

RECEIVED

MAR 16 2010

PUBLIC SERVICE
COMMISSION

NICHOLAS COUNTY WATER DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
For the Year Ended December 31, 2008

OPERATING REVENUES	
Water Sales	\$ 661,881
Service Charges and Other Revenue	845
Total operating revenue	<u>662,726</u>
OPERATING EXPENSES	
Water purchases	169,734
Salaries and wages	102,430
Employee benefits	14,006
Power purchases	15,891
Water Testing	4,918
Materials and supplies	33,906
Legal and accounting	5,450
Amortization	371
Contracted Services	19,693
Transportation	6,637
Insurance	26,733
Depreciation	168,300
PSC assessment	989
Office expense	20,650
Postage	5,694
Taxes and licenses	28,385
Miscellaneous	3,203
Total operating expenses	<u>626,990</u>
OPERATING INCOME	<u>35,736</u>
NONOPERATING INCOME (EXPENSE)	
Interest income	18,905
Interest expense	(106,078)
	<u>(87,173)</u>
NET (LOSS) BEFORE CONTRIBUTIONS	(51,437)
GRANTS AND CAPITAL CONTRIBUTIONS	<u>815,585</u>
NET INCOME	764,148
NET ASSETS, BEGINNING OF YEAR	<u>3,093,741</u>
NET ASSETS, END OF YEAR	<u>\$ 3,857,889</u>

The accompanying notes are an integral part of the financial statements.



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

March 9, 2010

Georgia Livingood
Manager
Nicholas County Water District
1639 Olds Paris Road
Carlisle, KY 40311

Dear Ms. Livingood:

You have not responded to the letter dated January 8, 2010 requesting the following information by February 8. Please do so immediately. Please call me if you have any questions.

The order issued by the Kentucky Public Service Commission on Case No. 2006-00432 dated November 1, 2006 stipulates the following:

- Three years from the effective date of this Order, ~~Southeastern~~ ^{*Nicholas Co.*} shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

Sincerely,

Linda Faulkner
Division Director Filings