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April 1, 2014

RECEIVED

APR 3 2014

PUBLIC SERVICE
COMMISSION

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602-0615

**RE: WESTERN FLEMING COUNTY WATER DISTRICT
CASE NO. 2014-00048**

Dear Ms. Faulkner:

Pursuant to your letter of Filing Deficiencies dated March 27, 2014, please accept the following:

- (1) ***807 KAR 5:076: Section 4(1)(f) – Detailed Analysis of Applicant's customers' bills showing revenues from present and proposed rates from each customer class (Attachment BA-DB or Attachment BA-FR is attached to ARF Form-1).***

Attached you will find a completed usage table for each class (residential, commercial, public government and bulk "wholesale").

In addition, you will find attached a document styled Water Rate Review drafted by HDR Engineering, Inc., dated July 2011.

If you need anything else, please let me know.

Sincerely,



Patrick E. Price

Enclosures

<Tr/Letter/PSC-Western Fleming Water District [Deficiency] (4-1-14)>

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APR 3 2014
PUBLIC SERVICE
COMMISSION

Water Rate Review
Western Fleming County Water District

Draft

July 2011

Prepared by:

*HDR Engineering, Inc.
2517 Sir Barton Way
Lexington, Kentucky 40509
(859) 223-3755*

Water Rate Review
Western Fleming County Water District

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Water Rate Review
Western Fleming County Water District

Section 1 – Background/Historical Utility Data

Introduction

Western Fleming County Water District (WFCWD) currently produces and distributes water for sale to approximately 1,800 residential and commercial customers as well as two wholesale customers. Western Fleming's active wholesale customers are Buffalo Trail Water Association (BTWA) and Nicholas County Water District (NCWD). WFCWD Water Treatment Plant produces water for the customers identified and buys a portion of its water from Greater Fleming County Regional Water Commission (GFCRWC). WFCWD's WTP was recently expanded to a capacity of 2 million gallons per day (MGD). Average daily production in 2010 was 0.9 MGD (or approximately 45% of capacity).

WFCWD has been continually monitoring its production levels, operations/maintenance costs, debt service, and its revenues over the years. The most recent rate review and request for a rate adjustment came in 2007 to help put WFCWD on a solid financial foundation. Since then, expenses have increased including an increased burden on the debt service for recently completed WTP upgrades. HDR Engineering, Inc (HDR) was retained to produce an analysis of the rates based on a limited cost-of-service review. The purpose of the review is to determine if a rate adjustment is necessary and how to distribute a rate adjustment to each customer class.

This review is performed in accordance with Kentucky Public Service (PSC) requirements and utilizes methods consistent with American Water Works Association (AWWA) M1 guidance for the development of water rates. However, WFCWD requested a limited review and this document is prepared based on limited information that was provided by WFCWD and is not intended to serve as a full Cost-of-Service study suitable for use with a PSC case filing. The information developed in this review would constitute the core of data needed for a full PSC filing. However, this core information would need to be enhanced to produce a final document that would be acceptable to the PSC.

Study Data

WFCWD is regulated by the PSC and its wholesale customers (BTWA/NCWD) are PSC regulated, too. Based on this information our review incorporates PSC methodology should a future case be filed on this subject.

The financial and billing data that is discussed in this review was provided by WFCWD (see Appendix A) and is the same data submitted annually to the PSC for filing. Additionally, the data used is the most recent audited data as seen in the *Western Fleming County Water District Report Of Audit* (Appendix B) and reflects the fiscal year ending December 31, 2010. The expenses presented are “known and measurable” with documentation from financial statements and annual audits. Water production information is provided by the WFCWD WTP.

The test-year expenses in this report are allocated based on AWWA M1 guidance to identify utility revenue requirements by function and customer classification. The expense and revenue data that is used in this study has not been independently evaluated by HDR. HDR relies heavily on the data provided in the audit and annual report. Multiple schedules, allocation details and support tables that constitute the complete cost-of-service study are available in the numerous appendices as outlined in the narrative that follows.

Test Year Adjustments

The most recent audited year and financial statements constitutes the information required to develop a test year in the rate study. WFCWD understands that it could make adjustments to the test year income and expenses for any “known and measurable” changes that have occurred since the end of the test year. The principal payment on previous year revenue bonds and the most recent KIA loan for the WTP expansion (details in Appendix A) will be included as test year adjustments in this rate review.

As noted previously, the Phase 3 WTP improvements project was recently completed. At a total project cost of \$2,568,000, the depreciation on the new WTP assets is an additional \$64,200 per year (40 year, straight-line depreciation). Depreciation on this most recent expansion will also be included as a test year adjustment as part of the system expenses.

WTP Production (2010)

Table 1-1 provides a summary of the water production at the WTP and the water sold in 2010. Additionally, a peak day is determined based on the month with the highest average daily usage for each individual customer class. This information is further detailed in Appendix C.

Table 1-1
Total Water Produced/Sold FY 2010
Western Fleming County Water District

<i>Month (2010)</i>	<i>Monthly Amounts</i>	
	<i>Water Bought and Produced^{1,2}</i>	<i>Water Sold^{1,2}</i>
January	31,222,400	24,073,000
February	30,003,000	25,688,000
March	31,115,100	25,993,000
April	30,075,100	25,014,000
May	31,621,700	25,791,000
June	30,111,700	26,097,000
July	33,519,900	29,215,000
August	33,651,600	26,911,000
September	33,996,200	27,725,000
October	34,032,000	27,847,000
November	33,932,600	26,206,000
December	33,760,900	23,899,000
FY 2010 Total	387,042,200	314,459,000
FY 2010 Average	1,060,390	861,532
FY 2010 Peak Day	1,216,023	987,979

Notes: ¹ Data from Appendix C
²Gallons

Based on the information provided in Table 1-1, total water produced in 2010 is approximately 387 MGD and the total water sales during the same period was 314 MGD. A breakdown of the water sales is provided in Table 1-2.

Table 1-2
Water Sales FY 2010
Western Fleming County Water District

<i>Customer Type</i>	<i>Total Purchased^{1,2}</i>
<i>WFCWD Retail Customers</i>	92,593,000
<i>Wholesale</i>	
Buffalo Trail W.A.	129,433,000
Nicholas County W.D.	92,433,000
<i>Wholesale Total</i>	221,866,000
<i>Totals</i>	314,459,000

Notes: ¹ Data from Appendix C
²Gallons

Water System Revenues (2010)

Revenues from Water Sales

The revenue generated in FY 2010 from the sale of potable water to residential, commercial, and wholesale customers is detailed in Appendix D and summarized in Table 1-3.

Table 1-3
Water Sales Revenue FY 2010
Western Fleming County Water District

<i>Item</i>	<i>Amount</i>
Retail Customers	\$ 621,647
Wholesale Customers	
Buffalo Trail W.A.	\$ 181,612
Nicholas County W.D.	\$ 129,658
Wholesale Total	\$ 311,270
Total FY 2010 Water Sales Revenue	\$ 932,917

Note: ¹ Data from Appendix D

Other Miscellaneous Services/Water System Income

In addition to water sales, WFCWD also generates additional revenue through operations from fees and services related to the water utility. These revenues include items such as tap fees and turn on fees.

In addition to miscellaneous operating revenues, revenue is generated through various non-operating activities such as interest on investments and billing charges.

The total water utility income from sales, services, and miscellaneous income for FY 2010 is delineated in Table 1-4.

Table 1-4
Total Water Sales and Miscellaneous Revenue FY 2010
 Western Fleming County Water District

<i>Item</i>	<i>Amount</i>
Water Sales	\$ 932,917
Other Services/Fees	\$ 12,587
Miscellaneous Income	\$ 42,094
Total FY 2010 Revenue	\$ 987,598

Note: ¹ Data from Appendix D

Water System Expenses (2010)

Operation and Maintenance and Taxes

A summary of the expenses for operation and maintenance (O&M) and taxes for the water utility for FY 2010 is provided in Table 1-5. Expense categories are identical to the categories submitted to the PSC by WFCWD. Further allocation of expenses by customer class and function are detailed in Section 2 of this report.

Table 1-5
Total Operation and Maintenance and Other Expenses FY 2010
Western Fleming County Water District

<i>Expense</i>	<i>Total</i>
Water Supply and Treatment	
Operating and Maintenance	\$ 428,419
Other Expenses	\$ 37,831
Water Supply and Treatment Sub-Total	\$ 466,250
Transmission and Distribution	
Operating and Maintenance	\$ 79,026
Other Expenses	\$ 34,114
Transmission Sub-Total	\$ 113,140
Administration and General	
Contractual Services - Other	\$ 100,444
Insurance - General Liability	\$ 19,890
Administration and General Sub-Total	\$ 120,334
Total	\$ 699,724

Note: ¹ Data from Appendix E

Depreciation and Amortization

In addition to operations and maintenance costs, a utility will also incur cost for the loss of value on an asset that has been in service. This depreciation expense is determined based on the sum of all lost value on assets across the entire water system during a fiscal year. This value is included in the revenue requirements in order to provide for the renewal and replacement of aging equipment. The annual depreciation of an asset is determined by dividing the initial cost of the item (less any salvage value) by its expected life. The depreciation value for the water utility in FY 2010, with the included test year adjustments, is shown in Table 1-6 along with amortization values for the principal payments on notes used for construction of various improvements.

Table 1-6
Depreciation/Amortization Expenses FY 2010
Western Fleming County Water District

<i>Expense</i>	<i>Total</i>
Water Supply and Treatment	
Depreciation	\$ 90,299
Amortization	\$ 199,180
Water Supply and Treatment Sub-Total	\$ 289,479
Transmission	
Depreciation	\$ 81,428
Amortization	\$ 28,248
Transmission Sub-Total	\$ 109,676
Administration and General	
Depreciation	\$ 19,969
Amortization	\$ 6,927
Administration and General Sub-Total	\$ 26,896
Total	\$ 426,051

Note: ¹ Data from Appendix E

Summary

The information provided in this section reflects the actual and allocated revenues and expenses to the water utility for WFCWD for FY 2010. Further allocations are necessary and outlined in Section 2 to provide a document consistent with AWWA M1 practices.

Water Rate Review
Western Fleming County Water District

Section 2 – Expense Allocation by Function and
Customer Class

Background

Section 1 provided a summary of the FY 2010 revenues and expenses associated with Western Fleming County Water District. This section will focus on evaluating the expenses and allocating them to their appropriate functional cost component and customer classification. The purpose of this activity is to ascribe utility costs to the customers that have benefitted from them. This is a two stage process. The first step is to allocate utility expenses using a Base/extra capacity approach as described in AWWA M1 *Principles of Water Rates, Fees and Charges*. The second step is to further distribute the Base/extra capacity costs to the retail and wholesale customer classes.

The Base/extra capacity method of allocation is intended to categorize expenses by the need for them. Western Fleming has provided audited expenses that are distributed to various water utility categories (salaries and wages, chemicals, purchased power, etc.) The Base/extra method takes this information and transforms it into expenses related to functions of the utility operation (average/peak day, customer costs). This is done in order to understand the fundamental costs of service related to the various operating conditions within the utility. The three functional categories are identified below:

- Base Costs
- Extra capacity costs
- Customer costs (including meters and services)

Base costs are operations and maintenance (O&M) costs as well as capital costs that vary with total quantity of volume used plus costs associated with service to customers under average day conditions. These costs would include salaries, insurance, power, chemical, etc. Capital investment related to meeting constant or average day usage would also be included in this category.

Extra capacity costs are associated with meeting water usage requirements above the average day condition. This includes capital and O&M expenses for system capacity required beyond the average rate of use. This includes determinations of the impact of maximum hour and maximum day requirements. Examples of this expense would include overtime salaries, extra chemical, etc.

Customer costs are those which are directly related with serving the customers such as billing or meter reading. In addition, costs related to meters, services and administrative functions are also included in this category. This category is typically related to expenses that are outside of the production and transmission aspects of the system.

System Demands

For the purposes of determining how to allocate costs by their functional category, the primary data to be interpreted is the average and maximum daily system demands. These two elements will provide the foundation for a Base/extra capacity analysis of utility expenses. Recorded sales are used to reflect the average and maximum demand placed on the system. Table 2-1 provides a summary of the breakdown of maximum and average water demands.

Table 2-1
Average/Maximum Demands FY 2010
Western Fleming County Water District

<i>Customer Type</i>	<i>Total Annual Water Demand</i>	<i>Average Daily Amount</i>	<i>% Water Demand</i>	<i>Peak Day</i>	<i>Peak %</i>
WFCWD Customers	92,593,000	253,679	29.45%	296,300	29.99%
Wholesale Customers					
Buffalo Trail W.A.	129,433,000	354,611	41.16%	407,393	41.23%
Nicholas County W.D.	92,433,000	253,241	29.39%	284,286	28.77%
Wholesale Sub-Total	221,866,000	607,852	70.55%	691,679	70.01%
Totals	314,459,000	861,532	100%	987,979	100%

Note: ¹All data from Appendix C

As detailed above, the average daily volume of water demanded by the customers is 861,532 gallons. The peak day demand is 987,979 gallons. This yields a maximum/average ratio of 1.15.

Base/Extra Capacity Allocation of FY 2010 Expenses

Table 2-2 provides a summary of the expenses allocated by functional components. The allocation of costs is outlined in Appendix E. Each service function is also indicated next to the expense. The allocation percentages are developed from flow data (Appendix C) as outlined previously.

Table 2-2
Base/Extra Capacity Allocation by Component
Western Fleming County Water District

<i>Component</i>	<i>Total</i>	<i>Base</i>	<i>Maximum Day</i>	<i>Customer Costs</i>
Supply and Treatment	\$ 755,729	\$ 679,831	\$ 75,897	\$ 0
Transmission and Distribution	\$ 222,816	\$ 202,876	\$ 19,940	\$ 0
Administration and General	\$ 147,230	\$ 0	\$ 0	\$ 147,230
Total FY 2010 Cost of Service	\$ 1,125,775	\$ 882,707	\$ 95,838	\$ 147,230
By %	100 %	78.4 %	8.5 %	13.1 %

Note: All data from Appendix E

Expense Allocation by Customer Class

Expenses will be allocated to each customer class based on the volume and peak rate of water used during FY 2010. There are some notable exceptions to this allocation method that are required by the Public Service Commission. For instance, the PSC generally excludes any metering expenses and most of the administrative and billing expenses since the wholesale customers do not impact these.

Supply and Treatment Allocation by Customer Class

The key distribution factor is the determination of which customer classification derives the benefit from the expense. For supply and treatment, this classification is related to maximum and daily usage rates. By using the summarized percentage of total demand shown in Table 2-1, and allocated supply and treatment expenses summarized in Table 2-2, Table 2-3 includes a derived summary of allocated supply and treatment costs by customer class. Additional details are available in Appendix F.

Transmission and Distribution Allocation by Customer Class

The transmission and distribution cost allocation is not based solely on maximum and daily usage rates. A computer water model of the system is set up and run to determine what portion of the distribution system is affected by the wholesale customers. First, the model is run with only WFCWD retail customers and flow is calculated for every pipe section. Next, BTWA and NCWD flows are turned on in that model and the flow is calculated again for every pipe segment. This process is done for maximum and average daily conditions. The method of modeling and calculating flow in each pipe segment determines the true effect of each wholesale customer on the distribution system. Based on the amount of the distribution system affected

by each wholesale customer, a percentage of the depreciation associated with the distribution system is allocated to each customer class. Details are available in Appendix G. Table 2-3 includes the allocated transmission costs by customer class.

Table 2-3
Customer Class Allocation
Western Fleming County Water District

	<i>Base</i>	<i>Max</i>	<i>Cust. Cost</i>	<i>Total</i>	<i>By %</i>
Retail Customers	\$ 360,340	\$ 38,396	\$ 147,230	\$ 545,966	48.5 %
Wholesale Customers					
Buffalo Trail W.A.	\$ 304,744	\$ 33,839	\$ 0	\$ 338,583	30.1 %
Nicholas County W.D.	\$ 217,623	\$ 23,603	\$ 0	\$ 241,226	21.4 %
Wholesale Sub-Total	\$ 522,367	\$ 57,442	\$ 0	\$ 579,809	51.5 %
Total	\$ 882,707	\$ 95,838	\$ 147,230	\$ 1,125,775	100 %

Note: All data from Appendix F

Water Rate Review
Western Fleming County Water District

Section 3 – Rate Adjustments Options

Background

The previous sections in this study provide the information associated with the utility data from a historical test-year (FY 2010) as well as a summarized breakdown of the expense allocations to function and distribution of those same expenses to customer classes. In doing so, the costs incurred by WFCWD during the normal course of operation have been allocated to those customers who derive the benefit from the personnel, facilities and equipment necessary to provide them service. The purpose of this section is to determine if the present tariff structure will generate sufficient revenue to cover the cost of service.

Sufficiency of Existing Revenues

Section 2 reviewed the determination of cost of service requirements and allocation of expenses. Table 3-1 summarizes revenue requirements against revenue generated from water sales, services and miscellaneous income. Additional details are provided in Appendix D.

Table 3-1
Comparison of Revenue Requirements vs. Water Revenue
by Customer Class
Western Fleming County Water District

	<i>Cost of Service</i>	<i>By %</i>	<i>Total Revenue</i>	<i>By %</i>	<i>Surplus (Deficit)</i>
WFCWD Retail	\$ 545,966	48.5 %	\$ 676,328	68.5 %	\$ 130,362
Wholesale Customers					
Buffalo Trail W.A.	\$ 338,583	30.1 %	\$ 181,612	18.4 %	\$ (156,971)
Nicholas County W.D.	\$ 241,226	21.4 %	\$ 129,658	13.1 %	\$ (111,568)
Wholesale Sub-Total	\$ 579,809	51.5 %	\$ 311,270	31.5 %	\$ (268,539)
Total	\$ 1,125,775	100 %	\$ 987,598	100 %	\$ (138,177)

Note: ¹Data from Appendix D

Rate Comparison

Before recommending rate adjustments, a comparison of other utilities will identify where WFCWD wholesale water prices compare to other utilities in the region. Table 3-2 shows wholesale prices for select PSC governed relationships between purchasers and the entity that sells the water.

Table 3-2
PSC Governed Sell/Purchase Relationships
 Western Fleming County Water District

<i>Seller</i>	<i>Purchaser</i>	<i>Rate per 1000 gallons¹</i>
Western Fleming Water District	Buffalo Trail Water Association, Nicholas County Water District	\$1.43
City of Augusta	Bracken County Water District	\$1.56
Rowan Water	Fleming County Water Assc., City of Olive Hill	\$1.75
Buffalo Trail Water Association	Mt. Olivet Water Company	\$1.80
Western Fleming Water District (45% Increase)	Buffalo Trail Water Association, Nicholas County Water District	\$2.07
Mt. Sterling Water and Sewer	Bath County	\$2.34
Buffalo Trail Water Association	Nicholas County Water District	\$2.40
City of Cynthiana	Harrison County Water District	\$2.41
Bath County	City of Frenchburg	\$2.42
Western Fleming Water District (87% Increase)	Buffalo Trail Water Association, Nicholas County Water District	\$2.67
Bath County	Sharpsburg Water District	\$2.83
Bracken County	East Pendleton County Water District, Brooksville	\$3.44

Note: ¹Data from PSC website

Rate Adjustment Options

It is recognized practice for each customer class to cover their respective cost of services. As such, it is our recommendation that the following rate adjustments be made to insure WFCWD remains on solid financial footing and recovers the costs associated with production and transmission of high quality potable water within the region. Two options are offered and summarized in Table 3-3. Details are available in Appendix D.

Option # 1 – Balance Total Cost-of-Service with Total Revenues

Western Fleming is currently operating with a surplus from the retail residential/commercial customers and a deficit with its wholesale customers. Option #1 would target a 45% increase on the wholesale customers to balance the total cost-of-service with total revenue. This rate option is the minimum increase option on the wholesale customers. Retail customers will continue to supplement the cost-of-services for the wholesale customers, however, the total will result in a balanced budget for Western Fleming.

Option # 2 – Balance All Customer Classes

Option # 2 will increase wholesale rates by 87% and balance retail and all wholesale customers individual cost-of-service with their revenue generated.

Recommended Approach

It is recommended that Option #1 becomes implemented in the near term with the ultimate goal of reaching a customer class balance as outlined in Option #2. An immediate increase as outlined in Option #1 will put WFCWD on a solid financial basis and also maintain competitive wholesale rates in the region. In future years (3-5 years) as the cost of service increases, rates can be further adjusted to keep WFCWD on a solid financial basis and balance the cost of service equitably between various customer classes.

Table 3-3
Rate Adjustments Options¹
Western Fleming County Water District

<i>Customer</i>	<i>2010 Revenue</i>	<i>Cost of Service</i>	<i>Option #1</i>			<i>Option #2</i>		
			<i>Rate Increase Percent</i>	<i>Total Revenues w/ Increase</i>	<i>Surplus (Deficit)</i>	<i>Rate Increase Percent</i>	<i>Total Revenues w/ Increase</i>	<i>Surplus (Deficit)</i>
WFCWD Retail	\$ 676,328	\$ 545,966	0 %	\$ 676,328	\$ 130,362	0 %	\$ 676,328	\$ 130,362
Wholesale Customers								
Buffalo Trail	\$ 181,612	\$ 338,583	45 %	\$ 263,337	\$ (75,245)	87 %	\$ 339,614	\$ 1,032
Nicholas County	\$ 129,658	\$ 241,226	45 %	\$ 188,004	\$ (53,222)	87 %	\$ 242,461	\$ 1,234
Wholesale Sub-Total	\$ 311,270	\$ 579,809	-	\$ 451,342	\$ (128,467)	-	\$ 582,075	\$ 2,266
TOTAL	\$ 987,598	\$ 1,125,775	-	\$ 1,127,670	\$ 1,895	-	\$ 1,258,403	\$ 132,628

Note: ¹Data from Appendix D

**Water Rate Review
Western Fleming County Water District**

Appendix A

**Western Fleming County Water District Financial
Reporting and KIA Loan Details**

KENTUCKY PUBLIC SERVICE COMMISSION
REPORT OF GROSS OPERATING REVENUES DERIVED FROM INTRA-KENTUCKY
BUSINESS FOR THE YEAR ENDING DECEMBER 31, 2010

Name of Utility Reporting: Western Fleming County Water District

FEIN # (Federal Employer Identification Number)

61-0645461

Address of Utility: PO Box 16 Ewing, Ky 41039 Phone: 606-267-2120

City: Ewing State: Ky Zip: 41039 Fax: 606-267-4423

E-Mail: WFWd@windstream.net Web Site: _____

Primary Regulatory Contact: Molly Ruark (Name) office manager (Title)

- (1) Gross Revenues of Electric Utility..... \$ _____
- (2) Gross Revenues of Gas Utility..... \$ _____
- (3) Gross Revenues of Water Utility..... \$ 963,139
- (4) Gross Revenues of Sewer Utility..... \$ _____
- (5) Other Operating Revenues..... \$ _____
- *** TOTAL GROSS REVENUES..... \$ 963,139

OATH

State of.....)
County of.....) ss.

Vernon Barton being duly sworn, states that he/she is
(Officer)

Chairman of the Western Fleming Co. Water Dist. that the
(Official Title) (Utility Reporting)

above report of gross revenues is in exact accordance with Western Fleming Co. Water Dist.
(Utility Reporting)

and that such books accurately show the gross revenues of Western Fleming Co. Water Dist.
(Utility Reporting)

derived from Intra-Kentucky business for the calendar year ending December 31, 20 10

Vernon Barton Chairman
(Officer) (Title)

This the 22nd day of March, 20 11

Molly Ruark (Notary Public) Fleming (County) July 15 2013 (Commission Expires)

**NOTE: ANY DIFFERENCE BETWEEN THE AMOUNT OF THE GROSS REVENUES SHOWN IN
THE ANNUAL REPORT AND THE AMOUNT APPEARING ON THIS STATEMENT MUST
BE RECONCILED ON THE REVERSE OF THIS REPORT**

OATH

Commonwealth of Kentucky)
County of Heming) ss:

Vernon Barton makes oath and says
(Name of Officer)

that he/she is Chairman of
(Official title of officer)

Western Heming County Water District
(Exact legal title or name of respondent)

that it is her/his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 01, 20 10, to and including December 31, 20 10

Vernon Barton
(Signature of Officer)

subscribed and sworn to before me, a Notary Public, in and for
the State and County named in the above this 22nd day of March, 20 11

(Apply Seal Here)

My Commission expires July 15th 2013

[Signature]
(Signature of officer authorized to administer oath)

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Title Page



Water
Districts/Associations

Annual Report of

Respondent

WESTERN FLEMING
WATER DISTRICT

PO BOX 16

EWING

KY

41039

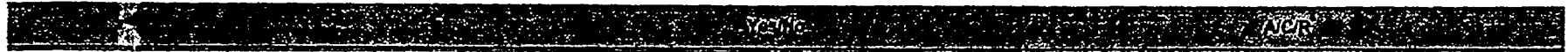
32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Principal Payment and Interest Information

Amount	Year
Amount of Principal Payment During Calendar Year	\$68,000.00
Is Principal Current?	Y
Is Interest Current?	Y
Has all long-term debt been approved by the Public Service Commission?	Y

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Services Performed by Independent CPA



Are your financial statements examined by a Certified Public Accountant?

Enter Y for Yes or N for No

Y

If yes, which service is performed?

Enter an X on each appropriate line

Audit

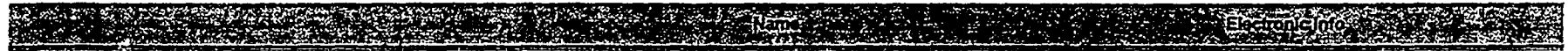
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Compilation

Review

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Additional Requested Information



Name of Utility and Web Address

WESTERN FLEMING WATER DISTRICT

Contact Name and Email Address

VERNON BARTON

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Additional Information Required



32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Major Water Projects

Provide details about each major water project which is planned but has not yet been submitted for approval to the Public Service commission.

For the limited purpose of this report, a "Major Project" is defined as one which is not in the ordinary course of business, and will increase your current utility plant by at least 20 percent.

Brief Project Description: (improvement, replacement, building construction, expansion... If expansion, provide the estimated number of new customers).

Projected Costs and Funding Sources/Amounts:

Approval Status: (Application for financial assistance filed, but not approved; or application approved, but have not advertised for construction bids)

Location: (community, area or nearby roads)

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

History-Legal Name (Ref Page: 4)

1. Exact name of utility making this report.

(Use the words "The", "Company" or "Incorporated" only when part of the corporate name.)

WESTERN FLEMING WATER DISTRICT

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

History-Location (Ref Page: 4)

Give the location, including street and number, and TELEPHONE NUMBER of the principal office in KY.

principal office in KY: WESTERN FLEMING MAIN STREET PO BOX 16 EWING KY 41039 6062672120
WATER DISTRICT

Give name, title, address and TELEPHONE NUMBER of the officer

to whom correspondence concerning this report should be addressed

VERNON BARTON PO BOX 16 EWING KY 41039 6062672120

Location where books are located: WESTERN FLEMING MAIN STREET PO BOX 16 EWING KY
WATER DISTRICT

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

History-Laws of Organization (Ref Page: 4)

If a consolidated or merger company, name all contingent and all merged companies. Give reference to charters or general laws governing each, and all amendments of same NA

Date and Authority for each consolidation and each merger. NA

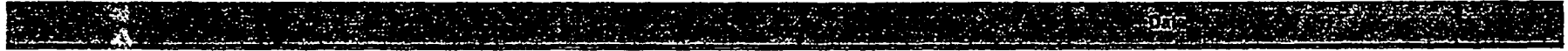
32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

History-Departments (Ref Page: 4)

State whether respondent is a water district or association	WATER DISTRICT
Name all operating departments other than water	NA

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

History-Date Organized (Ref Page: 4)



Date of Organization

04/01/1958

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

History - Counties (Ref Page: 5)

Fleming, Mason, Nicholas, Robertson

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

History - Number of Employees (Ref Page: 5)



Number of Full-time employees

Number of Part-time employees

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Contacts (Ref Page: 6)

Person to send correspondence:	CHAIRPERSON	BARTON	VERNON	PO BOX 16 EWING KY 41039	
Person who prepared this report:	CPA	HENDRIX	DONNA	PO BOX 449 MOREHEAD, KY 40353	
Officers and Managers					
	CHAIRPERSON	BARTON	VERNON	PO BOX 16 EWING, KY 41039	\$2,400.00: 02/14/2013
	SECRETARY	ROSE	FRED	PO BOX 16 EWING, KY 41039	\$2,400.00 05/01/2011
	TREASURER	HOUSTON	JAMES	PO BOX 16 EWING, KY 41039	\$2,400.00: 01/01/2014
	COMMISSION	INGRAM	LARRY	PO BOX 16 EWING, KY 41039	\$2,400.00 05/11/2013
	COMMISSION	MCINTYRE	BILLY	PO BOX 16 EWING, KY 41039	\$2,400.00 05/17/2013

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Balance	Balance
UTILITY PLANT		
Utility Plant (104-106)	\$8,192,821.00	\$9,968,358.00
Less: Accumulated Depreciation and Amortization (108-110)	\$3,214,030.00	\$3,405,726.00
Net Plant	\$4,978,791.00	\$6,562,632.00
Utility Plant Acquisition Adjustments (Net) (114-115)		
Other Utility Plant Adjustments (116)		
Total Net Utility Plant	\$4,978,791.00	\$6,562,632.00
OTHER PROPERTY AND INVESTMENTS		
Nonutility Property (121)	\$14,000.00	\$14,000.00
Less: Accumulated Depreciation and Amortization (122)	\$5,598.00	\$6,531.00
Net Nonutility Property	\$8,402.00	\$7,469.00
Investment in Associated Companies (123)		
Utility and Other Investments (124-125)		\$186,511.00
Sinking Funds (126)	\$193,509.00	\$211,359.00
Other Special Funds (127)		
Total Other Property and Investments	\$201,911.00	\$405,339.00
CURRENT AND ACCRUED ASSETS		
Cash (131)	\$585,925.00	\$759,953.00
Special Deposits (132)	\$26,281.00	\$25,962.00
Other Special Deposits (133)		
Working Funds (134)		
Temporary Cash Investments (135)		
Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts (141-144)	\$66,057.00	\$110,845.00
Accounts Receivable from Associated Companies (145)		
Notes Receivable from Associated Companies (146)		
Materials and Supplies (151-153)		

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Previous Year	Current Year
Stores Expense (161)		
Prepayments (152)	\$9,006.00	\$9,006.00
Accrued Interest and Dividends Receivable (171)		
Rents Receivable (172)		
Accrued Utility Revenues (173)		
Misc. Current and Accrued Assets (174)		
Total Current and Accrued Assets	\$687,269.00	\$905,766.00
DEFERRED DEBITS		
Unamortized Debt Discount and Expense (181)		
Extraordinary Property Losses (182)		
Preliminary Survey and Investigation Charges (183)		
Clearing Accounts (184)		
Temporary Facilities (185)		
Misc. Deferred Debits (186)		
Research and Development Expenditure (187)		
Total Deferred Debits		
TOTAL ASSETS AND OTHER DEBITS	\$5,867,971.00	\$7,873,737.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

EQUITY CAPITAL		
Appropriated Retained Earnings (214)		
Retained Earnings From Income before contributions (215.1)	(\$75,857.00)	\$96,178.00
Donated Capital (215.2)	\$4,170,762.00	\$4,094,905.00
Total Equity Capital	\$4,094,905.00	\$4,191,083.00
LONG-TERM DEBT		
Bonds (221)	\$1,761,000.00	\$3,652,458.00
Required Bonds (222)		
Advances from Associated Companies (223)		
Other Long-Term Debt (224)		
Total Long Term Debt	\$1,761,000.00	\$3,652,458.00
CURRENT AND ACCRUED LIABILITIES		
Accounts Payable (231)	\$12,536.00	\$25,511.00
Notes Payable (232)		
Accounts Payable to Associated Co. (233)		
Notes Payable to Associated Co (234)		
Customer Deposits (235)		
Accrued Taxes (236)	(\$470.00)	\$4,685.00
Accrued Interest (237)		
Matured Long-Term Debt (239)		
Matured Interest (240)		
Tax Collections Payable (241)		
Misc. Current and Accrued Liabilities (242)		
Total Current and Accrued Liabilities	\$12,066.00	\$30,196.00
DEFERRED CREDITS		
Unamortized Premium on Debt (251)		
Advances for Construction (252)		

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

Other Deferred Credits (253)		
Total Deferred Credits		
OPERATING RESERVES		
Accumulated Provision For:		
Property Insurance (261)		
Injuries and Damages (262)		
Pensions and Benefits (263)		
Miscellaneous Operating Reserves (265)		
Total Operating Reserves		
Total Equity Capital and Liabilities	\$5,867,971.00	\$7,873,737.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Comparative Operating Statement (Ref Page: 11)

UTILITY OPERATING INCOME		
Operating Revenues (400)	\$801,728.00	\$963,139.00
Operating Expenses (401)	\$582,414.00	\$607,889.00
Depreciation Expenses (403)	\$207,189.00	\$191,696.00
Amortization of Utility Plant Acquisition Adjustment (406)		
Amortization Expense (407)		
Taxes Other Than Income (408.10-408.13)	\$17,611.00	\$11,524.00
Utility Operating Expenses	\$807,214.00	\$811,109.00
Utility Operating Income	(\$5,486.00)	\$152,030.00
Income From Utility Plant Leased to Others (413)		
Gains (Losses) from Disposition of Utility Property (414)		
Total Utility Operating Income	(\$5,486.00)	\$152,030.00
OTHER INCOME AND DEDUCTIONS		
Revenues From Merchandising, Jobbing and contract work (415)		
Costs and Expenses of Merchandising, Jobbing and Contract Work (416)		
Interest and Dividend Income (419)	\$11,859.00	\$10,984.00
Allowance for funds Used During Constructions (420)		
Nonutility Income (421)		\$13,475.00
Miscellaneous Nonutility Expenses (426)		\$0.00
Total Other Income and Deductions	\$11,859.00	\$24,459.00
TAXES APPLICABLE TO OTHER INCOME		
Taxes Other Than Income (408.20)		
Total Taxes Applic. to Other Income		
INTEREST EXPENSE		
Interest Expense (427)	\$82,230.00	\$80,311.00
Amortization of Debt Discount and Exp. (428)		

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Comparative Operating Statement (Ref Page: 11)

2010			2009		
Amortization of Premium on Debt (429)					
Total Interest Expense		\$82,230.00			\$80,311.00
EXTRAORDINARY ITEMS					
Extraordinary Income (433)					
Extraordinary Deductions (434)					
Total Extraordinary Items					
NET INCOME BEFORE CONTRIBUTIONS		(\$75,857.00)			\$96,178.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Statement of Retained Earnings 2002 (Ref Page: 12)

Description	Total
Appropriated Retained earnings (214)	
(state balance and purpose of each appropriated amount at year end)	
Total Appropriated Retained Earnings	
Retained Earnings From Income Before Contributions (215.1)	
Balance beginning of year	
Balance transferred from Net Income Before Contributions (435)	\$96,178.00
Changes to account:	
Appropriations of Retained Earnings (436)	
Adjustments to Retained Earnings (439)	
(requires Commission approval prior to use):	
Credits	
Debits	
Balance End of Year	\$96,178.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Statement of Retained Earnings (cont. 215.2) (Ref Page: 12)

	2010	2009	2008	2007
Donated Capital (215.2)				
Balance Beginning of the Year	\$444,390.00	\$3,653,907.00	\$72,465.00	\$4,170,762.00
Credits				
Proceeds from capital contributions (432)	\$13,475.00	\$168,860.22	(\$72,465.00)	\$109,870.00
Other Credits (explain)				
Debits (explain - requires Commission Approval)				
Balance End of Year	\$457,865.00	\$3,822,767.22	\$0.00	\$4,094,905.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Net Utility Plant (Accts. 101-106) (Ref Page: 13)

Total	
Utility Plant in Service (101)	\$9,968,358.00
Utility Plant Leased to Others (102)	
Property Held for Future Use (103)	
Utility Plant Purchased or Sold (104)	
Construction Work in Progress (105)	
Completed Construction Not Classified (106)	
Total Utility Plant	\$9,968,358.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Accumulated Depreciation (Acct. 108) (Ref Page: 13)

	Total
Balance First of Year	\$3,214,030.00
Credit during year:	
Accruals Charged to Account 108.1	\$191,696.00
Accruals Charged to Account 108.2	
Accruals Charged to Account 108.3	
Accruals Charged to Other Accounts (specify)	
(specify)	
Salvage Value Recovered on Plant Retired	
Other Credits	
(specify)	
Total Credits	\$191,696.00
Debits during year:	
Book Cost of Plant Retired	
Cost of Removal	
Other Debits	
(specify)	
Total Debits	
Balance at End of Year	\$3,405,726.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Utility Plant Accounts (Ref Page: 14)

	32500	32500-1	32500-2	32500-3	32500-4	32500-5	32500-6	32500-7	32500-8	32500-9
Organization (301)										
Franchises (302)										
Land and Land Rights (303)	\$58,771.00	\$0.00	\$0.00	\$58,771.00	\$0.00	\$0.00	\$11,654.00	\$12,418.00	\$34,699.00	
Structures and Improvements (304)	\$70,500.00	\$0.00	\$0.00	\$70,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Collecting and Impounding Reservoirs (305)										
Lakes, Rivers and Other Intakes (306)										
Wells and Springs (307)										
Infiltration Galleries and Tunnels (308)										
Supply Mains (309)										
Power Generation Equipment (310)										
Pumping Equipment (311)										
Water Treatment Equipment (320)	\$1,325,787.00	\$0.00	\$0.00	\$1,325,787.00	\$0.00	\$0.00	\$1,325,787.00	\$0.00	\$0.00	
Distribution Reservoirs and Standpipes (330)	\$194,344.00	\$0.00	\$0.00	\$194,344.00	\$0.00	\$0.00	\$0.00	\$194,344.00	\$0.00	
Transmission and Distribution Mains (331)	\$6,245,290.00	\$1,775,535.00	\$0.00	\$8,020,827.00	\$0.00	\$0.00	\$0.00	\$8,020,827.00	\$0.00	

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Utility Plant Accounts (Ref Page: 14)

	City of W	Water-10	Water-11	Water-12	Water-13	Water-14	Water-15	Water-16	Water-17	Water-18
Services (333)										
Meters and Meter Installations (334)	\$290,095.00	\$0.00	\$0.00	\$290,095.00	\$0.00	\$0.00	\$0.00	\$290,095.00	\$0.00	\$0.00
Hydrants (335)										
Backflow Prevention Devices (336)										
Other Plant and Misc. Equipment (339)										
Office Furniture and Equip. (340)	\$7,808.00	\$0.00	\$0.00	\$7,808.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transportation Equipment (341)										
Stores Equipment (342)										
Tools, Shop and Garage Equip (343)										
Laboratory Equipment (344)										
Power Operated Equipment (345)	\$226.00	\$0.00	\$0.00	\$226.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Communication Equipment (346)										
Miscellaneous Equipment (347)										
Other Tangible Plant (348)										
Total Water Plant	\$8,192,821.00	\$1,775,535.00	\$0.00	\$9,968,358.00	\$0.00	\$0.00	\$1,337,441.00	\$8,517,684.00	\$34,699.00	

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance Beg. Yr. (a)	Cr. (Dep. Exp.) (b)	Other Cr. (d) (c)	Other Debit (e) (f)	Other Charge (g)	Balance End. Yr. (h)
Organization (301)						
Franchises (302)						
Land and Land Rights (303)						
Structures and Improvements (304)	\$1,248,768.00	\$81,854.00	\$0.00	\$0.00	\$0.00	\$1,330,620.00
Collecting and Impounding Reservoirs (305)						
Lake, River and Other Intakes (306)						
Wells and Springs (307)						
Infiltration Galleries and Tunnels (308)						
Supply Mains (309)						
Power Generating Equipment (310)	\$226.00	\$0.00	\$0.00	\$0.00	\$0.00	\$226.00
Pumping Equipment (311)	\$86,167.00	\$8,325.00	\$0.00	\$0.00	\$0.00	\$94,492.00
Water Treatment Equipment (320)	\$1,688.00	\$120.00	\$0.00	\$0.00	\$0.00	\$1,808.00
Distributions Reservoirs and Standpipes (330)	\$166,754.00	\$4,652.00	\$0.00	\$0.00	\$0.00	\$171,406.00
Transmission and Distribution Mains (331)	\$1,391,587.00	\$76,776.00	\$0.00	\$0.00	\$0.00	\$1,468,363.00
Services (333)						
Meters and Meter Installations (334)	\$242,195.00	\$11,711.00	\$0.00	\$0.00	\$0.00	\$253,906.00
Hydrants (335)						
Backflow Prevention Devices (336)						

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance, Beginning	Change, Depreciation	Change, Amortization	Balance, Plant Cost	Change, Depreciation	Change, Amortization	Balance, End of Year
Other Plant and Miscellaneous Equipment (339)							
Office Furniture and Equip. (340)	\$76,647.00	\$8,258.00	\$0.00	\$0.00	\$0.00	\$0.00	\$84,905.00
Transportation Equipment (341)							
Stores Equipment (342)							
Tools, Shop and Garage Equip (343)							
Laboratory Equipment (344)							
Power Operated Equipment (345)							
Communication Equipment (346)							
Miscellaneous Equipment (347)							
Other Tangible Plant (348)							
Totals	\$3,214,030.00	\$191,696.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,405,726.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Accumulated Amortization (Acct. 110) (Ref Page: 16)

Balance First Year

Credit during year

Accruals Charged to Account 110.1

Accruals Charged to Account 110.2

Other Credits:

(specify)

Total Credits

Debits during year:

Book Cost of Plant Retired

Other Debits

(specify)

Total Debits

Balance end of Year

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Utility Plant Acquisition Adjustments (Accts. 114-115) (Ref Page: 16)

Description	Total
Acquisition Adjustments (114)	
(specify)	
Total Plant Acquisition Adjustments	
Accumulated Amortization (115)	
(specify)	
Total Accumulated Amortization	
Net Aquisition Adjustments	

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Investments and Special Funds (Ref Page: 17)

Description	Amount	Total End/Total Post
Investment in Associated Companies (123)		
Total Investment in Associated Companies		
Utility Investments (124)		
KIA LOAN FOR CONSTRUCTION IN PROGRESS	\$186,511.00	\$186,511.00
Total Utility Investments		\$186,511.00
Other Investments (125)		
Total Other Investments		
Sinking Funds (126)		
BOND SINKING FUND 1969	\$71,858.00	\$71,858.00
BOND SINKING FUND 1969	\$8,586.00	\$8,586.00
BOND SINKING FUND 1969	\$6,509.00	\$6,509.00
BOND SINKING FUND 1930	\$52,589.00	\$55,283.00
BOND SINKING FUND 1988	\$53,967.00	\$69,123.00
Total Sinking Funds	\$193,509.00	\$211,359.00
Other Special Funds (127)		
Total Other Special Funds		

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Accounts and Notes Receivable - Net (Accts 141-144) (Ref Page: 18)

Accounts and Notes Receivable	
Customer Accounts Receivable (141)	\$110,845.00
Other Accounts Receivable (142)	
Total Other Accounts Receivable	\$0.00
Notes Receivable (144)	
Total Notes Receivable	
Total Accounts and Notes Receivable	\$110,845.00
Accumulated Provision for Uncollectible Accounts (143)	
Balance First of Year	
Add:	
Provision for uncollectibles for current year	
Collections of accounts previously written off	
Other	
(specify)	
Total Additions	
Deduct accounts written off during year:	
Other	
(specify)	
Total Deductions	
Balance end of Year	
Total Accounts and Notes Receivable - Net	\$110,845.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Materials and Supplies (151-153) (Ref Page: 19)

		Total
Plant Materials and Supplies (151)		
Merchandise (152)		
Other Materials and Supplies (153)		
Total Materials and Supplies		

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Prepayments (Acct. 162) (Ref Page: 19)

Description	Amount
Prepaid Insurance	\$9,006.00
Prepaid Rents	
Prepaid Interest	
Prepaid Taxes	
Other Prepayments	
(Specify)	
Total Prepayments	\$9,006.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Miscellaneous Deferred Debits (Acct. 186) (Ref Page: 20)

Miscellaneous Deferred Debits (186)

Deferred Rate Case Expense (186.1)

Other Deferred Debits (186.2)

Regulatory Assets (186.3)

Total Miscellaneous Deferred Debits

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Unamortized Debt Discount and Expense and Premium on Debt (Accts 181 and 251) (Ref Page: 20)

	Description	Amount	Year Ending
Unamortized Debt Discount and Expense (181)			
Total Unamortized Debt Discount and Expense			
Unamortized Premium on Debt (251)			
Total Unamortized Premium on Debt			

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Extraordinary Property Losses (Acct. 182) (Ref Page: 21)

Description	DE
-------------	----

Extraordinary Property Losses (182)

(Specify)

Total Extraordinary Property Losses

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Advances for Construction (Acct. 252) (Ref Page: 21)



Balance First of Year

Add credits during year

Deduct charges during year

Balance end of year

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Long Term Debt (Ref Page: 22)

Description of Obligation	Year Began	Maturity Date	Original Amount	Amount for Year	Principal Balance
a	b	c	d	e	f
				0	
Total				0	

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Bonds - Account 221 (Ref Page: 23)

	Original Amount (Line 2)	Amortized or Paid (Line 3)	Balance at End of Year (Line 4)	Amount Outstanding at End of Year (d)	Amount During Year (Actual) (e)	Amount During Year (Actual) (f)
	\$560,000.00	\$560,000.00	\$0.00	\$240,000.00	\$0.00	\$13,000.00
	\$341,000.00	\$341,000.00	\$0.00	\$228,000.00	\$0.00	\$11,850.00
	\$675,000.00	\$675,000.00	\$0.00	\$566,000.00	\$0.00	\$25,987.50
	\$500,000.00	\$500,000.00	\$0.00	\$458,500.00	\$0.00	\$20,947.50
	\$314,000.00	\$314,000.00	\$0.00	\$202,000.00	\$0.00	\$8,526.00
	\$1,957,958.00	\$1,957,958.00	\$0.00	\$1,957,958.00	\$0.00	\$0.00
Total	\$4,347,958.00	\$4,347,958.00	\$0.00	\$3,652,458.00	\$0.00	\$80,311.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Schedule of Bond Maturities (Ref Page: 23)

Bond Number (1)	Maturity Date (2)	Interest Rate (3)	Balance (4)	Amount Paid (5)	Remaining Bonds Outstanding (6)
		0.0000	\$20,000.00	\$33,000.00	\$240,000.00
		0.0000	\$9,000.00	\$20,850.00	\$228,000.00
		0.0000	\$11,500.00	\$37,487.50	\$566,000.00
		0.0000	\$7,000.00	\$29,947.50	\$458,500.00
		0.0000	\$19,000.00	\$27,526.00	\$202,000.00
		0.0000	\$0.00	\$0.00	\$1,957,958.00
Total			\$66,500.00	\$148,811.00	\$3,652,458.00
(The total of Column 12 must agree with the total of col 4)					

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Notes Payable (Accts 232 and 234) (Ref Page: 24)

Account	Balance	Current	Due	Interest	Principal	Total
Account 232 - Notes Payable						0
Total Account 232						
Account 234 - Notes Payable to Associated Companies						0
Total Account 234						

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Accounts Payable to Associated Companies (Acct. 233) (Ref Page: 24)



Show Payable to Each Associated Company Separately

(Specify)

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Taxes Accrued (Acct. 236) (Ref Page: 25)

Balance First of Year	(\$470.00)
Accruals Charged:	
Utility regulatory assessment fees (408.10)	
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	\$11,524.00
Other taxes and licenses (408.13)	
Taxes other than income, other income and deductions (408.20)	
Total taxes accrued	\$11,524.00
Taxes paid during year:	
Utility regulatory assessment fees (408.10)	
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	\$6,369.00
Other taxes and licenses (408.13)	
Taxes other than income, other income and deductions (408.20)	
Total Taxes Paid	\$6,369.00
Balance end of year	\$4,685.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Accrued Interest (Account 237) 2002 (Ref Page: 25)

	Principal Debt (a)	Interest Rate (b)	Interest Accrued (c)	Interest Paid (d)	Balance End of Year (e)
Long Term Debt:					
	0.0000		\$13,000.00	\$13,000.00	\$0.00
	0.0000		\$11,850.00	\$11,850.00	\$0.00
	0.0000		\$25,987.50	\$25,987.50	\$0.00
	0.0000		\$20,947.50	\$20,947.50	\$0.00
	0.0000		\$8,526.00	\$8,526.00	\$0.00
	0.0000		\$0.00	\$0.00	\$0.00
Notes Payable:					
Customer Deposits:					
Other:					
Total Acct. No 237	0.0000		\$80,311.00	\$80,311.00	\$0.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Miscellaneous Current and Accrued Liabilities (Acct. 242) (Ref Page: 26)

	Description	Balance
Total Miscellaneous Current and Accrued Liabilities		

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Regulatory Commission Expense(Acct 666 and 667) (Ref Page: 26)

Account	Debit	Credit	Balance
---------	-------	--------	---------

Total

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Operating Revenue (Ref Page: 27)

Beginning Year Balance		Year End Balance		
Operating Revenues				
Unmetered Water Revenue (460)				
Metered Water Revenue (461)				
Sales to Residential Customers (461.1)	1,607	1,756		\$608,108.00
Sales to Commercial Customers (461.2)	19	19		\$5,874.00
Sales to Industrial Customers (461.3)				
Sales to Public Authorities (461.4)	2	2		\$7,665.00
Sales to Multiple Family Dwellings (461.5)				
Sales through Bulk Loading Stations (461.6)				
Total Metered Sales	1,628	1,777		\$621,647.00
Fire Protection Revenue (462)				
Public Fire Protection (462.1)				
Private Fire Protection (462.2)				
Total Fire Protection Revenue				
Other Sales to Public Authorities (464)				
Sales to Irrigation Customers (465)				
Sales for Resale (466)	2	2		\$311,270.00
Interdepartmental Sales (467)				
Total Sales of Water	1,630	1,779		\$932,917.00
Other Water Revenues				
Guaranteed Revenues (469)				
Forfeited Discounts (470)				
Miscellaneous Service Revenues (471)				
Rents from Water Property (472)				
Interdepartments Rents (473)				
Other Water Revenues (474)				
Total Other Water Revenues				\$30,222.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Operating Revenue (Ref Page: 27)

	Beginning Balance	Current Period	Amount
Total Water Operating Revenues			\$963,139.00



WESTERN FLEMING CO. WATER DIST.
 P.O. BOX 16
 EWING, KY. 41039
 PHONE: 606-267-2120
 FAX: 606-267-4423

NUMBER OF PAGES: 1

DATE: 6-7-11

TO: Scott

COMPANY: WSP

FAX: 859-223-3150 PHONE: _____

FROM: Molly

COMMENTS: Salaries - Danny 32,900.04 (2010)
Molly 21,423.96 (2010)
Water Plant Electric - 101,382.07 (2010)
Office Electric - 13,729.3 (2010)

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Utility Expense Accounts (Ref Page: 28)

Account Description	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual
Salaries and Wages-Employees (601)	\$158,355.00	\$148,998.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$47,440.00
		\$ 104,031					\$ 32,900			\$ 21,424
Salaries and Wages-Officers, Directors and Majority Stockholders (603)	\$11,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,000.00
Employee Pensions and Benefits (604)	\$23,429.00	\$20,852.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,577.00
Purchased Water (610)	\$65,007.00	\$65,007.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Purchased Power (615)	\$102,755.00	\$102,755.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		101,382								\$0.00
Fuel for Power Production (616)										1,373
Chemicals (618)	\$84,813.00	\$0.00	\$0.00	\$84,813.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Materials and Supplies (620)	\$54,515.00	\$0.00	\$27,258.00	\$25,077.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,181.00
Contractual Services - Eng. (631)										
Contractual Services - Acc. (632)	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00
Contractual Services - Legal (633)	\$2,100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,100.00
Contractual Services - Management Fees (634)										

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Utility Expense Accounts (Ref Page: 28)

	General Exp. (0)	Supply Exp. (1)	Supply Exp. (2)	Water Treatment Exp. (3)	Water Treatment Exp. (4)	Water Treatment Exp. (5)	Water Treatment Exp. (6)	Water Treatment Exp. (7)	Water Treatment Exp. (8)	Water Treatment Exp. (9)
Salaries and Wages-Employees (601)	\$158,355.00	\$140,936.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17,419.00
Salaries and Wages-Officers, Directors and Majority Stockholders (603)	\$11,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,000.00
Employee Pensions and Benefits (604)	\$23,429.00	\$20,852.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,577.00
Purchased Water (610)	\$65,007.00	\$65,007.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Purchased Power (615)	\$102,755.00	\$102,755.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fuel for Power Production (616)										
Chemicals (618)	\$84,813.00	\$0.00	\$0.00	\$84,813.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Materials and Supplies (620)	\$54,515.00	\$0.00	\$27,258.00	\$25,077.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,181.00
Contractual Services - Eng. (631)										
Contractual Services - Acct. (632)	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00
Contractual Services - Legal (633)	\$2,100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,100.00
Contractual Services - Management Fees (634)										

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Utility Expense Accounts (Ref Page: 28)

	Contractual Serves - Water Testing (635)	Supplies Energy (637)	Supplies Energy (638)	Water Treatment Energy (639)	Water Treatment Materials (640)	Transportation Expenses (650)	Insurance Vehicle (656)	Insurance General Liability (657)	Insurance Worker's Compensation (658)	Insurance Other (659)	Advertising Expenses (660)	Regulatory Commission Exp. - Amortization of Rate Case (666)	- Other (667)
Contractual Serves - Water Testing (635)													
Contractual Services - Other (636)	\$46,126.00	\$0.00	\$0.00	\$0.00	\$0.00	\$46,126.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rental of Bld/Real Property (641)													
Rental of Equipment (642)													
Transportation Expenses (650)													
Insurance - Vehicle (656)													
Insurance - General Liability (657)	\$8,638.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,638.00
Insurance - Worker's Compensation (658)	\$5,294.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,294.00
Insurance - Other (659)	\$30,469.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Advertising Expenses (660)													
Regulatory Commission Exp. - Amortization of Rate Case (666)													
- Other (667)													

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Utility Expense Accounts (Ref Page: 28)

	Water Exp	Supply Exp	System Exp	Water Utility Exp	Water Resource Exp	Water Conservation Exp	Water Conservation Exp	Water Conservation Exp	Water Conservation Exp	Water Conservation Exp
	Exp (0)	Exp (0)	Exp (0)	Exp (0)	Exp (0)	Exp (0)	Exp (0)	Exp (0)	Exp (0)	Exp (0)
Water Resource Conservation Expense (668)										
Bad Debt (670)	\$3,226.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,226.00
Miscellaneous Expenses (675)	\$7,162.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,162.00
Total	\$607,889.00	\$329,550.00	\$27,258.00	\$109,890.00	\$0.00	\$46,126.00	\$0.00	\$0.00	\$0.00	\$64,597.00

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Pumping and Water Statistics - part one (Ref Page: 29)

	Water Pumped from Wells (Gals)	Water Pumped from Falls (Gals)	Water Sold to Customers (Gals)
	000 Gals	000 Gals	000 Gals
January	0	0	31,222 24,073
February	0	0	30,003 25,688
March	0	0	31,115 25,993
April	0	0	30,075 25,014
May	0	0	31,621 25,791
June	0	0	30,111 26,097
July	0	0	33,519 29,215
August	0	0	33,651 26,911
September	0	0	33,996 27,725
October	0	0	34,032 27,847
November	0	0	33,932 26,206
December	0	0	33,765 23,899
Total for the year	0	0	387,042 314,459

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Pumping and Water Statistics - part two (Ref Page: 29)

	Gallons	Date
Maximum Gallons pumped by all methods in any one day (Omit 000's)	1,045	05/15/2010
Minimum Gallons pumped by all methods in any one day (Omit 000's)	459	07/17/2010

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Pumping and Water Statistics - part three (Ref Page: 29)

If water is purchased indicate the following:

Vendor:

GREATER FLEMING COUNTY REGIONAL WATER COMMISSION

Point of Delivery

VARIOUS

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Pumping and Water Statistics - part four (Ref Page: 29)

If water is sold to other water utilities for redistribution, identify all entities with whom the utility has a water sales contract and the maximum quantity the utility is under contract

to provide daily and monthly. If unlimited then list "unlimited" otherwise list in thousands of gallons.

NICHOLAS CO

BUFFALO TRIAL WATER ASSOC

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Sales For Resale (466) (Ref Page: 30)

Customer	Volume	Rate	Amount
NICHOLAS CO	92,433	\$1.43	\$132,162.03
BUFFALO TRIAL WATER ASSOC.	129,433	\$1.43	\$185,119.19
Total	221,866		\$317,281.22

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Statistics (Ref Page: 30)

1. Water Produced, Purchased and Distributed

2. Water Produced 326,443

3. Water Purchased 60,599

4. Total Produced and Purchased 387,042

6. Water Sales:

7. Residential 89,920

8. Commercial 2,673

9. Industrial

10. Bulk Loading Stations

11. Resale 221,866

12. Other Sales

13. Total Water Sales 314,459

15. Other Water Used

16. Utility/water treatment plant 39,277

17. Wastewater plant

18. System flushing 1,468

19. Fire department 28,375

20. Other

21. Total Other Water Used 69,118

23. Water Loss:

24. Tank Overflows

25. Line Breaks 30

26. Line Leaks 2,244

27. Other 1,191

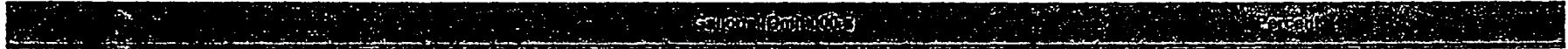
28. Total Line Loss 3,465

Note: Line 13 + Line 21 + Line 28 must equal Line 4

32. Water Loss Percentage

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Water Statistics (Ref Page: 30)



33. Line 28 divided by Line 4

0.8953

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Plant Statistics (Ref Page: 31)

Give the following information	
Number of fire hydrants, by size	10 10" HYDRANTS, 11 8" HYDRANTS, 6 12# HYDRANTS
Number of private fire hydrants, by size	NONE
If produced whether water supply is river, impounded streams, well, springs, artificial lake, or collector well	RIVER
If produced whether supply is by gravity, pumping or a combination	PUMPING
Type, capacity, and elevation of reservoirs at overflow and ground level *	1. TANK 130XX OUT OF SVC 2. TANK 100,000 GAL 1048' O.F. 968' GROUND 3. TANK 92XX OUT OF SVC 4. TANK 300,000 GAL 1120' O.F. 980' GROUND 5. TANK 300,000 GAL 108' O.F. 980' GROUND
Miles of main by size and kind	8"- 3 MILES, 10"- 2 MILES, 6"- 32.5 MILES, 4"- 39.9 MILES, 3"- 10 MILES, 2"- 7.1 MILES, 12"- 4.0 MILES.
Types of filters: gravity or pressure, number of units and total rated in capacity in gal. per min.	5 FILTER GRAVITY
Type of disinfectant, number of units and capacity in pounds per 24 hours	SIEMANS CHLORINE FEED SYSTEM; AUTOMATIC GAS FEED MAXIMUM CAPACITY 250 POUNDS PER DAY (ppd)
Station Equipment. List each pump, giving type and capacity, HP of driving unit and character of driving unit (steam/electric/int. combustion) also whether pump is high/ low duty	2 LOW DUTY 85HP 1425-GPM
Quantity of fuel used: coal in lbs., gas in cu.ft., oil in gals., and electric in KWH	NA
Give description and total cost of any sizable additions or retirements to plant and service outside the normal system of growth for the period covered by this report	NONE
Capacity of clear well	200,000 GAL APPROX
Peak month, in gallons of water sold	DECEMBER 29390900
Peak day, in gallons of water sold	NOV. 17TH 2010; 1205500

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Plant Statistics - Part B (Ref Page: 31)



Choose one to indicate the type of Water Supply

River

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

Plant Statistics - Part C (Ref Page: 31)



Choose one to indicate the type of Water Supply Method

Combination

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
NOTE: Any mention of page numbers or Line items refers to the annual report published and distributed for the 2002 report period.				
Identifications pages (ref 4-6) have been completed.				
Balance Sheet - Assets and Other Debts (ref. pg 7)				
Utility Plant (Accts 101-106) agrees with Sched: Net Utility Plants Accts 101-106 (ref pg 13) Line: Total Utility Plant	9968358.00	9968358.00	OK	
Accts 108-110 Acc. Depreciation and Amort. agrees with Sched: Analysis of Acc. Dep. and Amort. (ref pg 15) Line: Total 301-348 Col h	3405726.00	3405726.00	OK	
Accts 114-115 Utility Plant Acquisition Adjustments agrees with Sched: Utility Plant Acquisition Adjustments (ref pg 16) Line: Net Acquisition Adjustments (114-115)	0	0	OK	
Accts 123 Investment in Assoc. Companies agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total Investment in Associated Companies	0	0	OK	
Accts 124-125 Utility Investments agrees with Sched: Investments and Spec. Funds (ref pg 17) Sum of Lines: 124 Total Utility Investments and 125 Total Other Investments	186511.00	186511.00	OK	
Accts 126 Sinking Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: 126 Total Sinking Funds	211359.00	211359.00	OK	
Accts 127 Other Special Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total 127 Other Special Funds	0	0	OK	
Accts 141-144 Accounts and Notes Receivable agrees with Sched: Accts and Notes Receivable (ref pg 18) Line: Net Balance 141-144	110845.00	110845.00	OK	
Accts 151-153 Material and Supplies agrees with Sched: Material and Supplies (ref pg 19) Line: Total 151-153	0	0	OK	

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 162 Prepayments agrees with Sched: Prepayments (ref pg 19) Line: Total 162	9006.00	9006.00	OK	
Accts 181 Unamortized Debt Discount and Expense agrees with Sched: Unamortized Debt Discount and Exp. (ref pg 20) Line: Total 181	0	0	OK	
Accts 182 Extraordinary Prop. losses agrees with Sched: Extraordinary Property Losses (ref pg 21) Line: Total 182	0	0	OK	
Accts 186 Misc. Deferred Debits agrees with Sched: Misc. Deferred Debits (ref pg 20) Line: Total 186	0	0	OK	
Balance Sheet - Equity Capitol and Liabilities (ref. pg 9)				
Accts 214 Appropriated Retained Earnings agrees with Sched: Statement of Retained Earnings (ref pg 12) Line: Total Appropriated Retained Earnings 214	0	0	OK	
Accts 215.1 Retained Earnings from Income before Contributions with Sched: Statement of Retained Earnings (ref pg 12) Line: Balance End of Year 215.1	96178.00	96178.00	OK	
Accts 215.2 Donated Capital with Sched: Statement of Retained Earnings (cont. 215.2) (ref pg 12) Line: Balance End of Year 215.2	4094905.00	4094905.00	OK	
Accts 221 Bonds agrees with Sched: Account 221 (ref pg 23) Line: Total Outstanding Bonds Col 4	3652458.00	3652458.00	OK	
Accts 221 Bonds agrees with Sched: Schedule of Bond Maturities (ref pg 23) Line: Total Remaining Bonds (Col 12)	3652458.00	3652458.00	OK	
Accts 224 Other Long Term Debt agrees with Sched: Long Term Debt (ref pg 22) Line: Total Acct 224 col f	0	0	OK	
Accts 232 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 232	0	0	OK	

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 233 Accounts Payable to Associated Co. agrees with Sched: Accounts Payable to Assoc. Companies (Accts 233) (ref pg 24) Line: Total Acct 233	0	0	OK	
Accts 234 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 234	0	0	OK	
Accts 236 Taxes Accrued Balance First of Year agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Beginning Balance	-470.00	-470.00	OK	
Accts 236 Taxes Accrued agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Ending Balance	4685.00	4685.00	OK	
Accts 237 Accrued Interest Balance from Prev Year agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance Beginning of Year -Col b	0.0000	0	OK	
Accts 237 Accrued Interest agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance End of Year -Col e	0	0.0000	OK	
Accts 242 Misc. Current and Accrued Liabilities agrees with Sched: Misc current and Accrued Liabilities (Accts 242) (ref pg 26) Line: Total Miscellaneous and Current Accrued Liabilities	0	0	OK	
Accts 251 Unamortized Premium on Debt agrees with Sched: Unamortized Debt Discount and Expense and Premium on Debt (Accts 181 - 251) (ref pg 20) Line: Total 251	0	0	OK	
Accts 252 Advances for Construction agrees with Sched: Advances for Construction (Accts 252) (ref pg 21) Line: Total 252	0	0	OK	
Total Equity Capital and Liabilities agrees with Balance Sheet - Assets and Other Debits: Total Assets and Other Debits	7873737.00	7873737.00	OK	
Comparative Operating Statement (ref pg 10)				

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 400 Operating Revenues agrees with Sched: Water Operating Revenue (Accts 400) (ref pg 27) Line: Total Water Operating Revenues - Col e	963139.00	963139.00	OK	
Accts 401 Operating Expenses agrees with Sched: Water Utility Expense Accounts (ref pg 28) Line: Total Accts (601-675) - Col c	607889.00	607889.00	OK	
Accts 408.1 Taxes Other than Income agrees with Schedule Taxes Accrued (Acct 236) (ref pg 26) Sum of Accts 408.10 - 408.13	11524.00	11524.00	OK	
Sum of Accts 408.1 and 408.2 agrees with Sched: Taxes Accrued (Acct 236) (ref pg 25) Line: Total taxes Accrued	11524.00	11524.00	OK	
Accts 427 Interest Expense agrees with Sched: Accrued Interest (Acct 237) (ref pg 25) Line: Total Acct No 237 Col c - Interest Accrued	80311.00	80311.00	OK	
Net Income agrees with Sched: Retained Earnings (Acct 237) (ref pg 12) Line: Balance Transferred from Income (Acct 435)	96178.00	96178.00	OK	
Miscellaneous				
Schedule Net Utility Plant Accts 101 - 106 (ref pg 13) Utility Plant (101) agrees with Sched: Water Utility Plant Accounts (ref pg 14) Line: Total Water Plant Col f - Current Year	9968358.00	9968358.00	OK	
The analysis of water utility plant accounts Cols c through k has been completed (Ref pg 14)				
The analysis of accumulated depreciation and amortization by primary account has been completed. (Ref pg 14)				
Sched: Misc. Deferred Debits (Acct 186) Deferred Rate Case (Acct 186.1) agrees with Sched: Amort. of Rate Case (Acct 665 and 667) (ref pg 26) Line: Total Col c - Amt Transferred to 186.1	0	0	OK	
Schedule of Long Term Debt has been completed (ref pg 22)				

32500 Western Fleming County Water District 01/01/2010 - 12/31/2010

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Schedule of Bond Maturities has been completed (ref pg 23)				
Taxes collected (example: school tax, sales tax, franchise tax) have been excluded from Operating Revenue (Ref pg 29)				
The analysis of water opertating revenue Cols c,d and e have been completed. (Ref pg 28)				
The analysis of water utility expense accounts Cols c through k have been completed. (Ref pg 28)				
Schedule of Pumping and Purchased Water Statistics has been completed (Ref pg 29)				
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Total (d) agrees with Sched Water Statistics (ref pg 30) Line 4. Total Produced and Purchased Col Gallons	387042	387042	OK	
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Water Sold(e) agrees with Sched Water Statistics (ref pg 30) Line Total Water Sales Col Gallons	314459	314459	OK	
Sched Sales for Resale (ref pg 30) 466 Total Gal agrees with Sched Water Statistics (ref pg 30) Total Water Sales	221866	221866	OK	
Oath Page Has been Completed				

EXECUTIVE SUMMARY		Reviewer:	Sandy Williams
KENTUCKY INFRASTRUCTURE AUTHORITY		Date:	February 7, 2008
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number:	F08-01
REVOLVING LOAN FUND		WRIS Number	WX21069023
BORROWER:	Western Fleming County Water District Fleming County		
BRIEF DESCRIPTION:	Phase III Water System Improvements - The proposed improvements to the water treatment plant include a new raw water intake structure at the Licking River, new raw water pumps, a new flocculator, a new sedimentation basin, modifications to the existing filter units, chemical feed system, and miscellaneous piping improvements.		
PROJECT FINANCING:		PROJECT BUDGET	
Fund F Loan	\$ 2,518,000	Administrative Expenses	6,886
HB 380 Grant	50,000	Legal Expenses	5,000
TOTAL	2,568,000	Engineering Fees	296,114
		Construction	2,055,000
		Contingency	200,000
		Other	5,000
		TOTAL	\$ 2,568,000
REPAYMENT		Rate	1.00%
		Term	30 years
		Est. Annual Payment	\$103,655
		1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	HDR/Quest Engineers	
	Bond Counsel	Peck, Shafer, & Williams	
PROJECT SCHEDULE		Bid Opening:	July 2008
		Construction Start:	July 2008
		Construction Stop:	July 2009
DEBT PER CUSTOMER	Existing:	\$ 1,391.96	
	Proposed:	\$ 2,919.70	
OTHER DEBT	See Attached		
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached		
RESIDENTIAL RATES		Users	Avg. Bill
	Current	1,449	\$18.20 (for 4,000 gallons)
	Additional	0	\$34.44 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
CASHFLOW	Cash Available for	Income after Debt	
	Debt Service	Debt Service	Service Coverage Ratio
Complied 2003	225,958	146,202	79,756 1.55
Complied 2004	288,451	151,143	137,308 1.91
Complied 2005	298,368	186,233	112,135 1.60
Projected 2006	196,719	166,110	30,609 1.18
Projected 2007	171,474	199,491	-28,017 0.86
Projected 2008	737,384	175,276	562,108 4.21
Projected 2009	743,338	207,417	535,921 3.58
Projected 2010	738,020	245,655	492,365 3.00

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER REVOLVING LOAN FUND (FUND "F")
WESTERN FLEMING COUNTY WATER DISTRICT, FLEMING COUNTY
PROJECT REVIEW
WX21069023**

I. PROJECT DESCRIPTION

The Western Fleming County Water District is requesting \$2,518,000 to construct Phase III Water System Improvements. The proposed improvements to the water treatment plant include a new raw water intake structure at the Licking River, new raw water pumps, a new flocculator, a new sedimentation basin, modifications to the existing filter units, chemical feed system, and miscellaneous piping improvements.

II. PROJECT BUDGET

	Total
Administrative Expenses	6,886
Legal Expenses	5,000
Planning	5,000
Eng. Fees - Design	125,370
Engineering Fees	31,344
Eng. Fees - Insp. and Other	124,400
Eng. Fees - Other	10,000
Construction	2,055,000
Contingency	200,000
Other	5,000
Total	2,568,000

III. PROJECT FUNDING

Funding Sources	Amount	%
Fund F Loan	2,518,000	98%
HB 380 Grant	50,000	2%
Total	2,568,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 2,518,000
Interest Rate	1.00%
Loan Term (Years)	30
Estimated Annual Debt Service	\$ 97,360
Administrative Fee (0.25%)	6,295
Total Estimated Annual Debt Service	\$ 103,655

V. PROJECT SCHEDULE

Bid Opening:	July 2008
Construction Start:	July 2008
Construction Stop:	July 2009

VI. RATE STRUCTURE

	Current	Proposed	Total
Residential	1449	0	1449
Commercial	0	0	0
Industrial	0	0	0

	1,449	-	1,449
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Rates

The monthly charge for water utility service is:

Effective Date	8/2002	Pending
First 2,000 gallons (per 1000 gal)	\$11.60	First 1,000 gallons (per 1000 gal) \$15.30
Next 5,000 gallons (per 1000 gal)	3.30	Next 6,000 gallons (per 1000 gal) \$ 6.38
Next 3,000 gallons (per 1000 gal)	2.70	Next 3,000 gallons (per 1000 gal) \$ 5.70
All Over 10,000 gal, per 1000 gal)	1.85	All Over 10,000 gal, per 1000 gal) \$ 4.34
Residential Bill for 4,000 gallons	\$18.20	Residential Bill for 4,000 gallons \$34.44

VII. DEMOGRAPHICS

The Water District serves approximately 1,449 households in Fleming County, population 13,792. In 2000, the County's Median Household Income (MHI) level was \$27,990. The MHI for the Commonwealth is \$33,872. Based on median household income, the project will qualify for the 1% interest rate.

VIII. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information for the utility was obtained from the audited financial statements of the Western Fleming County Water District for the years ended December 31, 2003, 2004, 2005 and 2006.

HISTORICAL

For past four years, the Western Fleming County Water District generated sufficient income to meet plant operating expenses and pay debt service. However, in 2006, revenues from charges for services declined 11% from \$747,716 in 2005 to \$665,228. This trend combined with rising expenses created a cashflow crunch for the system. The decline however, did not go unnoticed by management. The board immediately enlisted the services of the Kentucky Rural Water Association by commissioning a rate study. The rates study has now been completed and a rate case has been filed with the Public Service Commission. The district expects a positive outcome from the PSC any day. The Balance Sheet shows reasonable debt management with debt to equity between 0.7 and 0.5 during the time span. The current ratio is also very strong remaining at a level greater than 10 for all years. The majority of the utility's assets are invested in the plant facilities, a long-term asset. This is matched by having the majority of the liabilities in the long-term category.

PROFORMA

The proforma is based on the following assumptions:

- Revenues for 2007 are projected to remain at 2006 levels.
- Revenues for 2008 are projected to increase 89% based on the proposed rate increase.
- Revenues for 2009 and 2010 are projected to increase 3%.
- O & M expense are projected to increase 5% per year plus the additional costs associated with the project (\$8,600 annually).
- The annual replacement reserve is \$6,500 annually.
- KIA Fund F principal, interest and administrative fees totaling \$103,655 annually beginning in FY 2010.

Based on the aforementioned assumptions, the utility fund shows adequate cashflow to repay the KIA Fund F loan. The water rate increase has been approved by the water district board and has been submitted to the PSC for final approval. Based on these assumptions the Water District is projected to have a 3.0 coverage ratio in 2010.

REPLACEMENT RESERVE

Based on the information provided in the application the annual replacement cost is \$6,500. This amount should be added to the replacement account each December 1 until the balance reaches \$65,000 and maintained for the life of the system.

IX. DEBT OBLIGATIONS

<u>Debt Issuance</u>	<u>Outstanding</u>
1989 Serial	\$59,583
1980 FHA	\$314,000
1988 FHA	\$280,000
1997 FHA	\$609,000
2003 FHA	\$484,000
2004 KY Rural Water	\$290,370
Total	\$2,016,953

X. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
2002 Improvements	HB 502	\$814,672	Grant

XI. CONTACTS

Applicant

Name Western Fleming County Water District
Address PO Box 16
Ewing, Kentucky 41039
County Fleming County
Contact Vernon Barton
Phone 606-267-2120

Engineer

Name Bob Sturdivant
Firm HDR/Quest Engineers
Address 2517 Sir Barton Way
Ewing, Kentucky 41039
Phone 859-223-3755

Applicant Contact

Name Western Fleming County Water District
Address PO Box 16
Ewing, Kentucky 41039
Contact Molly Ruark
Phone 606-267-2120

XII. RECOMMENDATIONS

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

EXHIBIT 1

Western Fleming County Water District
CASHFLOW ANALYSIS

	Audited 2003		Audited 2004		Audited 2005		Audited 2006	Projected 2007	Projected 2008	Projected 2009	Projected 2010
		% Change		% Change		% Change					
Revenues											
Charges for Services	608,409	12%	682,065	10%	747,716	-11%	665,228	665,228	1,257,281	1,294,999	1,333,849
Total Revenues	608,409	12%	682,065	10%	747,716	-11%	665,228	665,228	1,257,281	1,294,999	1,333,849
Expenses											
Administrative & Operating Expense	408,219	2%	414,343	14%	474,256	6%	504,892	530,137	556,643	588,776	626,814
Depreciation	115,850		113,649		116,259		151,012	151,012	151,012	215,212	215,212
Replacement Reserve	0		0		0		0	0	0	0	8,500
Total Expenses	522,069	1%	527,992	12%	590,515	11%	655,904	681,149	707,655	803,988	848,526
Net Income Cash	84,340	-83%	154,073	-2%	157,201	94%	9,324	(15,921)	549,625	491,012	485,323
Non-Operating Revenues and Expenses											
Investment Income	25,768		20,729		24,908		36,383	36,383	36,747	37,114	37,485
Other	0		0		0		0	0	0	0	0
Total Non-Operating Rev & Exp	25,768	-20%	20,729	20%	24,908	46%	36,383	36,383	36,747	37,114	37,485
Add Non-Cash Expenses											
Depreciation	115,850		113,649		116,259		151,012	151,012	151,012	215,212	215,212
Cash Available for Debt Service	225,958		288,451		298,368		196,719	171,474	737,384	743,338	738,020
Debt Service											
Existing Debt	146,202		151,143		186,233		166,110	199,491	168,981	143,000	142,000
New KIA Fund A Loan	0		0		0		0	0	6,295	64,417	103,655
Total Debt Service	146,202		151,143		186,233		166,110	199,491	175,276	207,417	245,655
Income After Debt Service	79,756		137,308		112,135		30,609	(28,017)	562,108	535,921	492,365
Debt Coverage Ratio	1.55		1.91		1.60		1.18	0.86	4.21	3.56	3.00

Western Fleming County Water District
BALANCE SHEETS

	2003	2004	2005	2006	Upon Project Completion
ASSETS					
<i>Current Assets</i>					
Cash and Cash Equivalents	1,065,919	1,062,631	724,540	719,861	492,365
Other	9,426	20,442	21,006	20,069	20,069
Receivables	32,646	56,224	61,672	61,827	62,546
Total Current Assets	1,098,291	1,139,297	807,217	801,877	575,001
<i>Restricted Assets</i>					
Restricted Cash and Cash Equivalents	244,744	401,180	337,241	240,909	273,302
Total Restricted Assets	244,744	401,180	337,241	240,909	273,302
<i>Property, Plant and Equipment</i>					
Utility Systems	3,700,828	3,699,898	6,163,448	6,160,778	7,718,778
Total Fixed Assets	3,700,828	3,699,898	6,163,448	6,160,778	7,718,778
Total Assets	5,043,663	5,440,375	6,307,906	6,193,564	6,567,081
LIABILITIES					
<i>Current Liabilities</i>					
Accounts Payable	17,839	14,131	24,821	22,170	22,392
Accrued Liabilities	30,294	33,630	39,008	32,950	32,950
Total Current Liabilities	48,133	47,761	63,829	55,120	55,342
<i>Current Liabilities Payable From Restricted Assets</i>					
Current Maturities of Long Term Debt	28,600	60,400	81,000	106,653	266,328
Total Current Liabilities	28,600	60,400	81,000	106,653	266,328
<i>Long Term Liabilities</i>					
Long Term Debt & Capital Leases, Less Current Portion	1,882,669	2,116,581	2,008,105	1,910,300	3,974,319
Total Long Term Liabilities	1,882,669	2,116,581	2,008,105	1,910,300	3,974,319
Total Liabilities	1,959,302	2,214,742	2,152,734	2,072,073	4,285,989
NET ASSETS					
Invested in Capital Assets, Net	2,928,600	2,987,725	3,843,512	3,858,082	3,908,082
Restricted for:					
Debt Service					0
Capital Projects					0
Depreciation Reserve					0
Operation and Maintenance Reserve					0
Other Purposes					0
Unrestricted (deficit)	166,061	237,908	311,660	263,409	376,508
Total Retained Earnings	3,094,661	3,225,633	4,155,172	4,121,491	4,284,590
Total Liabilities and Equity	6,043,663	6,440,375	6,307,906	6,193,564	6,570,678
Balance Sheet Analysis					
Current Ratio	22.82	23.85	12.69	14.65	10.39
Debt to Equity	0.64	0.69	0.52	0.60	1.00
Working Capital	1,050,158	1,091,636	743,688	748,757	519,859

Revenue from Present/Proposed Rates
 Test Period from 01-01-13 to 12-31-13

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USAGE TABLE
Usage by Rate Increment

Class: Residential

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	282	82,590	82,590					82,590
Next 6,000	973	3,016,600	973,000	2,043,600				3,016,600
Next 3,000	80	671,700	80,000	480,000	111,700			671,700
Over 10,000	96	2,648,090	96,000	576,000	288,000	1,688,090		2,648,090
Totals	1431	6,418,980	1,231,590	3,099,600	399,700	1,688,090		6,418,980

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	1431	82,590	\$11.36 Min. Bill	\$16,256.16
Next 6,000 Gal.		3,016,600	\$ 5.94 Per 1,000	\$18,411.62
Next 3,000 Gal.		671,700	\$ 5.10 Per 1,000	\$ 3,425.67
Over 10,000 Gal.		2,648,090	\$ 3.43 Per 1,000	\$ 9,082.95
Totals	1431	6,418,980		\$47,176.40

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	8	2,420	2,420					2,420
Next 6,000	9	22,500	9,000	13,500				22,500
Next 3,000	0	0	0	0				0
Over 10,000	1	14,270	1,000	5,000		8,270		14,270
Totals	18	39,190	12,420	18,500		8,270		39,190

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	18	2,420	\$11.36 Min. Bill	\$ 204.48
Next 6,000 Gal.		22,500	\$ 5.94 Per 1,000 Gal	\$ 133.65
Next 3,000 Gal.		0	\$ 5.10 Per 1,000 Gal	\$ 0.00
Over 10,000 Gal.		14,270	\$ 3.43 Per 1,000 Gal	\$ 48.94
Totals	18	39,190		\$ 387.07

Instructions for Completing Revenue Table:

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- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Public Government

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	2	0	2,000					2,000
Next 6,000		0	0	12,000				12,000
Next 3,000		0	0	0	6,000			6,000
Over 10,000		307,700	0	0	0	287,700		287,700
Totals		307,700	2,000	12,000	6,000	287,700		307,700

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	2	2,000	\$11.36 Min. Bill	\$ 22.72
Next 6,000 Gal.		12,000	\$ 5.94 Per 1,000 Gal	\$ 71.28
Next 3,000 Gal.		6,000	\$ 5.10 Per 1,000 Gal	\$ 30.60
Over 10,000 Gal.		287,700	\$ 3.43 Per 1,000 Gal	\$ 986.81
Totals		307,700		\$ 1,111.41

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Bulk "Wholesale"

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
All	2	20,403,000						20,403,000
Totals	2	20,403,000						20,403,000

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
All	2	20,403,000	\$ 1.43 Per 1,000 Gal	\$29,174.86
Totals	2	20,403,000		\$29,174.86

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Residential

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	282	82,590	82,590					82,590
Next 6,000	973	3,016,600	973,000	2,043,600				3,016,600
Next 3,000	80	671,700	80,000	480,000	111,700			671,700
Over 10,000	96	2,648,090	96,000	576,000	288,000	1,688,090		2,648,090
Totals	1431	6,418,980	1,231,590	3,099,600	399,700	1,688,090		6,418,980

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	1431	82,590	\$11.36 Min. Bill	\$16,256.16
Next 6,000 Gal.		3,016,600	\$ 5.94 Per 1,000	\$18,411.62
Next 3,000 Gal.		671,700	\$ 5.10 Per 1,000	\$ 3,425.67
Over 10,000 Gal.		2,648,090	\$ 3.43 Per 1,000	\$ 9,082.95
Totals	1431	6,418,980		\$47,176.40

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	8	2,420	2,420					2,420
Next 6,000	9	22,500	9,000	13,500				22,500
Next 3,000	0	0	0	0				0
Over 10,000	1	14,270	1,000	5,000		8,270		14,270
Totals	18	39,190	12,420	18,500		8,270		39,190

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	18	2,420	\$11.36 Min. Bill	\$ 204.48
Next 6,000 Gal.		22,500	\$ 5.94 Per 1,000 Gal	\$ 133.65
Next 3,000 Gal.		0	\$ 5.10 Per 1,000 Gal	\$ 0.00
Over 10,000 Gal.		14,270	\$ 3.43 Per 1,000 Gal	\$ 48.94
Totals	18	39,190		\$ 387.07

Instructions for Completing Revenue Table:

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- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Public Government

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	2	0	2,000					2,000
Next 6,000		0	0	12,000				12,000
Next 3,000		0	0	0	6,000			6,000
Over 10,000		307,700	0	0	0	287,700		287,700
Totals		307,700	2,000	12,000	6,000	287,700		307,700

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	2	2,000	\$11.36 Min. Bill	\$ 22.72
Next 6,000 Gal.		12,000	\$ 5.94 Per 1,000 Gal	\$ 71.28
Next 3,000 Gal.		6,000	\$ 5.10 Per 1,000 Gal	\$ 30.60
Over 10,000 Gal.		287,700	\$ 3.43 Per 1,000 Gal	\$ 986.81
Totals		307,700		\$ 1,111.41

Instructions for Completing Revenue Table:

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- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Bulk "Wholesale"

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
All	2	20,403,000	.					20,403,000
Totals	2	20,403,000						20,403,000

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
All	2	20,403,000	\$ 1.43 Per 1,000 Gal	\$29,174.86
Totals	2	20,403,000		\$29,174.86

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Residential

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	282	82,590	82,590					82,590
Next 6,000	973	3,016,600	973,000	2,043,600				3,016,600
Next 3,000	80	671,700	80,000	480,000	111,700			671,700
Over 10,000	96	2,648,090	96,000	576,000	288,000	1,688,090		2,648,090
Totals	1431	6,418,980	1,231,590	3,099,600	399,700	1,688,090		6,418,980

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	1431	82,590	\$11.36 Min. Bill	\$16,256.16
Next 6,000 Gal.		3,016,600	\$ 5.94 Per 1,000	\$18,411.62
Next 3,000 Gal.		671,700	\$ 5.10 Per 1,000	\$ 3,425.67
Over 10,000 Gal.		2,648,090	\$ 3.43 Per 1,000	\$ 9,082.95
Totals	1431	6,418,980		\$47,176.40

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	8	2,420	2,420					2,420
Next 6,000	9	22,500	9,000	13,500				22,500
Next 3,000	0	0	0	0				0
Over 10,000	1	14,270	1,000	5,000		8,270		14,270
Totals	18	39,190	12,420	18,500		8,270		39,190

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	18	2,420	\$11.36 Min. Bill	\$ 204.48
Next 6,000 Gal.		22,500	\$ 5.94 Per 1,000 Gal	\$ 133.65
Next 3,000 Gal.		0	\$ 5.10 Per 1,000 Gal	\$ 0.00
Over 10,000 Gal.		14,270	\$ 3.43 Per 1,000 Gal	\$ 48.94
Totals	18	39,190		\$ 387.07

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Public Government

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	2	0	2,000					2,000
Next 6,000		0	0	12,000				12,000
Next 3,000		0	0	0	6,000			6,000
Over 10,000		307,700	0	0	0	287,700		287,700
Totals		307,700	2,000	12,000	6,000	287,700		307,700

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	2	2,000	\$11.36 Min. Bill	\$ 22.72
Next 6,000 Gal.		12,000	\$ 5.94 Per 1,000 Gal	\$ 71.28
Next 3,000 Gal.		6,000	\$ 5.10 Per 1,000 Gal	\$ 30.60
Over 10,000 Gal.		287,700	\$ 3.43 Per 1,000 Gal	\$ 986.81
Totals		307,700		\$ 1,111.41

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01- 13 to 12-31- 13

USAGE TABLE
Usage by Rate Increment

Class: Bulk "Wholesale"

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
A11	2	20,403,000						20,403,000
Totals	2	20,403,000						20,403,000

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
A11	2	20,403,000	\$ 1.43 Per 1,000 Gal	\$29,174.86
Totals	2	20,403,000		\$29,174.86

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Residential

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	282	82,590	82,590					82,590
Next 6,000	973	3,016,600	973,000	2,043,600				3,016,600
Next 3,000	80	671,700	80,000	480,000	111,700			671,700
Over 10,000	96	2,648,090	96,000	576,000	288,000	1,688,090		2,648,090
Totals	1431	6,418,980	1,231,590	3,099,600	399,700	1,688,090		6,418,980

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	1431	82,590	\$11.36 Min. Bill	\$16,256.16
Next 6,000 Gal.		3,016,600	\$ 5.94 Per 1,000	\$18,411.62
Next 3,000 Gal.		671,700	\$ 5.10 Per 1,000	\$ 3,425.67
Over 10,000 Gal.		2,648,090	\$ 3.43 Per 1,000	\$ 9,082.95
Totals	1431	6,418,980		\$47,176.40

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge.
Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
 Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	8	2,420	2,420					2,420
Next 6,000	9	22,500	9,000	13,500				22,500
Next 3,000	0	0	0	0				0
Over 10,000	1	14,270	1,000	5,000		8,270		14,270
Totals	18	39,190	12,420	18,500		8,270		39,190

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	18	2,420	\$11.36 Min. Bill	\$ 204.48
Next 6,000 Gal.		22,500	\$ 5.94 Per 1,000 Gal	\$ 133.65
Next 3,000 Gal.		0	\$ 5.10 Per 1,000 Gal	\$ 0.00
Over 10,000 Gal.		14,270	\$ 3.43 Per 1,000 Gal	\$ 48.94
Totals	18	39,190		\$ 387.07

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
- (10) Complete Column No. 4 using rates either present or proposed.
- (11) Column No. 5 is completed by first multiplying the bills times the minimum charge. Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

Revenue from Present/Proposed Rates
Test Period from 01-01- 13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Public Government

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	2	0	2,000					2,000
Next 6,000		0	0	12,000				12,000
Next 3,000		0	0	0	6,000			6,000
Over 10,000		307,700	0	0	0	287,700		287,700
Totals		307,700	2,000	12,000	6,000	287,700		307,700

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	2	2,000	\$11.36 Min. Bill	\$ 22.72
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Next 3,000 Gal.		6,000	\$ 5.10 Per 1,000 Gal	\$ 30.60
Over 10,000 Gal.		287,700	\$ 3.43 Per 1,000 Gal	\$ 986.81
Totals		307,700		\$ 1,111.41

Instructions for Completing Revenue Table:

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Revenue from Present/Proposed Rates
 Test Period from 01-01- 13 to 12-31- 13

USAGE TABLE
Usage by Rate Increment

Class: Bulk "Wholesale"

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
A11	2	20,403,000						20,403,000
Totals	2	20,403,000						20,403,000

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
A11	2	20,403,000	\$ 1.43 Per 1,000 Gal	\$29,174.86
Totals	2	20,403,000		\$29,174.86

Instructions for Completing Revenue Table:

- (9) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
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Revenue from Present/Proposed Rates
Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Residential

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	282	82,590	82,590					82,590
Next 6,000	973	3,016,600	973,000	2,043,600				3,016,600
Next 3,000	80	671,700	80,000	480,000	111,700			671,700
Over 10,000	96	2,648,090	96,000	576,000	288,000	1,688,090		2,648,090
Totals	1431	6,418,980	1,231,590	3,099,600	399,700	1,688,090		6,418,980

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Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
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Revenue from Present/Proposed Rates
Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Commercial

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	8	2,420	2,420					2,420
Next 6,000	9	22,500	9,000	13,500				22,500
Next 3,000	0	0	0	0				0
Over 10,000	1	14,270	1,000	5,000		8,270		14,270
Totals	18	39,190	12,420	18,500		8,270		39,190

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 1,000 Min.	18	2,420	\$11.36 Min. Bill	\$ 204.48
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Next 3,000 Gal.		0	\$ 5.10 Per 1,000 Gal	\$ 0.00
Over 10,000 Gal.		14,270	\$ 3.43 Per 1,000 Gal	\$ 48.94
Totals	18	39,190		\$ 387.07

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Revenue from Present/Proposed Rates
Test Period from 01-01- 13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Public Government

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
First 1,000	2	0	2,000					2,000
Next 6,000		0	0	12,000				12,000
Next 3,000		0	0	0	6,000			6,000
Over 10,000		307,700	0	0	0	287,700		287,700
Totals		307,700	2,000	12,000	6,000	287,700		307,700

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(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
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Revenue from Present/Proposed Rates
 Test Period from 01-01-13 to 12-31-13

USAGE TABLE
Usage by Rate Increment

Class: Bulk "Wholesale"

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 1,000	(5) Next 6,000	(6) Next 3,000	(7) Over 10,000	(8)	(9) Total
All	2	20,403,000						20,403,000
Totals	2	20,403,000						20,403,000

REVENUE TABLE
Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
All	2	20,403,000	\$ 1.43 Per 1,000 Gal	\$29,174.86
Totals	2	20,403,000		\$29,174.86

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