400	-	10,400
ALL OVER	20,000	0	-	-	-	-	-	-
TOTAL		48	175,600	129,500	45,700	400	-	175,600

REVENUE BY RATE INCREMENT

	USAGE	BILLS	GALLONS	RATE	REVENUE
FIRST	4,000	48	129,500	\$ 57.10	\$ 2,741
NEXT	6,000		45,700	\$ 11.19	511
NEXT	10,000		400	\$ 10.58	4
ALL OVER	20,000		-	\$ 9.97	-
TOTAL		48	175,600		\$ 3,256

5/8" METERS

	USAGE	BILLS	GALLONS	FIRST 4,000	NEXT 6,000	NEXT 10,000	ALL OVER 20,000	TOTAL
FIRST	4,000	1	-	-	-	-	-	-
NEXT	6,000	7	60,500	28,000	32,500	-	-	60,500
NEXT	10,000	4	53,200	16,000	24,000	13,200	-	53,200
ALL OVER	20,000	0	-	-	-	-	-	-
TOTAL		12	113,700	44,000	56,500	13,200	-	113,700

REVENUE BY RATE INCREMENT

	USAGE	BILLS	GALLONS	RATE	REVENUE
FIRST	4,000	12	44,000	\$ 57.10	\$ 685
NEXT	6,000		56,500	\$ 11.19	632
NEXT	10,000		13,200	\$ 10.58	140

ALL OVER	20,000		-	\$	9.97	-
TOTAL		12	113,700		\$	1,457

Attachment #7

NEBO WATER DISTRICT
DEPRECIATION SCHEDULE
2021

DESCRIPTION	DATE ACQUIRED	COST	LIFE	METHOD	ACCUMULATED DEPRECIATION 12/31/114	DEPRECIATION 12/31/2015	ACCUMULATED DEPRECIATION 12/31/2015	DEPRECIATION 12/31/2016	ACCUMULATED DEPRECIATION 12/31/2016	DEPRECIATION 12/31/2017	ACCUMULATED DEPRECIATION 12/31/2017	DEPRECIATION 12/31/2018	ACCUMULATED DEPRECIATION 12/31/2018	DEPRECIATION 12/31/2019	ACCUMULATED DEPRECIATION 12/31/2019	DEPRECIATION 12/31/2020	ACCUMULATED DEPRECIATION 12/31/2020	DEPRECIATION 12/31/2021	ACCUMULATED DEPRECIATION 12/31/2021
STRUCTURES & IMPROVEMENTS																			
FULLY DEPRECIATED		9,112.98			9,112.98	-	9,112.98	-	9,112.98	-	9,112.98	-	9,112.98	-	9,112.98	-	9,112.98	-	9,112.98
OFFICE BUILDING	10/1/1985	19,700.00	30	SL	19,207.56	492.44	19,700.00	-	19,700.00	-	19,700.00	-	19,700.00	-	19,700.00	-	19,700.00	-	19,700.00
OFFICE ADDITION	7/1/1996	17,280.00	30	SL	10,672.00	576.00	11,824.00	576.00	11,824.00	576.00	12,400.00	576.00	12,976.00	576.00	13,552.00	576.00	14,128.00	576.00	14,704.00
BUILDING	7/1/2002	11,856.51	30	SL	4,940.25	395.22	5,335.47	395.22	5,730.69	395.22	6,125.91	395.22	6,521.13	395.22	6,916.35	395.22	7,311.57	395.22	7,706.79
METAL SHELVES	8/1/2003	861.86	20	SL	732.53	43.09	775.62	43.09	818.71	43.15	861.86	-	861.86	-	861.86	-	861.86	-	861.86
FENCE	9/1/2009	11,740.00	20	SL	3,228.50	587.00	3,815.50	587.00	4,402.50	587.00	4,989.50	587.00	5,576.50	587.00	6,163.50	587.00	6,750.50	587.00	7,337.50
40 X 60 BUILDING	6/1/2010	19,200.00	30	SL	2,880.00	640.00	3,520.00	640.00	4,160.00	640.00	4,800.00	640.00	5,440.00	640.00	6,080.00	640.00	6,720.00	640.00	7,360.00
		89,751.35			50,773.82	2,733.75	53,507.57	2,241.31	55,748.88	2,241.37	57,990.25	2,198.22	60,188.47	2,198.22	62,386.69	2,198.22	64,584.91	2,198.22	66,783.13
DISTRIBUTION RESERVOIRS																			
FULLY DEPRECIATED		1,622.93			1,622.93	-	1,622.93	-	1,622.93	-	1,622.93	-	1,622.93	-	1,622.93	-	1,622.93	-	1,622.93
RESERVOIRS	7/1/1981	237,651.00	40	SL	202,002.33	5,941.28	207,943.61	5,941.28	213,884.89	5,941.28	219,826.17	5,941.28	225,767.45	5,941.28	231,708.73	5,942.27	237,651.00	-	237,651.00
ELECTRIC PUMP VALVES	7/1/1991	6,960.59	40	SL	4,226.54	172.51	4,399.05	172.51	4,571.56	172.51	4,744.07	172.51	4,916.58	172.51	5,089.09	172.51	5,261.60	172.51	5,434.11
RESERVOIRS	7/1/1991	1,065.58	40	SL	626.04	26.64	652.68	26.64	679.32	26.64	705.96	26.64	732.60	26.64	759.24	26.64	785.88	26.64	812.52
RESERVOIRS	7/1/1992	138,745.69	40	SL	77,497.42	3,486.64	80,984.06	3,486.64	84,470.70	3,486.64	87,957.34	3,486.64	91,443.98	3,486.64	94,930.62	3,486.64	98,417.26	3,486.64	101,903.90
RESERVOIRS	7/1/1993	4,483.57	40	SL	2,409.93	112.09	2,522.02	112.09	2,634.11	112.09	2,746.20	112.09	2,858.29	112.09	2,970.38	112.09	3,082.47	112.09	3,194.56
BOOSTER PUMP	7/1/1993	9,438.89	20	SL	9,674.92	(236.03)	9,438.89	-	9,438.89	-	9,438.89	-	9,438.89	-	9,438.89	-	9,438.89	-	9,438.89
TANK REPAIR	12/1/2003	42,750.40	30	SL	15,675.11	1,425.01	17,100.12	1,425.01	18,525.13	1,425.01	19,950.14	1,425.01	21,375.15	1,425.01	22,800.16	1,425.01	24,225.17	1,425.01	25,650.18
TANK REHAB	6/1/2004	39,600.00	30	SL	13,860.00	1,320.00	15,180.00	1,320.00	16,500.00	1,320.00	17,820.00	1,320.00	19,140.00	1,320.00	20,460.00	1,320.00	21,780.00	1,320.00	23,100.00
TANK REHAB	9/1/2004	49,964.00	30	SL	17,487.34	1,665.46	19,152.80	1,665.46	20,818.26	1,665.46	22,483.72	1,665.46	24,149.18	1,665.46	25,814.64	1,665.46	27,480.10	1,665.46	29,145.56
TANK REHAB	4/1/2007	175,287.61	30	SL	43,821.90	5,842.92	49,664.82	5,842.92	55,507.74	5,842.92	61,350.66	5,842.92	67,193.58	5,842.92	73,036.50	5,842.92	78,879.42	5,842.92	84,722.34
TANK REHAB	6/1/2012	118,462.40	30	SL	7,897.50	3,948.75	11,846.25	3,948.75	15,795.00	3,948.75	19,743.75	3,948.75	23,692.50	3,948.75	27,641.25	3,948.75	31,590.00	3,948.75	35,538.75
TANK REHAB	6/1/2013	52,365.95	30	SL	2,618.30	1,745.53	4,363.83	1,745.53	6,109.36	1,745.53	7,854.89	1,745.53	9,600.42	1,745.53	11,345.95	1,745.53	13,091.48	1,745.53	14,837.01
TANK PAINTING	9/30/2018	83,106.00	30	SL	-	-	-	-	-	-	-	1,385.10	1,385.10	2,770.20	4,155.30	2,770.20	6,925.50	2,770.20	9,695.70
TANK PAINTING	11/1/2019	78,100.00	30	SL	-	-	-	-	-	-	-	-	-	1,301.67	2,603.33	1,301.67	2,603.33	3,905.00	6,508.33
		1,039,544.61			399,247.75	25,450.80	424,698.55	25,686.83	450,385.38	25,686.83	476,072.21	27,071.93	503,144.14	29,758.70	532,902.84	31,061.35	563,964.19	25,119.08	589,083.27
TRANSMISSION MAINS																			
MAINS	7/1/1981	1,310,972.00	40	SL	1,110,261.01	32,774.30	1,143,035.31	32,774.30	1,175,809.61	32,774.30	1,208,583.91	32,774.30	1,241,358.21	32,774.30	1,274,132.51	32,774.30	1,306,906.81	4,065.19	1,310,972.00
MAINS	7/1/1984	5,934.00	40	SL	4,598.50	148.35	4,746.85	148.35	4,895.20	148.35	5,043.55	148.35	5,191.90	148.35	5,340.25	148.35	5,488.60	148.35	5,636.95
MAINS	7/1/1986	15,073.20	40	SL	10,739.66	376.83	11,116.49	376.83	11,493.32	376.83	11,870.15	376.83	12,246.98	376.83	12,623.81	376.83	13,000.64	376.83	13,377.47
MAINS	7/1/1987	9,606.22	40	SL	6,604.34	240.16	6,844.50	240.16	7,084.66	240.16	7,324.82	240.16	7,564.98	240.16	7,805.14	240.16	8,045.30	240.16	8,285.46
MAINS	7/1/1988	15,171.78	40	SL	10,051.24	379.29	10,430.53	379.29	10,809.82	379.29	11,189.11	379.29	11,568.40	379.29	11,947.69	379.29	12,326.98	379.29	12,706.27
MAINS	7/1/1990	16,384.06	40	SL	10,035.22	409.60	10,444.82	409.60	10,854.42	409.60	11,264.02	409.60	11,673.62	409.60	12,083.22	409.60	12,492.82	409.60	12,902.42
MAINS	7/1/1992	227,037.39	40	SL	127,708.46	5,675.93	133,384.39	5,675.93	139,060.32	5,675.93	144,736.25	5,675.93	150,412.18	5,675.93	156,088.11	5,675.93	161,764.04	5,675.93	167,439.97
MAINS	7/1/1993	196,243.98	40	SL	105,481.15	4,906.10	110,387.25	4,906.10	115,293.35	4,906.10	120,199.45	4,906.10	125,105.55	4,906.10	130,011.65	4,906.10	134,917.75	4,906.10	139,823.85
MAINS	7/1/1994	51,736.59	40	SL	26,514.93	1,293.41	27,808.34	1,293.41	29,101.75	1,293.41	30,395.16	1,293.41	31,688.57	1,293.41	32,981.98	1,293.41	34,275.39	1,293.41	35,568.80
MAINS	7/1/1995	12,981.32	40	SL	6,328.35	324.53	6,652.88	324.53	6,977.41	324.53	7,301.94	324.53	7,626.47	324.53	7,951.00	324.53	8,275.53	324.53	8,600.06
MAINS	7/1/1996	11,492.00	40	SL	5,303.08	287.30	5,590.38	287.30	5,877.68	287.30	6,164.98	287.30	6,452.28	287.30	6,739.58	287.30	7,026.88	287.30	7,314.18
MAINS	7/1/1997	6,555.61	40	SL	2,861.26	163.89	3,025.15	163.89	3,189.04	163.89	3,352.93	163.89	3,516.82	163.89	3,680.71	163.89	3,844.60	163.89	4,008.49
MAINS	7/1/1998	4,004.00	40	SL	1,665.65	10.10	1,675.75	10.10	1,685.85	10.10	1,695.95	10.10	1,706.05	10.10	1,716.15	10.10	1,726.25	10.10	1,736.35
MAINS	7/1/1999	4,905.44	40	SL	1,900.92	122.64	2,023.56	122.64	2,146.20	122.64	2,268.84	122.64	2,391.48	122.64	2,514.12	122.64	2,636.76	122.64	2,759.40
MAINS	7/1/1999	300.00	40	SL	116.25	7.50	123.75	7.50	131.25	7.50	138.75	7.50	146.25	7.50	153.75	7.50	161.25	7.50	168.75
MAINS	6/1/2006	10,954.00	40	SL	2,327.73	273.85	2,601.58	273.85	2,875.43	273.85	3,149.28	273.85	3,423.13	273.85	3,696.98	273.85	3,970.83	273.85	4,244.68
MAINS	12/1/2008	6,025.94	40	SL	753.25	150.65	903.90	150.65	1,054.55	150.65	1,205.20	150.65	1,355.85	150.65	1,506.50	150.65	1,657.15	150.65	1,807.80
MAINS	3/1/2009	1,196.85	40	SL	149.60	29.92	179.52	29.92	209.44	29.92	239.36	29.92	269.28	29.92	299.20	29.92	329.12	29.92	359.04
LINE EXTENSION	12/1/2010	493,956.85	40	SL	53,398.68	12,348.92	65,747.60	12,348.92	78,096.52	12,348.92	90,445.44	12,348.92	102,794.36	12,348.92	115,143.28	12,348.92	127,492.20	12,348.92	139,841.12
MOTOR	12/1/2011	28,874.00	40	SL	2,526.48	721.85	3,248.33	721.85	3,970.18	721.85	4,692.03	721.85	5,413.88	721.85	6,135.73	721.85	6,857.58	721.85	7,579.43
LINE EXTENSION	12/1/2011	138,356.46	40	SL	12,106.19	3,458.91	15,565.10	3,458.91	19,024.01	3,458.91	22,482.92	3,458.91	25,941.83	3,458.91	29,400.74	3,458.91	32,859.65	3,458.91	36,318.56
LINE EXTENSION	12/31/2014	29,334.10	40	SL	-	733.36	733.36	733.36	1,466.72	733.36	2,200.08	733.36	2,933.44	733.36	3,666.80	733.36	4,400.16	733.36	5,133.52
		2,593																	

Attachment #8

ATTACHMENT A

**Nebo Water District
B12-03**

EXECUTIVE SUMMARY		Reviewer:	Sandy Williams	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date:	June 7, 2012	
FUND B, INFRASTRUCTURE		KIA Loan Number:	B12-03	
REVOLVING LOAN FUND		WRIS Number	WX21107002	
BORROWER:	NEBO WATER DISTRICT			
	HOPKINS COUNTY			
BRIEF DESCRIPTION:	This project will add mixing systems to the older rainwater stand pipe and elevated tank in the District's system. The addition will enable the system to meet residual and turnover requirements in 2014.			
PROJECT FINANCING:	PROJECT BUDGET			
Fund B Loan	\$ 92,000	Administrative Expenses	\$ 2,500	
		Engineering	4,500	
		Construction	85,000	
TOTAL	\$ 92,000	TOTAL	\$ 92,000	
REPAYMENT	Rate	2.0%	Est. Annual Payment \$ 5,788	
	Term	20 years	1st Payment 6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Wet or Dry		
	Bond Counsel	Peck, Shaffer, & Williams		
PROJECT SCHEDULE	Bid Opening:	March 2012		
	Construction Start:	July 2012		
	Construction Stop:	November 2012		
DEBT PER CUSTOMER	Existing:	\$ 420		
	Proposed:	\$ 200		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	1,554	\$ 33.63 (for 4,000 gallons)	
	Additional	0	\$ 33.63 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Available for Debt Service	Debt Service	Income after Debt Service	Coverage Ratio
Audited 2008	98,772	90,886	7,886	1.1
Audited 2009	136,225	91,038	45,187	1.5
Audited 2010	115,695	90,551	25,144	1.3
Audited 2011	226,316	89,920	136,396	2.5
Projected 2012	143,421	88,067	55,354	1.6
Projected 2013	147,083	20,567	126,516	7.2
Projected 2014	159,589	21,142	138,447	7.5
Projected 2015	172,277	20,696	151,581	8.3

Reviewer: Sandy Williams
Date: June 7, 2012
Loan Number: B12-03

**KENTUCKY INFRASTRUCTURE AUTHORITY
INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")
NEBO WATER DISTRICT, HOPKINS COUNTY
PROJECT REVIEW
WX21107002**

I. PROJECT DESCRIPTION

The Nebo Water District is requesting a Fund "B" loan in the amount of \$92,000 for the Tank Upgrade project. The project will add mixing systems to the older rainwater stand pipe and elevated tank in the District's system. The addition will enable the system to meet residual and turnover requirements in 2014. The project ranked sixty-second on the 2012 Drinking Water priority list while the highest ranked project that was invited to apply was thirty-six resulting in the District's decision to pursue a Fund B loan instead.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 2,500
Engineering Fees	4,500
Construction	85,000
Total	\$ 92,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$ 92,000	100%
Total	\$ 92,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 92,000
Interest Rate	2.0%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 5,604
Administrative Fee (0.20%)	\$ 184
Total Estimated Annual Debt Service	\$ 5,788

V. PROJECT SCHEDULE

Bid Opening	March 2012
Construction Start	July 2012
Construction Stop	November 2012

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	1,525
Commercial	22
Industrial	7
Total	1,554

B) Rates

	Current	Prior
Date of Last Rate Increase	03/15/2012	
Minimum (2,000 Gallons)	\$18.61	\$19.39
Next 2,000 Gallons	7.51	7.90
Next 6,000 Gallons	7.06	7.45
Next 10,000 Gallons	6.63	7.02
Over 20,000 Gallons	6.18	6.57
Cost for 4,000 gallons	\$33.63	\$35.19
Increase %	-4.4%	
Affordability Index (Rate/MHI)	1.0%	

Rates were decreased in 2012 due to a decrease in the purchase water rate from the City of Madisonville from \$3.95 to \$3.63 per thousand gallons.

VII. DEMOGRAPHICS

In 2010, Hopkins County's population was 46,234 with a Median Household Income (MHI) of \$39,096. The median household income for the Commonwealth is \$41,197. The loan qualifies for a 2% interest rate.

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended December 31, 2008 through 2011.

HISTORICAL

Revenues increased 41% from \$846,481 in 2008 to \$1,193,931 in 2011. Approximately 20% of the increase was due to volume, 6% to a one time accounting adjustment in 2011 and the balance due to rate increases. Purchased water cost increased 38% from \$468,346 to \$644,861 while operating expenses increased 8% from \$317,201 to \$343,097. The debt coverage ratio ranged from a low of 1.1 in 2008 to a high of 2.5 in 2011.

The balance sheet reflects a current ratio of 6.4 and a debt to equity ratio of 0.3 at the end of 2011. Unrestricted cash equals about 5.7 months of expenses. Accelerated debt payments of \$375,000 were made in early 2012 (in addition to required debt payments of \$58,000) to reduce higher interest borrowings (approximately 5% rate). The District has spent about \$850,000 during the past four years, 90% of which was funded with grants.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase 2% per year for growth and inflation beginning in 2013. Revenues will decline in 2012 due to the rate decrease and the accounting adjustment noted above.
- 2) Purchased water cost changes will be offset by rate adjustments
- 3) A replacement reserve of \$230 will be funded annually for ten years.
- 4) Debt service on the proposed loan is estimated at \$5,788 annually with total debt service in 2013 estimated at \$20,567.
- 5) Debt service coverage is 7.2 in 2012 when principal and interest repayments begin.

Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund B loan.

REPLACEMENT RESERVE

The annual replacement cost is \$230. This amount should be added to the replacement account each December 1 until the balance reaches \$2,300 and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
2001 Series Bonds (4.87%)	96,000	2025
2007A Series Bonds (4.05%)	133,000	2022
Total	\$ 229,000	

X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount	Type
Water Tank and Distribution System Upgrade	HB380	300,000	Grant
Water Tank Project #275	HB410	18,000	Grant
Water Lines	HB608	452,000	Grant

XI. CONTACTS

Applicant	
Name	Nebo Water District
Address	45 N. Bernard Nebo, KY 42441
County	Hopkins
Contact	Mark Matheny
Phone	(270) 249-3709
Email	nebowater@bellsouth.net

Applicant Contact	
Name	Pennyryle Area Development District
Address	300 Hammond Drive Hopkinsville, KY 42240
Contact	John Herring
Phone	(270) 886-9484
Email	johnm.herring@ky.gov

Engineer	
Name	Jay Hoffman
Firm	Wet or Dry
Address	1609 Hillsboro Road Campbellsburg, KY 4001
Phone	(502) 532-6190
Email	diver@wetordryinspection.com

XII. RECOMMENDATIONS

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

EXHIBIT 1												
NEBO WATER DISTRICT												
CASH FLOW ANALYSIS (DECEMBER YEAR END)												
	Audited	%	Audited	%	Audited	%	Audited	%	Projected	Projected	Projected	Projected
	2008	Change	2009	Change	2010	Change	2011	Change	2012	2013	2014	2015
Operating Revenues												
Water Revenues	841,020	9%	920,540	11%	1,021,401	16%	1,180,679	-8%	1,087,932	1,101,088	1,123,110	1,145,572
Other	5,461	344%	24,226	-68%	7,781	70%	13,252	-6%	12,500	12,750	13,005	13,265
Total Revenues	846,481	12%	944,766	9%	1,029,182	16%	1,193,931	-8%	1,100,432	1,113,838	1,136,115	1,158,837
Operating Expenses												
Purchased Water	468,346	11%	519,958	11%	574,913	12%	644,861	-4%	617,900	617,900	617,900	617,900
Operating Expenses	317,201	-2%	311,819	14%	355,387	-3%	343,097	3%	352,361	361,875	371,646	381,660
Depreciation	98,913	-13%	86,406	10%	95,201	18%	112,675	2%	115,000	118,700	118,700	118,700
Replacement Reserve									230	230	230	230
Total Expenses	884,460	4%	918,183	12%	1,025,501	7%	1,100,633	-1%	1,085,261	1,098,705	1,108,476	1,118,510
Net Operating Income	(37,979)	-170%	26,583	-86%	3,681	2435%	93,298	-84%	15,171	15,133	27,639	40,327
Non-Operating Income and Expenses												
Interest Income	25,013	-40%	14,936	-34%	9,813	0%	9,843	-42%	5,750	5,750	5,750	5,750
Tap Fees	12,825		2,800		7,000		10,500		7,500	7,500	7,500	7,500
Other	0		5,500		0		0		0	0	0	0
Total Non-Operating Income & Expenses	37,838	-39%	23,236	-28%	16,813	21%	20,343	-35%	13,250	13,250	13,250	13,250
Add Non-Cash Expenses												
Depreciation	98,913	-13%	86,406	10%	95,201	18%	112,675	2%	115,000	118,700	118,700	118,700
Cash Available for Debt Service	98,772	38%	136,225	-15%	115,695	96%	226,316	-37%	143,421	147,083	159,589	172,277
Debt Service (enter as positive #s)												
Existing Principal	49,000		52,000		54,000		56,000		58,000	10,000	11,000	11,000
Existing Interest	41,886		39,038		36,551		33,920		30,067	4,779	4,354	3,908
Proposed KIA Loan	0		0		0		0		0	5,788	5,788	5,788
Total Debt Service	90,886		91,038		90,551		89,920		88,067	20,567	21,142	20,696
Income After Debt Service	7,886		45,187		25,144		136,396		55,354	126,516	138,447	151,581
Debt Coverage Ratio	1.1		1.5		1.3		2.5		1.6	7.2	7.5	8.3

**NEBO WATER DISTRICT
BALANCE SHEETS (DECEMBER YEAR END)**

ASSETS	Audited 2008	Audited 2009	Audited 2010	Audited 2011	Upon Completion 2012
Current Assets					
Cash	469,527	474,352	495,914	469,857	275,211
Accounts Receivable	48,926	27,060	24,944	108,691	105,521
Inventory	34,639	37,183	36,098	41,307	40,000
Prepaid	6,027	4,859	4,434	10,268	7,500
Total Current Assets	559,119	543,454	561,390	630,123	428,232
Restricted Assets					
Cash	248,712	262,217	256,555	269,132	144,132
Total Restricted Assets	248,712	262,217	256,555	269,132	144,132
Utility Plant					
Land, System, Building and Equipment	3,351,129	3,400,177	3,910,575	4,150,145	4,242,145
Less Accumulated Depreciation ()	(2,019,830)	(2,084,556)	(2,179,757)	(2,292,432)	(2,407,432)
Net Fixed Assets	1,331,299	1,315,621	1,730,818	1,857,713	1,834,713
Other Assets					
Bond Issue Costs	9,450	8,910	8,370	7,830	3,500
Total Other Assets	9,450	8,910	8,370	7,830	3,500
Total Assets	2,148,580	2,130,202	2,557,133	2,764,798	2,410,577
LIABILITIES					
Current Liabilities					
Accounts Payable	26,780	49,844	42,799	31,680	30,000
Accrued Expenses	6,988	3,670	5,303	8,141	8,500
Current Portion Long Term Debt	52,000	54,000	56,000	58,000	10,000
Total Current Liabilities	85,768	107,514	104,102	97,821	48,500
Long Term Liabilities					
Long Term Debt	762,000	708,000	652,000	594,000	209,000
Notes Payable - KIA	0	0	0	0	92,000
Total Long Term Liabilities	762,000	708,000	652,000	594,000	301,000
Total Liabilities	847,768	815,514	756,102	691,821	349,500
Retained Earnings:					
Contributed Capital	1,539,896	1,539,896	2,052,591	2,203,799	2,203,799
Restricted	196,712	208,217	200,555	211,132	144,132
Unrestricted	(435,796)	(433,425)	(452,115)	(341,954)	(286,854)
Total Retained Earnings	1,300,812	1,314,688	1,801,031	2,072,977	2,061,077
Total Liabilities and Equities	2,148,580	2,130,202	2,557,133	2,764,798	2,410,577
Balance Sheet Analysis					
Current Ratio	6.5	5.1	5.4	6.4	8.8
Debt to Equity	0.7	0.6	0.4	0.3	0.2
Days Sales in Accounts Receivable	21.1	10.5	8.8	33.2	35.0

Attachment #9

KENTUCKY INFRASTRUCTURE AUTHORITY
 REPAYMENT SCHEDULE
 LOAN #B12-03
 NEBO WATER DISTRICT
 FINAL

2.00% Rate \$2,801.92 P & I Calculation
--

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$92,000.00		
06/01/14	\$1,881.92	\$925.60	2.00%	\$2,807.52	\$92.00	\$0.00	\$2,899.52	\$90,118.08	\$0.00	\$0.00
12/01/14	\$1,900.74	\$901.18	2.00%	\$2,801.92	\$90.12	\$0.00	\$2,892.04	\$88,217.34	\$230.00	\$230.00
06/01/15	\$1,919.75	\$882.17	2.00%	\$2,801.92	\$88.22	\$0.00	\$2,890.14	\$86,297.59	\$0.00	\$230.00
12/01/15	\$1,938.94	\$862.98	2.00%	\$2,801.92	\$86.30	\$0.00	\$2,888.22	\$84,358.65	\$230.00	\$460.00
06/01/16	\$1,958.33	\$843.59	2.00%	\$2,801.92	\$84.36	\$0.00	\$2,886.28	\$82,400.32	\$0.00	\$460.00
12/01/16	\$1,977.92	\$824.00	2.00%	\$2,801.92	\$82.40	\$0.00	\$2,884.32	\$80,422.40	\$230.00	\$690.00
06/01/17	\$1,997.70	\$804.22	2.00%	\$2,801.92	\$80.42	\$0.00	\$2,882.34	\$78,424.70	\$0.00	\$690.00
12/01/17	\$2,017.67	\$784.25	2.00%	\$2,801.92	\$78.42	\$0.00	\$2,880.34	\$76,407.03	\$230.00	\$920.00
06/01/18	\$2,037.85	\$764.07	2.00%	\$2,801.92	\$76.41	\$0.00	\$2,878.33	\$74,369.18	\$0.00	\$920.00
12/01/18	\$2,058.23	\$743.69	2.00%	\$2,801.92	\$74.37	\$0.00	\$2,876.29	\$72,310.95	\$230.00	\$1,150.00
06/01/19	\$2,078.81	\$723.11	2.00%	\$2,801.92	\$72.31	\$0.00	\$2,874.23	\$70,232.14	\$0.00	\$1,150.00
12/01/19	\$2,099.60	\$702.32	2.00%	\$2,801.92	\$70.23	\$0.00	\$2,872.15	\$68,132.54	\$230.00	\$1,380.00
06/01/20	\$2,120.59	\$681.33	2.00%	\$2,801.92	\$68.13	\$0.00	\$2,870.05	\$66,011.95	\$0.00	\$1,380.00
12/01/20	\$2,141.80	\$660.12	2.00%	\$2,801.92	\$66.01	\$0.00	\$2,867.93	\$63,870.15	\$230.00	\$1,610.00
06/01/21	\$2,163.22	\$638.70	2.00%	\$2,801.92	\$63.87	\$0.00	\$2,865.79	\$61,706.93	\$0.00	\$1,610.00
12/01/21	\$2,184.85	\$617.07	2.00%	\$2,801.92	\$61.71	\$0.00	\$2,863.63	\$59,522.08	\$230.00	\$1,840.00
06/01/22	\$2,206.70	\$595.22	2.00%	\$2,801.92	\$59.52	\$0.00	\$2,861.44	\$57,315.38	\$0.00	\$1,840.00
12/01/22	\$2,228.77	\$573.15	2.00%	\$2,801.92	\$57.32	\$0.00	\$2,859.24	\$55,086.61	\$230.00	\$2,070.00
06/01/23	\$2,251.05	\$550.87	2.00%	\$2,801.92	\$55.09	\$0.00	\$2,857.01	\$52,835.56	\$0.00	\$2,070.00
12/01/23	\$2,273.56	\$528.36	2.00%	\$2,801.92	\$52.84	\$0.00	\$2,854.76	\$50,562.00	\$230.00	\$2,300.00
06/01/24	\$2,296.30	\$505.62	2.00%	\$2,801.92	\$50.56	\$0.00	\$2,852.48	\$48,265.70	\$0.00	\$2,300.00
12/01/24	\$2,319.26	\$482.66	2.00%	\$2,801.92	\$48.27	\$0.00	\$2,850.19	\$45,946.44	\$0.00	\$2,300.00
06/01/25	\$2,342.46	\$459.46	2.00%	\$2,801.92	\$45.95	\$0.00	\$2,847.87	\$43,603.98	\$0.00	\$2,300.00
12/01/25	\$2,365.88	\$436.04	2.00%	\$2,801.92	\$43.60	\$0.00	\$2,845.52	\$41,238.10	\$0.00	\$2,300.00
06/01/26	\$2,389.54	\$412.38	2.00%	\$2,801.92	\$41.24	\$0.00	\$2,843.16	\$38,848.56	\$0.00	\$2,300.00
12/01/26	\$2,413.43	\$388.49	2.00%	\$2,801.92	\$38.85	\$0.00	\$2,840.77	\$36,435.13	\$0.00	\$2,300.00
06/01/27	\$2,437.57	\$364.35	2.00%	\$2,801.92	\$36.44	\$0.00	\$2,838.36	\$33,997.56	\$0.00	\$2,300.00
12/01/27	\$2,461.94	\$339.98	2.00%	\$2,801.92	\$34.00	\$0.00	\$2,835.92	\$31,535.62	\$0.00	\$2,300.00
06/01/28	\$2,486.56	\$315.36	2.00%	\$2,801.92	\$31.54	\$0.00	\$2,833.46	\$29,049.06	\$0.00	\$2,300.00
12/01/28	\$2,511.43	\$290.49	2.00%	\$2,801.92	\$29.05	\$0.00	\$2,830.97	\$26,537.63	\$0.00	\$2,300.00
06/01/29	\$2,536.54	\$265.38	2.00%	\$2,801.92	\$26.54	\$0.00	\$2,828.46	\$24,001.09	\$0.00	\$2,300.00
12/01/29	\$2,561.91	\$240.01	2.00%	\$2,801.92	\$24.00	\$0.00	\$2,825.92	\$21,439.18	\$0.00	\$2,300.00
06/01/30	\$2,587.53	\$214.39	2.00%	\$2,801.92	\$21.44	\$0.00	\$2,823.36	\$18,851.65	\$0.00	\$2,300.00
12/01/30	\$2,613.40	\$188.52	2.00%	\$2,801.92	\$18.85	\$0.00	\$2,820.77	\$16,238.25	\$0.00	\$2,300.00
06/01/31	\$2,639.54	\$162.38	2.00%	\$2,801.92	\$16.24	\$0.00	\$2,818.16	\$13,598.71	\$0.00	\$2,300.00
12/01/31	\$2,665.93	\$135.99	2.00%	\$2,801.92	\$13.60	\$0.00	\$2,815.52	\$10,932.78	\$0.00	\$2,300.00
06/01/32	\$2,692.59	\$109.33	2.00%	\$2,801.92	\$10.93	\$0.00	\$2,812.85	\$8,240.19	\$0.00	\$2,300.00
12/01/32	\$2,719.52	\$82.40	2.00%	\$2,801.92	\$8.24	\$0.00	\$2,810.16	\$5,520.67	\$0.00	\$2,300.00
06/01/33	\$2,746.71	\$55.21	2.00%	\$2,801.92	\$5.52	\$0.00	\$2,807.44	\$2,773.96	\$0.00	\$2,300.00
12/01/33	\$2,773.96	\$27.96	2.00%	\$2,801.92	\$2.77	\$0.00	\$2,804.69	\$0.00	\$0.00	\$2,300.00
Totals	\$92,000.00	\$20,082.40		\$112,082.40	\$2,007.68	\$0.00	\$114,090.08		\$2,300.00	

Attachment #10

**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation

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

Mark Matheny
(Print Name)

Mark Matheny
(Signed)

Superintendent
(Position/Office)

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

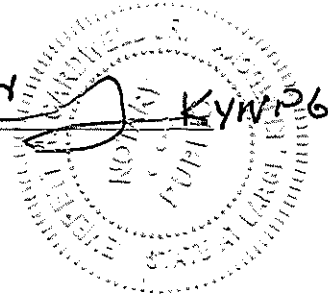
COMMONWEALTH OF KENTUCKY

COUNTY OF Hopkins

Subscribed and sworn to before me by Murk Mathew,
(Name)

this 4 day of January, 2021.

[Signature]
NOTARY PUBLIC
State-at-Large



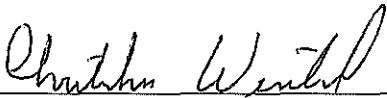
**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Christopher Winstead
(Print Name)


(Signed)

Secretary
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Hopkins

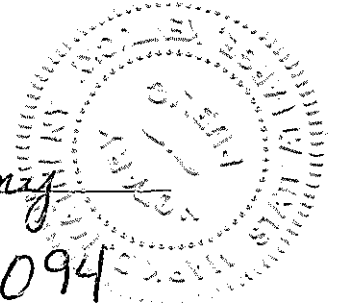
Subscribed and sworn to before me by Christopher Winstead
(Name)

this 4th day of January, 2024.

Expires: February 1st, 2027

Mark Matheny
NOTARY PUBLIC
State-at-Large

KYNP 66094



**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Valerie Coffman

(Print Name)

Valerie Coffman

(Signed)

Office Clerk

(Position/Office)

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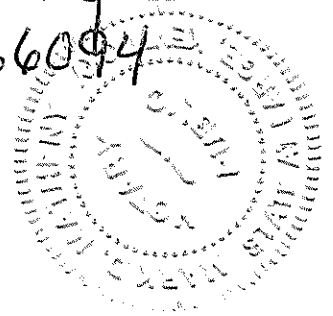
COMMONWEALTH OF KENTUCKY

COUNTY OF Hopkins

Subscribed and sworn to before me by Valerie Coffman
(Name)

this 4th day of January, 20 24.

Expires: February 1st 2027 Mark Matheny
NOTARY PUBLIC
State-at-Large KYNP66094



**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Michael Shocklee
(Print Name)

Michael Shocklee
(Signed)

Chairman
(Position/Office)

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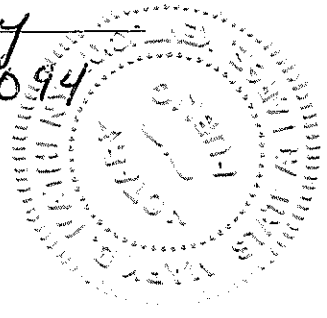
COMMONWEALTH OF KENTUCKY

COUNTY OF Hopkins

Subscribed and sworn to before me by Michael Shocklee
(Name)

this 4th day of January, 20 24.

Expires: February 1st 2027 Mark Matheny
NOTARY PUBLIC
State-at-Large KYNP 66094



**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Bill Brown
(Print Name)


(Signed)

Treasurer
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Hopkins

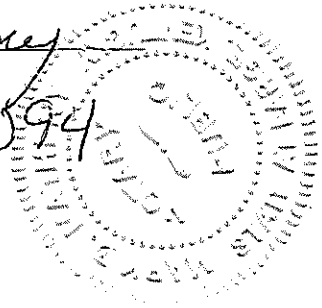
Subscribed and sworn to before me by Billy Brown
(Name)

this 4th day of January, 2024.

Expires: February 1st, 2027

Mark Mathoney
NOTARY PUBLIC
State-at-Large

KYNP 66094



Attachment #11

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE NEBO WATER DISTRICT PROPOSING ADJUSTMENTS TO ITS WATER RATES AND CHARGES AND AUTHORIZING ITS CHAIRMAN TO FILE AN APPLICATION WITH THE PSC SEEKING APPROVAL OF THE PROPOSED RATE ADJUSTMENT

WHEREAS, the Nebo Water District (“District”) is a water district created and organized under the provisions of KRS Chapter 74. The District is subject to the jurisdiction of the Kentucky Public Service Commission (“PSC”);

WHEREAS, prudent financial management dictates that the District take appropriate action to adjust its water rates and charges; and

WHEREAS, KRS 278.180 and 807 KAR 5:076 provide the legal mechanism for the District to propose adjustments to its water rates and charges;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF NEBO WATER DISTRICT AS FOLLOWS:

Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. The District proposes to adjust its monthly water rates and charges as set forth in **Appendix A**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The proposed rates and charges set forth in **Appendix A** are subject to any minor adjustments that may be made by the PSC. The proposed rate adjustment shall not become effective until PSC approval has been obtained.

Section 3. The Chairman and Manager are hereby authorized and directed to prepare, execute, and file with the PSC, by utilizing the Alternative Rate Adjustment Procedure for Small Utilities set forth in 807 KAR 5:076, an Alternative Rate Filing (“ARF”) Application, Tariff Sheets, and all other documents that may be required by the PSC.

Section 4. The Chairman, Manager, and all others to whom the Chairman may delegate certain responsibilities are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement this Resolution.

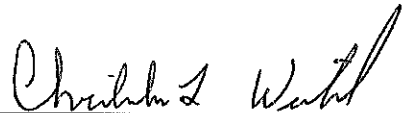
Section 5. This Resolution shall take effect upon its adoption.

ADOPTED BY THE COMMISSION OF NEBO WATER DISTRICT at a meeting held on December 19, 2023, signed by the Chairman, and attested by the Secretary.



CHAIRMAN

ATTEST:

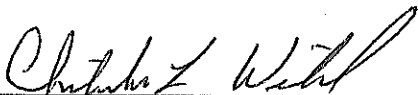


SECRETARY

CERTIFICATION

I, Secretary of the Nebo Water District (the “District”), do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the District at a meeting properly held on December 19, 2023, signed by the Chairman of the District, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 19th day of December 2023.



SECRETARY

Appendix A
CURRENT AND PROPOSED MONTHLY RATES
Nebo Water District

<u>CURRENT RATE SCHEDULE</u>				<u>PROPOSED RATE SCHEDULE</u>				<u>DIFFERENCE PERCENT</u>	
<u>5/8" x 3/4" Meters</u>				<u>5/8" x 3/4" Meters</u>					
First	2,000 gallons	\$ 23.15	Minimum Bill	First	2,000 gallons	\$ 28.55	Minimum Bill	\$ 5.40	23.33%
Next	2,000 gallons	\$ 9.57	per 1,000 gallons	Next	2,000 gallons	\$ 11.80	per 1,000 gallons	\$ 2.23	23.33%
Next	6,000 gallons	\$ 9.07	per 1,000 gallons	Next	6,000 gallons	\$ 11.19	per 1,000 gallons	\$ 2.12	23.33%
Next	10,000 gallons	\$ 8.58	per 1,000 gallons	Next	10,000 gallons	\$ 10.58	per 1,000 gallons	\$ 2.00	23.33%
Over	20,000 gallons	\$ 8.08	per 1,000 gallons	Over	20,000 gallons	\$ 9.97	per 1,000 gallons	\$ 1.89	23.33%
<u>1" Meters</u>				<u>1" Meters</u>					
First	4,000 gallons	\$ 42.28	Minimum Bill	First	4,000 gallons	\$ 52.14	Minimum Bill	\$ 9.86	23.33%
Next	6,000 gallons	\$ 9.07	per 1,000 gallons	Next	6,000 gallons	\$ 11.19	per 1,000 gallons	\$ 2.12	23.33%
Next	10,000 gallons	\$ 8.58	per 1,000 gallons	Next	10,000 gallons	\$ 10.58	per 1,000 gallons	\$ 2.00	23.33%
Over	20,000 gallons	\$ 8.08	per 1,000 gallons	Next	20,000 gallons	\$ 9.97	per 1,000 gallons	\$ 1.89	23.33%
<u>1 1/2" Meters</u>				<u>1 1/2" Meters</u>					
First	10,000 gallons	\$ 96.71	Minimum Bill	First	10,000 gallons	\$ 119.27	Minimum Bill	\$ 22.56	23.33%
Next	10,000 gallons	\$ 8.58	per 1,000 gallons	Next	10,000 gallons	\$ 10.58	per 1,000 gallons	\$ 2.00	23.33%
Over	20,000 gallons	\$ 8.08	per 1,000 gallons	Over	20,000 gallons	\$ 9.97	per 1,000 gallons	\$ 1.89	23.33%
<u>2" Meters</u>				<u>2" Meters</u>					
First	20,000 gallons	\$ 182.51	Minimum Bill	First	20,000 gallons	\$ 225.09	Minimum Bill	\$ 42.58	23.33%
Over	20,000 gallons	\$ 8.08	per 1,000 gallons	Over	20,000 gallons	\$ 9.97	per 1,000 gallons	\$ 1.89	23.33%
<u>4" Meters</u>				<u>4" Meters</u>					
First	50,000 gallons	\$ 424.91	Minimum Bill	First	50,000 gallons	\$ 524.04	Minimum Bill	\$ 99.13	23.33%
Over	50,000 gallons	\$ 8.08	per 1,000 gallons	Over	50,000 gallons	\$ 9.97	per 1,000 gallons	\$ 1.89	23.33%