

PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND WATER ASSOCIATIONS
(807 KAR 5:068)

| | | |
|------------------|--------------------------------|----------|
| Name of Utility | Beech Grove Water System | |
| Date | February 10, 2026 | |
| Address | 445 State Route 56 N | |
| City, State, Zip | Calhoun | KY 42327 |
| Telephone Number | 270-273-5738 | |
| Email Address | beechgrovewaters@bellsouth.net | |

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

| Supplier(s) | Base Rate | Changed Rate |
|-------------------------------|-----------|--------------|
| City of Henderson | 3.004 | 2.6767 |
| Daviess County Water District | 4.17 | 4.17 |
| | | |

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Attachment A

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

| | | | |
|------|------------------|---------|------------------|
| From | February 2025 | through | January 2026 |
| | (month and year) | | (month and year) |

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

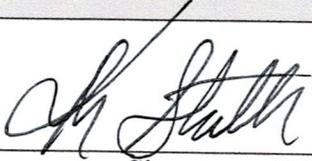
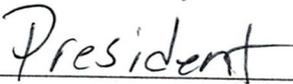
| Supplier(s) | Gallons Purchased during 12 month period |
|---|--|
| City of Henderson | 65,529,000 |
| West Daviess | 12,820,000 |
| | |
| TOTAL PURCHASES | 78,349,000 |
| | |
| 4. Total gallons sold for the 12 month period | 57,736.871 |
| | |
| 5. Increased water cost | (21,448) |
| <p>The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Attachment B</p> | |
| | |
| 6. Purchased water adjustment factor | (.37) |
| <p>The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.</p> <p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice.</p> | |
| | |
| 7. A schedule listing the current and proposed rates is attached as Attachment C | |
| | |
| 8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Attachment D | |
| | |
| 9. Proposed effective date | April 1, 2026 |
| | |
|  | |
| Signature of Utility Officer | |
|  | |
| Title | |

Exhibit A



Henderson Water Utility
WATER • WASTEWATER • STORMWATER

270.826.2421

www.hkywater.org

111 Fifth Street
Henderson, KY 42420

January 12, 2026

Sheila Murphy, Manager
Beech Grove Water System, Inc.
445 Highway 56 North
Calhoun, Kentucky 42327

Dear Mrs. Murphy:

In accordance with the contract between the Henderson Water Utility (HWU) and the Beech Grove Water System, the costs of providing water services based on our fiscal year June 30, 2025 audit have been calculated by HWU and examined by our auditors, Riney Hancock CPAs PSC for our South Water System. Enclosed is a copy of the individual calculation and the accountant's report provided by our auditors. The following table summarizes the current versus the new rate:

| BEECH GROVE WATER RATE | |
|-------------------------------|--------------------------|
| Current Rate | New Rate |
| Per 1,000 Gallons | Per 1,000 Gallons |
| \$3.0040 | \$2.6767 |

These revised rates are to go into effect on the first billing after April 30, 2026 (April 2026 consumption). We appreciate the opportunity to serve the Beech Grove Water System. If you have questions concerning this letter please contact me.

Sincerely,

Todd Bowley
Chief Financial Officer



Exhibit B

| | New Rate | Base Rate | |
|-------------------------------|-------------|------------|------------|
| City of Henderson | | | |
| Purchase in gallons | 65,529,000 | 65,529,000 | |
| Volumetric Rate | 2.6767 | 3.004 | |
| Total | \$ 175,401 | \$ 196,849 | |
| Increased Water Cost | \$ (21,448) | | |
| Daviess County Water District | | | |
| Purchase in gallons | 12,820,000 | 12,820,000 | |
| Volumetric Rate | 4.17 | 4.17 | |
| Total | \$ 53,459 | \$ 53,459 | |
| Increased Water Cost | \$ - | | |
| Increased Water Cost | \$ (21,448) | | |
| Divided by gals. sold/1,000 | 57,736.871 | | 78,349,000 |
| Purchased Water Adj. Factor | \$ (0.371) | | |

or \$-0.37 per 1,000 Gallons

Exhibit C

| Current Rates | | | Proposed Rates Per 1,000 Gallons | | | | |
|---|--------------------------|----------------------|---|--------------------------|----------------------|-----------------|------------------|
| <u>Minimum Bills Based on Meter Size</u> | | | <u>Minimum Bills Based on Meter Size</u> | | | | |
| Meter Size | Gals. Incl'd. in Minimum | Minimum Monthly Bill | Meter Size | Gals. Incl'd. in Minimum | Minimum Monthly Bill | Dollar Decrease | Percent Decrease |
| All Size Meters | 2,000 | \$ 19.37 | All Size Meter | 2,000 | \$ 18.63 | \$ (0.74) | -3.82 |
| <u>Rates for Water Usage in Addition to Minimum</u> | | | <u>Rates for Water Usage in Addition to Minimum</u> | | | | |
| No. of Gallons per Month | | Charge per gallon | No. of Gallons per Month | | Charge per gallon | | |
| First 2,000 Gallons (lump sum) | | \$ 19.37 | First 2,000 Gallons (lump sum) | | \$ 18.63 | \$ (0.74) | -3.82 |
| Next 98,000 Gallons | | \$ 0.00633 | Next 98,000 Gallons | | \$ 0.00596 | \$ (0.00037) | -5.85 |
| Next 100,000 Gallons | | \$ 0.00537 | Next 100,000 Gallons | | \$ 0.00500 | \$ (0.00037) | -6.89 |
| Bulk Loading per 35 Gallons | | \$ 0.25000 | Bulk Loading per 35 Gallons | | \$ 0.2500 | \$ - | 0.00 |

Exhibit D

Beech Grove Water System Water Board Meeting

February 10, 2026

Present: Keith Stratton, Bruce Galloway, Cody Badertscher, Josh Ayer, Abbigail McGregor-Mullins, Sheila Murphy, Jennifer Ferguson

Meeting called to order by Keith Stratton

❖ Old Business:

- CPA needed – Keith has contacted one in the county. They are familiar with HARRIS but they needed to know the company we will be switching to. He will update them.
- Henderson Water Rate Decrease
 - We have received paperwork from KRW ready for Keith signature.
 - Information will go out on the bills for March 24
 - Josh made a motion to accept rate decrease. Abby 2nd motion. All in favor. Motion passed.
- Pump house door
 - Bruce has door. Keith and Bruce going to install after weather improves.
- Election
 - Bruce, Abby & Cody are all up for re-election
 - No additional nominations have been received, in addition to these 3.
 - Does board want to send out ballots?
 - If so, envelopes and stamps will need to be ordered.
 - Ballots will need to be designed and printed in Owensboro.
 - Cody made a motion for no ballots to be sent. Abby 2nd motion. All in favor. Motion passed.
 - Abby will put on facebook about election results.
 - Board members decided to keep current positions on the board. Josh made a motion and Abby 2nd motion. All in favor. Motion passed.
- Upcoming expenses discussed
 - Yearly renewal with Zenner – still in the works
 - Yearly renewal with Harris – waiting on answer
 - G&C invoices – available for review

Abby made a motion to adjourn. Bruce 2nd motion. All in favor.

