

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

CASE NO. 2006-00398

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APPLICATION OF NORTHERN
KENTUCKY WATER DISTRICT
FOR APPROVAL OF DEPRECIATION
STUDY AND APPROVAL OF RATES TO
RECOVER ADDITIONAL DEPRECIATION
EXPENSE

In the Matter of:

DEPRECIATION STUDY

Submitted by: *John N. Hughes*
John N. Hughes
124 West Todd St.
Frankfort, KY 40601

Attorney for Northern Kentucky
Water District

Certificate:

I certify that a copy of this Study was delivered to the Attorney General, 1024
Capital Center Drive, Frankfort, KY 40601 by hand delivery on the 16th day of
October, 2007.

John N. Hughes
John N. Hughes

October 12, 2007

Mr. Jack Bragg
2835 Crescent Springs Road
P.O. Box 18640
Erlanger, Kentucky 41018

RE: Response to Order from Public Service Commission, Case No. 2006-00398

Dear Mr. Bragg:

On August 2, 2007, the Kentucky Public Service Commission (PSC) ordered Northern Kentucky Water District (NKWD) to supplement and revise its depreciation study¹, which was filed with the PSC on August 31, 2006. The depreciation report is based on plant in service as of December 31, 2004.

The depreciation rates we recommended for NKWD's mass property accounts were based on a review of the depreciation rates of 17 water utilities operating in the states of Indiana, Kentucky, Missouri and Ohio. The depreciation rates we recommended for NKWD's unit property accounts² reflected the condition and future additions discussed in Black & Veatch's May 2004 report titled "Asset Management Program."

The PSC expressed three main concerns regarding our August 2006 study. These concerns were:

1. Our study did not explain or identify the characteristics that each member of the proxy group had in common with NKWD.
2. Our study did not identify the method upon which the depreciation rates of the proxy group were determined.
3. Our proxy group included only two Kentucky water suppliers (Kentucky-American Water Company and Hardin County Water District No. 2).

The PSC concluded by ordering NKWD submit a revised depreciation study that includes the following:

1. A proxy group that contains a significant number of comparable Kentucky water suppliers or an explanation regarding the lack of Kentucky water suppliers in the proxy group.
2. A detailed description of the contacts that we had with each member of the proxy group.
3. The methodology and the depreciation study that each member of the proxy group used to develop its depreciation rates.
4. The common characteristics that each member of the proxy group shares with NKWD and why such characteristics favor including that utility in the proxy group.
5. An evaluation of the use of the depreciation rates set forth in Kentucky-American Water Company's most recent depreciation study as a proxy for NKWD's depreciation rates.

¹ "Report on Depreciation Accrual Rates Water Utility Property of Northern Kentucky Water District" by Black & Veatch, dated August 2006.

² We refer to unit property as Account 304 - Structures and Improvements and Account 320 - Water Treatment Equipment).

We discuss each of these items in this letter report. In light of the PSC's concerns and issues raised by PSC staff and Attorney General's representatives, we have developed an alternative to the recommended depreciation rates presented in our August 2006 report³:

Results of Proxy Group Survey

In addition to Kentucky-American Water Company (KAWC) and Hardin County Water District No. 2, which we included in our proxy group in our August 2006 report, the PSC identified in its Order six additional Kentucky water suppliers that we should be consider in the proxy group. These water suppliers were identified as Ashland Municipal Water System, Boone County Water District, Bowling Green Municipal Utilities, Hardin County Water District No. 1, Louisville Water Company, and Owensboro Municipal Utilities (OMU)⁴. We contacted each of these water suppliers to discuss their depreciation practices. With the exception of Ashland and OMU, we have included these water suppliers in our proxy group for the purpose of this letter report. Although we made an initial contact with Ashland Municipal Water System during which Ashland indicated they would provide additional information, they did not provide the requested information even after several follow up attempts. Owensboro Municipal Utilities chose not to supply any information based on the recommendation of their attorney. Our detailed notes from our telephone conversations and e-mail correspondence with each of the above utilities are included in Appendix A.

In general, we requested the following information from each utility:

1. What is the basis for the existing depreciation rates for its water assets - are the average service lives based on a specific depreciation study, estimated, manufacturer's recommendation, historical experience, etc?
2. If the depreciation rates are based on a specific study, we asked for a copy of that study.
3. Do depreciation rates reflect use of the remaining life or whole life approach?
4. Do depreciation rates include allowance for salvage? If so, we asked for the salvage ratios for each account.
5. We asked for a list of the water assets (or grouping of assets) and the average service lives that are applied to these assets. If applicable, we requested this detail by NARUC system of accounts. If the utility does not use NARUC system of accounts, we requested as much detail as possible so that we could attempt to marry the asset description with those of NKWD.

With the exception of KAWC, we find (consistent with expectations) that the depreciation rates of the remaining proxy group members are not based on any actuarial analyses, nor do any of these utilities' depreciation rates reflect consideration of net salvage. In general, the average service lives are based on "utility experience", manufacturer's guidelines, 1970's NARUC guidelines, or assistance from the utility's certified public accountant. The depreciation rates are based on straight line depreciation and are calculated as one divided by average service life (ASL). The depreciation rates for KAWC are based on remaining life. In Table 1, we show a high level summary of the results of our inquiries.

³ On January 25, 2007 and March 23, 2007, Black & Veatch participated by telephone and in person, respectively, in an informal conference with Public Service Commission Staff, representatives from the Attorney General's office, and representatives from Northern Kentucky Water District (NKWD) regarding our 2006 depreciation report.
⁴ PSC Order, Case No. 2006-00398, Page 5, Footnote 9.

**Table 1
Summary of Correspondence and Results**

Are Depreciation Rates and/or ASL Based on a Specific Depreciation Study?	Reference for Depreciation Study or Source for Average Service Lives	Methodology	Salvage Rate? Recognized in
Yes	Spanos, Exhibit III-4 (Case No. 2007-00143)	Remaining life	Yes
No	1 Huff email 9/26/07	Straight line	No
No	S. Clark email 9/27/2007	Straight line	No
No	D. Bressler email 8/15/07	Straight line	No
No	Did not respond with data	Straight line	No
No	A. Holleran email 8/29/07	Straight line	No
No	A. Sexton email 8/14/07	Straight line	No
No	Did not provide data on advice of counsel	Straight line	No
(1) We initially spoke with Ashland Municipal Water System to discuss general depreciation practices; however the utility did not provide the requested information even after several follow up attempts (See notes in Appendix B)			
Yes	Spanos, Exhibit III-4 (Case No. 2007-00143)	Remaining life	Yes
No	1 Huff email 9/26/07	Straight line	No
No	S. Clark email 9/27/2007	Straight line	No
No	D. Bressler email 8/15/07	Straight line	No
No	Did not respond with data	Straight line	No
No	A. Holleran email 8/29/07	Straight line	No
No	A. Sexton email 8/14/07	Straight line	No
(1) We initially spoke with Ashland Municipal Water System to discuss general depreciation practices; however the utility did not provide the requested information even after several follow up attempts (See notes in Appendix B)			
Yes	Spanos, Exhibit III-4 (Case No. 2007-00143)	Remaining life	Yes
No	1 Huff email 9/26/07	Straight line	No
No	S. Clark email 9/27/2007	Straight line	No
No	D. Bressler email 8/15/07	Straight line	No
No	Did not respond with data	Straight line	No
No	A. Holleran email 8/29/07	Straight line	No
No	A. Sexton email 8/14/07	Straight line	No
(1) We initially spoke with Ashland Municipal Water System to discuss general depreciation practices; however the utility did not provide the requested information even after several follow up attempts (See notes in Appendix B)			

In Appendix B, we include a copy of KAWC's most recent depreciation study, which was submitted in Case No. 2007-00143. We also include in Appendix B Hardin County Water District No. 2's report, which was submitted in Case No. 2006-00410 and approved by the KYPSC. This report is not based on actuarial analyses similar to KAWC; but Hardin County Water District No. 2 does rely on historical data and retirement experience to develop the average service life of each category of its assets to a term that is within the 1979 NARUC guidelines (see Appendix C for these guidelines).

In Table 2, we summarize the median of the average service lives and salvage ratios, as applicable, for each utility. As we show in Table 2, Page 3, Line 24, when applied to NKWD's December 31, 2004 plant balances, the depreciation rates that result from use of the median average service lives of the Kentucky utilities represent an increase of \$2,641,454 (\$1,387,551 if no allowance for net salvage is considered) over the annual accrual based on use of NKWD's existing depreciation rates.

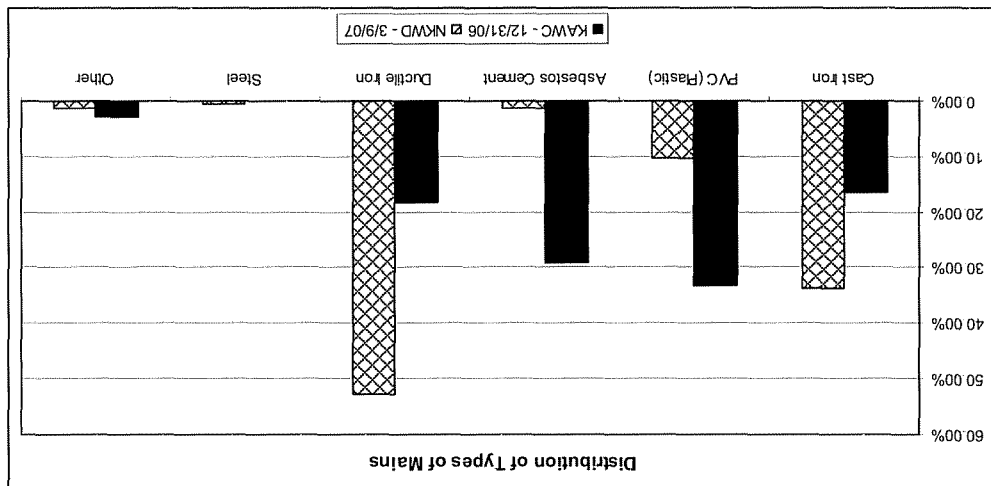
Table 2
Northern Kentucky Water District
Results of Benchmarking Study of Kentucky Water Utilities
 Page 3 of 3

Line No.	NARUC Account	Description	Reference	Bowling Green			Kentucky Utilities			Annual Depreciation Expense \$	Incr (Decr) in Depreciation Expense \$
				Average Service Life	Net Salvage	Whole Life Rate	Median ASL	Net Salvage	Whole Life Rate		
1	303	Source of Supply Land and Land Rights	A. Sexton email 8/14/07	40		0.00%	-	0.00%			
2	304	Structures and Improvements	A. Sexton email 8/14/07	40		2.50%	40	2.83%	1,850,839	745,510	
3	306	Lakes, Rivers, & Other Intakes	A. Sexton email 8/14/07	40		0.00%	47	2.15%	32,787	(37,766)	
4	309	Supply Mains	A. Sexton email 8/14/07	40		2.50%	40	2.75%	63,466	40,154	
5	311	Pumping Equipment	A. Sexton email 8/14/07	40		2.50%	45	2.58%	223,845	(77,457)	
6		Total Source of Supply							2,170,937	670,441	
Treatment Plant											
7	320	Water Treatment Equipment	A. Sexton email 8/14/07	40		2.50%	49	2.35%	217,923	14,845	
Transmission and Distribution											
8	330	Distr. Reservoirs & Standpipes	A. Sexton email 8/14/07	40		2.50%	43	3.02%	226,767	94,018	
9	331	Trans. and Distribution Mains	A. Sexton email 8/14/07	30		3.33%	50	5.50%	1,033,300	649,770	
10	333	Services	A. Sexton email 8/14/07	30		3.33%	40	3.00%	195,953	42,249	
11	334	Meters and Meter Installations	A. Sexton email 8/14/07	30		3.33%	37	2.50%	113,771	23,426	
12	335	Hydrants					50		25,000%		
13	339	Other Plant and Misc Equip.					8	12.50%	421,759	33,289	
14		Total T&D							4,539,978	2,260,072	
General Plant											
15	340	Office Furniture and Equip.	A. Sexton email 8/14/07	7		14.29%	13	8.00%	114,687	(55,623)	
16	340.i	Computer Equipment	A. Sexton email 8/14/07	5		20.00%	5	20.00%	183,789	(42,088)	
17	341	Transportation Equipment	A. Sexton email 8/14/07	5		20.00%	5	16.40%	411,980	(92,745)	
18	342	Stores Equipment					15	6.67%	18,958	(43,799)	
19	343	Tools, Shop, & Garage Equip.					10	10.00%	1,305	(2,467)	
20	345	Power Operated Equipment					10	7.50%	39,712	(60,599)	
21	346	Communication Equipment	A. Sexton email 8/14/07	5		20.00%	5	20.00%	59,543	32,550	
22	347	Miscellaneous Equipment					15	6.67%	39,557	(39,133)	
23		Total General Plant							869,532	(303,904)	
24		Total							7,798,371	2,641,454	

Common Characteristics of Proxy Group with NKWD

Based on our discussions and research of the utilities in the proxy group, we do not identify any outstanding characteristics or practices which indicate that NKWD's depreciation rates should be less than those of the group. Because the depreciation methodologies and average service lives of the regulated utilities have been scrutinized by the KYPSC (whereas those of the municipalities have not), we therefore, focus on a proxy group of the regulated utilities in Kentucky. We present in Table 3 a summary of some physical characteristics for the regulated utilities in our proxy group.

We further do not recommend using only one regulated utility as a proxy for another utility. In the graph below, we present a summary of type of mains by length for KAWC⁵ compared with NKWD.



As shown in the graph, NKWD has a much higher percentage of cast iron than KAWC. As discussed in NKWD's Asset Management Program (AMP) report⁶, about 50 percent (200 miles) of these cast iron mains are unlined. The AMP estimates that NKWD needs to expend about \$2 million annually over a period of 20 years to line these mains. In order to reflect the implication of these expenditures compared to KAWC, a shorter average service life (higher depreciation rate) is warranted for NKWD.

Based on the AMP report NKWD will need to expend about \$40 million over the next 15 years, to upgrade its water treatment plants. This \$40 million represents over one-half of NKWD's investment in treatment plants as of December 31, 2004. We discuss KAWC's average service lives in the next section in more detail; however KAWC recommends an average service life (ASL) of 55 years for Accounts 304 and 320. This recommended ASL, which is high compared to the other proxy utilities, does not reflect the large amount of capital expenditures needed as identified in NKWD's AMP report.

⁵ KAWC 2006 Annual Report.

⁶ "Asset Management Program" Report by Black & Veatch, May 2004.

**Table 3
Summary of Physical Characteristics
Kentucky Regulated Utilities**

Hydrants	Water Source	How is it obtained?	Water Storage	Elevated	Storage	Standpipes	Clearwell	Pipelines (miles)	Filters	Disinfectant	Station Equipment	Fuel Consumed	Capacity of Clear Well	Peak Month	Peak Day																									
Kentucky	River, Lake	Pumped	0.5 MG	1 MG	2 MG	0.75 MG	2 - 1 MG	3 - 3 MG	0.2 MG	0.38 MG	River, Lake	Pumped	0.5 MG	1 MG	2 MG	0.75 MG	2 - 1 MG	3 - 3 MG	0.2 MG	0.38 MG	River, Lake	Pumped	0.5 MG	1 MG	2 MG	0.75 MG	2 - 1 MG	3 - 3 MG	0.2 MG	0.38 MG										
American Water	River, Lake	Pumped	0.5 MG	1 MG	2 MG	0.75 MG	2 - 1 MG	3 - 3 MG	0.2 MG	0.38 MG	River, Lake	Pumped	0.5 MG	1 MG	2 MG	0.75 MG	2 - 1 MG	3 - 3 MG	0.2 MG	0.38 MG	River, Lake	Pumped	0.5 MG	1 MG	2 MG	0.75 MG	2 - 1 MG	3 - 3 MG	0.2 MG	0.38 MG										
Hardin County	Springs	Pumped	0.75 MG	0.25 MG	0.218 MG	0.5 MG	1.245 MG	1.25 MG	0.5 MG	0.608 MG	Springs	Pumped	0.75 MG	0.25 MG	0.218 MG	0.5 MG	1.245 MG	1.25 MG	0.5 MG	0.608 MG	River, Springs	Pumped	0.75 MG	0.25 MG	0.218 MG	0.5 MG	1.245 MG	1.25 MG	0.5 MG	0.608 MG										
Hardin County	River, Springs	Pumped	2.05 MG	0.1 MG	3.1 MG	0.5 MG	1.245 MG	1.25 MG	0.5 MG	0.608 MG	River, Springs	Pumped	2.05 MG	0.1 MG	3.1 MG	0.5 MG	1.245 MG	1.25 MG	0.5 MG	0.608 MG	River, Springs	Pumped	2.05 MG	0.1 MG	3.1 MG	0.5 MG	1.245 MG	1.25 MG	0.5 MG	0.608 MG										
Boone County	Unknown	Rivers	10.875 MG (13 tanks)	10 MG (2 tanks)	4.43 MG (4 tanks)	10.5 MG (3 plants)	43.00	21.33	87.70	424.16	355.35	17.73	146.95	0.23	53.72	0.51	25.58	21.51	1.54.77	75 MGGD	Sodium Hypochlorite	16 metering pumps (5 at 1 MTP, 8 at FTP, and 3 at Booster - 41 pumps total 195.9 MG)	64 MGCD (3 plants)	Raw - 11 pumps total 108.1 MG	2 - 31" W Station Imp 7" Dia 20 hp	2 - Springfield Sta Imp 6.5" Dia 15 hp	2 - Station Station Imp 7.8" Dia 25 hp	3 - Ccilia Station 2,500 gpm 200 hp	2 - Longview Station 700 gpm 75 hp	3 - High Service 700 gpm 125 hp	2 - High Service 1,000 gpm 125 hp	3 - High Service 2,000 gpm 250 hp	2 - Centrifugal 1,500 gpm 125 hp	3 - V Spline Centrifugal 1,500 gpm 125 hp	2 - Centrifugal 650 gpm 50 hp	Backwash 1,500 gpm 20 hp	50.220.559 kwh	0.485 MG, 0.49 MG, 2 MG 0.6 MG, 0.450 MG 0.059 MG, 0.235 MG	1390 MG	58.854 MG
Northern Kentucky	Unknown	Rivers	10.875 MG (13 tanks)	10 MG (2 tanks)	4.43 MG (4 tanks)	10.5 MG (3 plants)	43.00	21.33	87.70	424.16	355.35	17.73	146.95	0.23	53.72	0.51	25.58	21.51	1.54.77	75 MGGD	Sodium Hypochlorite	16 metering pumps (5 at 1 MTP, 8 at FTP, and 3 at Booster - 41 pumps total 195.9 MG)	64 MGCD (3 plants)	Raw - 11 pumps total 108.1 MG	2 - 31" W Station Imp 7" Dia 20 hp	2 - Springfield Sta Imp 6.5" Dia 15 hp	2 - Station Station Imp 7.8" Dia 25 hp	3 - Ccilia Station 2,500 gpm 200 hp	2 - Longview Station 700 gpm 75 hp	3 - High Service 700 gpm 125 hp	2 - High Service 1,000 gpm 125 hp	3 - High Service 2,000 gpm 250 hp	2 - Centrifugal 1,500 gpm 125 hp	3 - V Spline Centrifugal 1,500 gpm 125 hp	2 - Centrifugal 650 gpm 50 hp	Backwash 1,500 gpm 20 hp	50.220.559 kwh	0.485 MG, 0.49 MG, 2 MG 0.6 MG, 0.450 MG 0.059 MG, 0.235 MG	1390 MG	58.854 MG

Evaluation of KAWC's Depreciation Rates Proposed in Case No. 2007-00143 as Single Proxy for NKWD

As directed by the PSC, we also evaluated KAWC's depreciation rates proposed in its current rate case (Case No. 2007-00143) as the sole proxy for NKWD's depreciation rates. Although our approach in the August 2006 report is different than that of KAWC, in compliance with the PSC's order, we apply KAWC's average service lives and salvages allowance without exception. As we show in Table 4, Line 24, application of the depreciation rates that result from this analysis result in an increase of \$531,969 over the annual accrual based on use of NKWD's existing rates and plant in service as of December 31, 2004.

The difference between using only KAWC as a proxy for NKWD depreciation rates and using the average of the six Kentucky utilities is significant – about \$2.1 million. The determination of average service lives even using actuarial analyses is far from an exact science and should not be represented as such⁷. We did not analyze the underlying detail of KAWC's depreciation study in depth, however we note that there are significant differences in average service lives shown in their 1995 filing (Case No. 95-554) and their current filing. We compare service lives shown in these two studies in Table 5. We also show in Table 5 a comparison with the average of the average service lives of the remaining five Kentucky utilities in the proxy group. With the exception of Account 339, KAWC's proposed average service lives in the current case are equal to or greater (in many cases substantially) than the average of the other five Kentucky utilities that are in the Kentucky water utility proxy group.

⁷ In fact, actuarial results represent a proxy that future retirement patterns will be the same as historical.

Table 4
Northern Kentucky Water District
Results Using Kentucky-American's 2006 Average Service Lives and Salvage as Proxy for NKWD

Line No.	NARLIC Account	Description	NKWD 12/31/04 Plant in Service \$	Existing Accrual Rate %	Indicated Average Service Life	Existing Depreciation Expense \$	Exhibit JIS-1 Page Ref.	Kentucky American Curve Type	2006 Average Service Life	Depreciation Study		Whole Life Rate	Annual Depreciation Expense \$	Incr (Decr) in Depreciation Expense \$
										Net Salvage	Life Rate			
Source of Supply														
1	303	Land and Land Rights	605,416	0.00%			III-4	Various	55	-13.00%	0.00%			
2	304	Structures and Improvements	65,516,439	1.69%	59	1,105,330	III-4, Weighted	Various	55	-13.00%	2.05%	1,346,065	240,735	
3	306	Lakes, Rivers, & Other Intakes	1,524,592	4.63%	22	70,553	III-4	R2.5	50	-20.00%	2.00%	30,492	(40,061)	
4	309	Supply Mains	2,307,853	1.01%	99	23,312	III-4	S2.5	65	-10.00%	1.69%	39,056	15,744	
5	311	Pumping Equipment	8,661,832	3.48%	29	301,302	III-4	R3	50	-15.00%	2.30%	199,222	(102,080)	
6		Total Source of Supply	78,616,131	1.91%	52	1,500,496						1,614,835	114,339	
Treatment Plant														
7	320	Water Treatment Equipment	9,285,428	2.19%	46	203,078	III-4	S2	55	-15.00%	2.09%	194,150	(8,928)	
Transmission and Distribution														
8	330	Dist. Reservoirs and Standpipes	7,500,741	1.77%	57	132,749	III-4	R4	60	-30.00%	2.17%	162,516	29,767	
9	331	Trans. and Distribution Mains	106,184,511	1.07%	94	1,133,108	III-4	S2	75	-20.00%	1.60%	1,698,952	565,844	
10	333	Services	18,787,274	2.04%	49	383,530	III-4	R3	70	-120.00%	3.14%	590,457	206,927	
11	334	Meters and Meter Installations	6,537,668	2.35%	43	153,704	III-4	R1.5	40	-10.00%	2.75%	179,786	26,082	
12	335	Hydrants	4,550,842	1.99%	50	90,345	III-4	R3	75	-25.00%	1.67%	75,847	(14,498)	
13	339	Other Plant and Misc Equip.	3,374,076	1.45%	9	386,471	III-4	SQ	5	0.00%	20.00%	674,815	288,344	
14		Total T&D	146,935,111	1.55%	64	2,279,907						3,382,374	1,102,467	
General Plant														
15	340	Office Furniture and Equip.	1,433,584	11.88%	8	170,310	III-4	SQ	20	5.00%	5.00%	71,679	(98,631)	
16	340.1	Computer Equipment	918,944	24.58%	4	225,876	III-4	SQ	5	20.00%	20.00%	183,789	(42,088)	
17	341	Transportation Equipment	2,512,074	20.09%	5	504,725	III-4, Weighted	Various	13	18.00%	6.31%	158,454	(346,271)	
18	342	Stores Equipment	284,376	22.07%	5	62,757	III-4	SQ	25	4.00%	4.00%	11,375	(51,382)	
19	343	Tools, Shop, & Garage Equip.	13,051	28.90%	3	3,772	III-5	SQ	20	5.00%	5.00%	653	(3,120)	
20	345	Power Operated Equipment	529,499	18.94%	5	100,312	III-5	L2.5	18	25.00%	4.17%	22,062	(78,249)	
21	346	Communication Equipment	297,716	9.07%	11	26,993	III-5	SQ	15	6.67%	6.67%	19,848	(7,145)	
22	347	Miscellaneous Equipment	593,361	13.26%	8	78,690	III-5	SQ	20	5.00%	5.00%	29,668	(49,022)	
23		Total General Plant	6,582,604	17.83%	6	1,173,436						497,528	(675,908)	
24		Total	241,419,275	2.14%	47	5,156,917						5,688,886	531,969	

**Table 5
Comparison of Average Service Lives
for KAWC and Other Proxy KY Utilities**

Line No.	NARUC Account	Description	2006 KAWC	1995 KAWC	Median of Remaining Five KY Utilities
Average Service Life					
(1)					

1	303	Source of Supply	55	60	40
2	304	Structures and Improvements	55	60	40
3	306	Lakes, Rivers, & Other Inakes	50	70	43
4	309	Supply Mains	65	70	40
5	311	Pumping Equipment	50	30	40
6	320	Treatment Plant	55	50	45
7	330	Transmission and Distribution	60		42
8	331	Dist. Reservoirs & Standpipes	75	55	50
9	333	Services	70	65	40
10	334	Meters and Meter Installations	40	40	33
11	335	Hydrants	75	60	50
12	339	Other Plant and Misc Equip.	5		10
13	340	General Plant	20	17	10
14	340.1	Office Furniture and Equip	5		5
15	341	Computer Equipment	13	7	5
16	342	Transportation Equipment	25		5
17	343	Stores Equipment	20		5
18	345	Tools, Shop, & Garage Equip	18	15	8
19	346	Power Operated Equipment	15	18	9
20	347	Miscellaneous Equipment	20	20	5

(1) Includes Boone County, Bowling Green, Hardin County No. 1, Hardin County No. 2, and Louisville

Other Data Points

During our informal conferences, KYPSC staff suggested that we review the National Association of Regulatory Commissioners (NARUC) recommended depreciation rates. In our attempt to identify the proper NARUC person to discuss this matter with, we discussed the development of average service lives with three NARUC subcommittee members.

Several months ago, we spoke with Ms. Rosella Schad, who serves on the NARUC subcommittee for Accounting and Finance. Ms. Schad is an engineer with the Missouri Public Service Commission (MOPSC) who specializes in depreciation and depreciation rate issues. Ms. Schad provided us with a schedule of depreciation rates for small water utilities that the MOPSC staff relies upon in its review of a small water company's rates. She explained that these average service lives are adjusted as necessary according to company practices, for example, types of pumps, meter changeout program, etc. We include the MOPSC schedule in Appendix C.

NARUC initially referred us to Ms. Judy Koch Carlson from the Pennsylvania Public Utility Commission (PAPUC) as a reference. Ms. Carlson is a financial analyst and manager with the PAPUC and serves on the NARUC subcommittee for Water. She provided us with a schedule that was published by NARUC in the late 1970s that provides guidelines for typical average service lives, salvage ratios, and depreciation rates for small water utilities. Similar to the MOPSC, the PAPUC uses this as a guideline for its small water companies. She explained that the PAPUC typically relies on these rates and compares them to the rates determined by the larger water companies, to develop a range for those utilities that do not have

sufficient continuing property records for analysis purposes. We include the schedule that Ms. Carlson provided us in Appendix C.

To further understand the NARUC depreciation schedule provided to us by Ms. Carlson, we also contacted Mr. Marshall Willis, who is the Assistant Director of Economic Regulation at the Florida Public Service Commission (FLPSC) and serves as the Chairman for the NARUC Subcommittee on Accounting and Finance. To the best of Mr. Willis' knowledge, NARUC does not sponsor any guidelines for average service lives for water assets. He believes that if NARUC did, the information would be posted on the NARUC website, which they are not. Mr. Willis further suggested that we consult the FLPSC website for average service lives and salvage allowances that it relies upon. He explained that these average service lives were determined through a workshop with water industry experts and that he refers others to this schedule to use as they see fit. The FLPSC's schedule includes ASLs and salvage values for both large water utilities (Class A&B) and small water utilities (Class C). We note that the difference between average service lives recommended for the large and small utilities in general is not significant; though the average lives for small utilities is equal to or shorter than that for the larger utilities. We include the schedule that Mr. Willis provided in Appendix C.

Taking into consideration the Commission's concerns regarding our August 2006 study and because we do not believe it is prudent to base NKWD's depreciation rates on one utility, we recommend a proxy group that consists of the regulated Kentucky water utilities from the list suggested by the Commission in its Order (Boone County, Hardin County Water Districts No. 1 and 2, and KAWC) and the FLPSC guidelines recommended by the Chairman for the NARUC Subcommittee on Accounting and Finance. We do not include the 1970s average service lives developed by NARUC in this proxy group since (1) the average service lives are not currently sponsored by NARUC, (2) the average service lives were specifically developed as a guideline for small water utilities, and (3) the average service lives were developed prior to the more stringent EPA regulations currently in effect.

In Table 6, we summarize the average service lives and salvage ratios, as applicable, for this proxy group. As we show in Table 6, Page 3, Line 24, the depreciation rates that result from this analysis represent an increase of \$1,779,289 over the annual accrual based on use of NKWD's existing rates and plant in service as of December 21, 2004.

Table 6
Northern Kentucky Water District
Kentucky Regulated Utilities and FLPSC Recommendations by NARUC Chairperson
 Page 1 of 3

Line No.	NARUC Account	Description	NKWD 12/31/04 Plant in Service	Existing Accrual Rate	Indicated Average Service Life	Existing Depreciation Expense	Kentucky American 2006 Depreciation Study Curve	Average Service Life	Net Salvage	Whole Life Rate	Reference	Hardin County No. 1	
												Average Service Life	Net Salvage
1	303	Source of Supply	605,416	0.00%	59	-	III-4	55	-13.00%	0.00%	J. Huff email 9/26/07	17	0.00%
2	304	Land and Land Rights	65,516,439	1.69%	22	70,553	III-4	50	-10.00%	2.05%	J. Huff email 9/26/07	43	2.70%
3	306	Structures and Improvements	1,524,592	4.63%	99	23,312	III-4	65	-10.00%	2.00%	J. Huff email 9/26/07	36	2.33%
4	309	Lakes, Rivers, & Other Features	2,307,853	1.01%	29	301,302	III-4	50	-13.00%	1.69%	J. Huff email 9/26/07	49	2.78%
5	311	Supply Mains	8,661,832	3.48%	52	1,500,496	III-4	55	-15.00%	2.30%	J. Huff email 9/26/07	49	2.94%
6		Pumping Equipment	78,616,131	1.91%	46	203,078	III-4	55	-15.00%	2.09%	J. Huff email 9/26/07	49	2.04%
7	320	Treatment Plant	9,285,438	2.19%	57	132,749	III-4	60	-30.00%	2.17%	J. Huff email 9/26/07	43	2.33%
8	330	Transmission and Distribution	7,500,741	1.77%	94	1,133,108	III-4	75	-20.00%	1.60%	J. Huff email 9/26/07	48	2.08%
9	331	Dist. Reservoirs & Standpipes	106,184,511	1.07%	49	383,530	III-4	70	-120.00%	3.14%	J. Huff email 9/26/07	30	3.33%
10	333	Trans. and Distribution Mains (1)	18,787,274	2.04%	43	153,704	III-4	40	-10.00%	2.75%	J. Huff email 9/26/07	30	3.33%
11	334	Services (1)	6,537,668	2.35%	50	90,345	III-4	75	-25.00%	1.67%	J. Huff email 9/26/07	50	2.00%
12	334	Meters and Meter Installations	4,550,842	1.99%	9	386,471	III-4	5	0.00%	20.00%	J. Huff email 9/26/07	8	12.50%
13	335	Hydrants	3,374,076	11.45%	64	2,279,907	III-4	5	0.00%	5.00%	J. Huff email 9/26/07	10	10.00%
14	339	Other Plant and Misc Equip.	146,935,111	1.55%	8	170,310	III-4	20	5.00%	20.00%	J. Huff email 9/26/07	5	20.00%
15	340	General Plant	1,433,584	11.88%	4	225,876	III-4	5	18.00%	6.31%	J. Huff email 9/26/07	5	20.00%
16	340.1	Office Furniture and Equip.	918,944	24.58%	4	504,725	III-4, Weighted	13	18.00%	6.31%	J. Huff email 9/26/07	5	20.00%
17	341	Computer Equipment	2,512,074	20.09%	5	62,757	III-4	25	25.00%	5.00%	J. Huff email 9/26/07	5	20.00%
18	342	Transportation Equipment	284,376	22.07%	3	3,772	III-5	30	25.00%	5.00%	J. Huff email 9/26/07	8	12.50%
19	343	Stores Equipment	13,051	28.90%	5	100,312	III-5	18	25.00%	4.17%	J. Huff email 9/26/07	5	20.00%
20	345	Tools, Shop, & Garage Equip.	529,499	18.94%	11	26,993	III-5	15	25.00%	6.67%	J. Huff email 9/26/07	5	20.00%
21	346	Power Operated Equipment	297,716	9.07%	8	78,690	III-5	20	25.00%	5.00%	J. Huff email 9/26/07	5	20.00%
22	347	Communication Equipment	593,361	13.26%	6	1,173,436	III-5	20	25.00%	5.00%	J. Huff email 9/26/07	5	20.00%
23		Miscellaneous Equipment	6,582,604	17.33%	47	5,156,917	III-5	20	25.00%	5.00%	J. Huff email 9/26/07	5	20.00%
24		Total	241,419,275	2.14%									

(1) Use -5 percent for salvage to reflect NKWD's practices.

Table 6
Northern Kentucky Water District
Kentucky Regulated Utilities and RUPSC Recommendations by NARUC Chairperson
Page 2 of 3

Line No.	NARUC Account	Description	Reference	Boone County			Hardin County #2				
				Average Service Life	Net Salvage	Whole Life Rate	Reference	Average Service Life	Net Salvage	Whole Life Rate	
1	303	Source of Supply									
2	304	Land and Land Rights	Not applicable								
3	306	Structures and Improvements	Not applicable								
4	309	Lakes, Rivers, & Other Inakes	Not applicable								
5	311	Supply Mains	Not applicable								
6		Pumping Equipment	Not applicable								
		Total Source of Supply									
7	320	Treatment Plant									
		Water Treatment Equipment	Not applicable								
8	330	Transmission and Distribution									
9	331	Distr. Reservoirs & Sandpipes	D. Bressler email 8/15/07	50		2.00%	S. Clark email 9/27/07	40		2.50%	
10	333	Trans. and Distribution Mains (1)	D. Bressler email 8/15/07	50		2.00%	S. Clark email 9/27/07	50		2.00%	
11	334	Servers (1)	D. Bressler email 8/15/07	50		2.00%	S. Clark email 9/27/07	40		2.50%	
12	335	Meters and Meter Installations	D. Bressler email 8/15/07				S. Clark email 9/27/07	10		10.00%	
13	339	Hydrants	D. Bressler email 8/15/07				S. Clark email 9/27/07				
14		Other Plant and Misc Equip.									
		Total T&D									
15	340	General Plant									
16	340.1	Office Furniture and Equip.	D. Bressler email 8/15/07	15		6.67%	S. Clark email 9/27/07	5		20.00%	
17	341	Computer Equipment	D. Bressler email 8/15/07	5		20.00%	S. Clark email 9/27/07	5		20.00%	
18	342	Transportation Equipment	D. Bressler email 8/15/07	5		20.00%	S. Clark email 9/27/07	5		20.00%	
19	343	Stores Equipment	D. Bressler email 8/15/07	10		10.00%	S. Clark email 9/27/07	5		20.00%	
20	345	Tools, Shop, & Garage Equip.	D. Bressler email 8/15/07	10		10.00%	S. Clark email 9/27/07	5		20.00%	
21	346	Power Operated Equipment	D. Bressler email 8/15/07	5		20.00%	S. Clark email 9/27/07				
22	347	Communication Equipment	D. Bressler email 8/15/07								
23		Miscellaneous Equipment									
		Total General Plant									
24		Total									

(1) Use -5 percent for salvage to reflect NKWD's practices.

Table 6
Northern Kentucky Water District
Kentucky Regulated Utilities and FLPSC Recommendations by NARUC Chairperson
 Page 3 of 3

Line No.	NARUC Account	Description	Florida PSC - Large Water Utilities				Recommendation			Proposed Depreciation Expense \$	Net (Debt) in Depreciation Expense \$
			Reference	Average Service Life	Net Salvage	Whole Life Rate	Median ASL	Net Salvage	Whole Life Rate		
1	303	Source of Supply	FLPSC Website-Rule 25-30.140	32	0.00%	-	0.00%	-	-	-	
2	304	Land and Land Rights	FLPSC Website-Rule 25-30.140	40	3.13%	39	2.94%	-13.00%	1,922,950	817,620	
3	306	Structures and Improvements	FLPSC Website-Rule 25-30.140	40	2.53%	43	2.33%	0.00%	35,456	(35,097)	
4	309	Lakes, Rivers, & Other Makes Supply Mains	FLPSC Website-Rule 25-30.140	35	2.86%	38	2.89%	-10.00%	66,806	43,495	
5	311	Pumping Equipment	FLPSC Website-Rule 25-30.140	20	5.00%	49	2.35%	-15.00%	203,288	(98,014)	
6		Total Source of Supply							2,228,500	728,004	
7	320	Treatment Plant	FLPSC Website-Rule 25-30.140	22	4.55%	50	2.32%	-15.00%	215,722	12,644	
8	330	Transmission and Distribution	FLPSC Website-Rule 25-30.140	37	2.70%	43	3.02%	-30.00%	226,767	94,018	
9	331	Distr. Reservoirs & Standpipes	FLPSC Website-Rule 25-30.140	43	2.33%	50	2.10%	-5.00%	2,229,875	1,096,767	
10	333	Trams. and Distribution Mains (1)	FLPSC Website-Rule 25-30.140	40	2.50%	40	2.63%	-5.00%	493,166	109,636	
11	334	Services (1)	FLPSC Website-Rule 25-30.140	20	5.00%	40	2.75%	-10.00%	179,786	26,082	
12	335	Meters and Meter Installations	FLPSC Website-Rule 25-30.140	45	2.23%	48	2.63%	-25.00%	119,759	29,414	
13	339	Hydrants	FLPSC Website-Rule 25-30.140	25	4.00%	8	12.50%	0.00%	421,759	35,289	
14		Other Plant and Misc Equip. Total T&D							3,671,112	1,391,205	
15	340	General Plant	FLPSC Website-Rule 25-30.140	15	6.67%	15	6.67%	0.00%	95,572	(74,738)	
16	340.1	Office Furniture and Equip.	FLPSC Website-Rule 25-30.140	6	16.67%	5	20.00%	0.00%	183,789	(42,088)	
17	341	Computer Equipment	FLPSC Website-Rule 25-30.140	6	16.67%	5	16.40%	18.00%	411,980	(92,745)	
18	342	Transportation Equipment	FLPSC Website-Rule 25-30.140	18	4.78%	18	4.78%	0.00%	13,587	(49,171)	
19	343	Stores Equipment	FLPSC Website-Rule 25-30.140	16	6.25%	10	10.00%	0.00%	1,305	(2,467)	
20	345	Tools, Shop, & Garage Equip.	FLPSC Website-Rule 25-30.140	12	7.92%	10	8.50%	15.00%	45,007	(55,304)	
21	346	Power Operated Equipment	FLPSC Website-Rule 25-30.140	10	5.00%	8	12.00%	10.00%	35,726	8,733	
22	347	Communication Equipment	FLPSC Website-Rule 25-30.140	15	10.00%	18	5.71%	0.00%	33,906	(44,784)	
23		Miscellaneous Equipment							820,873	(352,563)	
24		Total							6,936,206	1,779,289	

(1) Use -5 percent for salvage to reflect NKWD's practices.

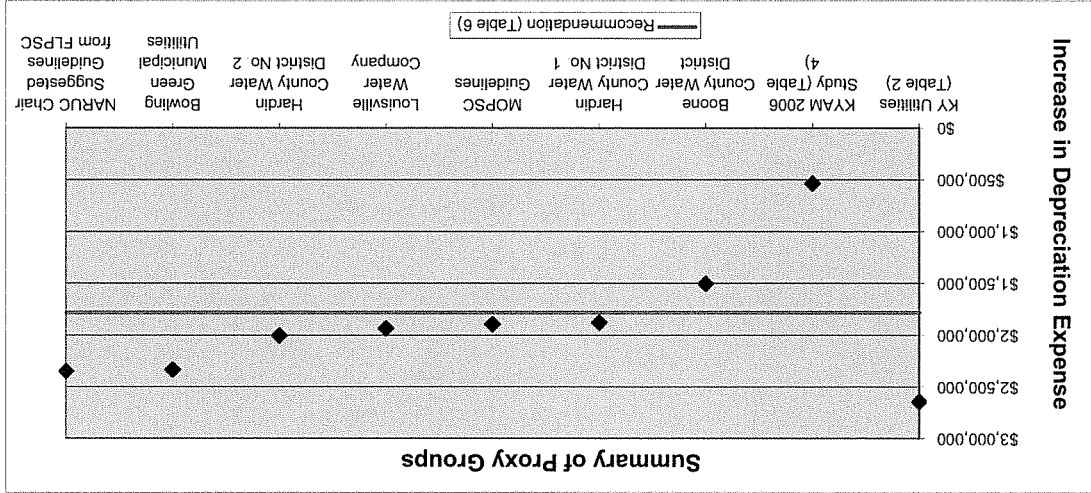
Summary

We present in Table 7 a comparison of the benchmarking analyses referred to in this letter report. We have diligently strived to address the concerns the Commission outlined in its Order. In light of the Commission's concern regarding depreciation rates charged by similarly situated Kentucky water suppliers and the Staff's concern to consider NARUC guidelines, we believe the depreciation rates that we develop in Table 6 using the median average service rates and salvage from Kentucky's regulated water utilities and the FLPSC guidelines recommended by the Chairman for the NARUC Subcommittee on Accounting and Finance are reasonable. However, in lieu of the large negative salvage ratio for mains and services proposed by KAWC, we recommend use of a negative 5 percent value, which better reflects NKWD's current retirement practices.

**Table 7
Summary of Proxy Group Alternatives**

Proxy Group Alternatives	Increase in Depr. Expense \$	Notes
KY Utilities (Table 2)	2,641,454	Including salvage
KYAM 2006 Study (Table 4)	531,969	Including salvage
Boone County Water District (1)	1,501,768	
Hardin County Water District No. 1 (1)	1,877,520	
MOPSC Guidelines (1)	1,891,779	
Louisville Water Company (1)	1,932,619	
Hardin County Water District No. 2 (1)	2,001,696	
Bowling Green Municipal Utilities (1)	2,331,311	
NARUC Chair Suggested Guidelines from FLPSC	2,344,551	Including salvage
Recommendation from Table 6	1,779,289	Including salvage

(1) For those utilities that have with no ASL's for an account, the respective median value from Table 2 was used.
 (2) Recommendation reflects -5 percent salvage on mains and services, which is representative of NKWD's practices.



Other Considerations

There are three additional factors with which you should be aware.

First, the use of values developed from these other utilities does not reflect consideration of NKWD's extensive rehabilitation program ongoing at its treatment plants nor its program of lining about 200 miles of cast iron mains.

Second, we have not reflected the implications of the extensive amount of plant that NKWD must maintain and replace that is not reflected on NKWD's books and records. In Table 8, we summarize the estimated \$140 million of mains that NKWD is responsible for that is not recorded on NKWD's books. As shown in Table 8, under NKWD's existing depreciation rates the annual depreciation expense associated with this unrecorded plant would amount to \$1.50 million. Under our recommended rates presented in Table 6, annual depreciation expense would be \$2.95 million. The increase in depreciation expense resulting from the rates we recommend does not provide any funds for NKWD to maintain and replace this unreported plant.

**Table 8
Summary of Unrecorded Mains**

City	Pipe Length ft	Replacement Cost \$
Covington	827,122	125,633,260
Bromley	31,099	4,972,534
Kenton Vale	1,843	221,214
Ludlow	68,719	9,662,260
Total	928,784	140,489,268
	<u>Existing</u>	<u>Recommendation</u>
Average Service Life - years	94	50
Net Salvage	0.00%	-5.00%
Whole Life Rate	1.07%	2.10%
Unrecovered annual depreciation expense	\$ 1,499,179	\$ 2,950,275

*2006 Replacement cost information prepared by Viox & Viox, Inc.,
September 13, 2006*

Third, we have not reflected in the depreciation rates recommended in Table 6 any consideration of reserve excess or deficiency.

The implications of the first two items above would tend to increase annual depreciation expense if considered. However, provided NKWD again reviews its depreciation rates and gives explicit consideration to the implications of any reserve deficiency in the next few years, we believe that the long term implications will be manageable. The funding of maintenance and replacement of the unrecorded mains imposes a long term financial obligation on NKWD that must be dealt with through existing or innovative rate-making mechanisms.

Mr. Jack Bragg

October 12, 2007

Page 18

If you have any questions, or would like to discuss further, please do not hesitate to contact us.

Very truly yours,

BLACK & VEATCH CORPORATION



Larry W. Loos

Director

Enterprise Management Solutions

Enclosure

**Detailed Notes From Telephone Conversations
and E-mail Correspondence**

Appendix A

Appendix A

Response to KY PSC Order 8/2/2007, Case No. 2006-00398

Contains a detailed description of the contacts NKWD and its agents had with each member of the proxy group when studying and assessing that member's depreciation practices.

All notes are recorded by Kim Winslow, Senior Consultant, Black & Veatch. All email correspondence follows these notes.

OMU

8/8/2007 10:39 am
OMU Contact: Jim Grise - Director, Finance and Accounting for Owensboro Municipal Utilities (OMU)
Email: grisejr@omu.org
Based on previous contact that I have had with Mr. Grise in a prior engagement, I sent Mr. Grise an email request for OMU's depreciation information. (see attached workpapers)

8/14/2007 11:00 am
OMU Contact: Jim Grise - Director, Finance and Accounting for Owensboro Municipal Utilities (OMU)
Phone: 270.926.3200 X202
Mr. Grise was on vacation until 8/15 – I left a message on his voice mail regarding my purpose for calling (in reference to my 8/8 email) and told him that I would contact him on 8/16.

8/16/2007 1:30 pm
OMU Contact: Jim Grise - Director, Finance and Accounting for Owensboro Municipal Utilities (OMU)
Phone: 270.926.3200 X202
Mr. Grise did not answer his phone. Left no message and decided to try him later in the day.

8/16/2007 3:41 pm
OMU Contact: Jim Grise - Director, Finance and Accounting for Owensboro Municipal Utilities (OMU)
Phone: 270.926.3200 X202
I reached Mr. Grise's assistant – Mr. Grise was preparing for a meeting. I left a message with his assistant to call me back.

8/22/2007 9:10 am
OMU Contact: Jim Grise - Director, Finance and Accounting for Owensboro Municipal Utilities (OMU)
Phone: 270.926.3200 X202
I left a voice mail with Mr. Grise reminding him of the purpose that I was calling him for and asked that he call me back.

8/24/2007 3:48 am
OMU Contact: Jim Grise - Director, Finance and Accounting for Owensboro Municipal Utilities (OMU)
Phone: 270.926.3200 X202
Mr. Grise returned my call and left a message on my voice mail. He indicated that he would be available to talk on Monday, 8/27 with the exception of a meeting at 1:30 pm.

8/28/2007 8:20 am
OMU Contact: Jim Grise - Director, Finance and Accounting for Owensboro Municipal Utilities (OMU)
Phone: 270.926.3200 X202
I reached Mr. Grise and we discussed the request made by KYPSC to NKWD. Mr. Grise indicated that he had some hesitation to provide information given that they have contracts with other water districts that are regulated by the PSC. OMU sells water to the water districts. Mr. Grise asked if I could send

another formal request to him indicating the specific information that I would need and he would then need to run that by his City attorneys.

OMU has 2 water treatment plants, one built in 1992 and a second older plant. The combined capability of the 2 plants is about 30 MGD. They get their water from artesian wells, but treat the water as stringently as river water.

On 8/28 at 10:20 am MT, Per Mr. Grise's request from our earlier conversation, I sent him an email indicating the specific information that I would need (see attached workpapers). On 8/29, I followed up with Mr. Grise giving him a specific date to provide us with OMU data and provided him with NKWD's attorney's contact information if he had any questions.

On 9/10, I sent Mr. Grise an email asking if OMU had decided if they would participate in the study.

On 9/11, Mr. Grise responded to my email and stated that OMU would not be participating in the survey.

Boone County

8/14/2007 11:10 am

Boone County Contact: Phil Trzop (Trzop), General Manager
Phone: 859.586.6155

Mr. Trzop suggested that I talk with Boone County's accountant, Dianne Bressler (859.525.6306) for detailed information. Boone County strictly has only distribution – no water treatment plants. They have about 22,140 connections. They have a restricted account in which they place 2 percent of gross value of assets for renewals and replacements (per bond covenant). They also have a depreciation fund, which is not restricted, where they set aside the annual amount of depreciation. This is used as operating cash. Average service lives are developed with accountant based on actual experience.

8/14/2007 1:00 pm

Boone County Contact: Dianne Bressler, Accountant/Auditor
Phone: 859.525.6306

Ms. Bressler reiterated much of Mr. Trzop's discussion. Depreciation rates do not include salvage and are straight line depreciation only (no RL). She agreed to send me a listing of Boone County assets showing depreciable lives.

I received Ms. Bressler's information on 8/15/2007, 9:38 am. (see attached workpapers)

Ashland

8/14/2007 1:20 pm

Ashland Contact: Tony Grubb, City Finance Director
Phone: 606.327.2009

Mr. Grubb explained that Ashland also has bond covenant requirements for a depreciation fund. They fund it for one full year of depreciation. Average service lives are determined either internally or with auditing firm. Example, Buildings – 40 years, cars – 5 years. They have one WTP, which is 24 MGD. They sometimes consider salvage. They do not keep accounts by NARUC. They do not use remaining life – straight line only. He agreed to send me an asset listing showing the average service lives the following day (8/15).

8/20/2007 8:13 am

Ashland Contact: Tony Grubb, City Finance Director

Email: tgrubb@ashlandky.org
I emailed Mr. Grubb reminding him that he was going to send the information to me the following day, but almost a week had elapsed. I provided him with my contact information again (see attached worksheets)

8/29/2007

Ashland Contact: Tony Grubb, City Finance Director
Phone: 606.327.2009
Mr. Grubb was in a staff meeting and I left a voice mail with him indicating that I had not received the data and to call if he had any questions or problems.

9/10/2007 6:17 CST

Ashland Contact: Tony Grubb, City Finance Director
Email: tgrubb@ashlandky.org
I emailed Mr. Grubb asking him again if Ashland would be able to send their information to me. I did not receive a response.

Bowling Green

8/14/2007 1:35 pm

Bowling Green Contact: Mike Gardner, General Manager
Phone: 270.782.4366
Mr. Gardner referred to Alison Sexton. Alison will call me.

8/14/2007 3:30 pm

Bowling Green Contact: Alison Sexton
Alison called me to discuss Bowling Green's depreciation practices. The depreciation rates have been in place since she was there – she is not aware of any depreciation study. She believes that the ASL have been in place for 40+ years. They do not account for salvage. Because their asset listing is 200 plus pages, she cannot provide it in excel format. She will send me a summary level of average service lives applied to plant.

Bowling has one water treatment plant, approximately 30 mgd. Number of customers: 17,800.

8/14/2007 3:32 pm

Alison sent me an email with the information described above (see attached worksheets)

8/14/2007 3:55 pm

After inputting Alison's values in my spreadsheet, I sent it back to Alison for clarification on some accounts. She then emailed me back with the changes that she made. (see attached worksheets)

9/27/2007

Email from Alison – BG capitalizes salvage/cor.

Louisville Water Company

8/9/2007 5:26 pm

Louisville Water Company Contact: Amber Holloran, Controller
Phone: 502.569.3683

Email: aholloran@lwcky.com

Dave Nannam, Senior Consultant with Black & Veatch, emailed Amber Holloran, Controller, at Louisville Water Company for to set up an appointment to discuss depreciation practices.

Discussed HCWD#2's depreciation practices with Scott. Average service lives are based on estimates and what they have seen with their plant. Fairly new system – started pumping water in 1968; water treatment plant was built in 1990; expanded water treatment plant in 1995. Use straight line depreciation.

Email: sclarck@hardincountywater2.org

Phone: 270.737.1056 X301

Hardin County Water District #1 Contact: Scott Clark, Administrative Manager

9/26/2007

Mr. Jeffries is out until Friday – I left a message on his voice mail indicating what I needed.

Phone: 270.737.1056

Hardin County Water District #1 Contact: James Jeffries, General Manager

9/25/2007

Hardin County Water District #2

workpapers.

Jenny emailed me her response from the 2006 rate case and a fixed asset listing. See attached

Email: jhuftf@hcwd.com

Hardin County Water District #1 Contact: Jenny Huftf, Accountant

9/26/2007

Discussed HCWD#1's depreciation practices with Jim. Discussed the study that was included with their prior rate case filed 2006. Fixed asset schedule was filed with rate case. He will have accountant send in the response to data request that explains how they determine rates; however generally they use the NARUC ranges as a guideline (1970's document). Use straight line depreciation. In 2001, Gallagher (B&V) went through fixed asset listing and made several corrections. It is very rare that they have any salvage. Recently acquired Fort Knox sanitary and sewer system and valued all of those assets. He will have his accountant also send a fixed asset listing. Approx. 10,000 accounts.

Email: jbruce@hcwd.com

Phone: 270.351.3222

Hardin County Water District #1 Contact: Jim Bruce, General Manager

9/26/2007

Hardin County #1's depreciation study provided by its accountant was found on the KYPSC website (Exhibit 14).

Email from Amber indicated that they expense salvage/cor.

forwarded to me.

Amber sent Dave an email with the information described above (see attached workpapers), which was

8/29/2007 10:42 am

Amber will send listing of assets and corresponding average service lives in the next few days.

Discussed Louisville's depreciation practices with Amber (Dave present). Louisville uses SL depreciation, no consideration for salvage, estimate useful life based on engineer's input and historical experiences. LWC has about 240,000 residential and 30,000 commercial customers, 2 WTP.

8/20/2007 pm

Have some salvage – usually on vehicles but is not included in depreciation rate. Scott agreed to send listing of assets with average service lives. Approx. 15,000 accounts.

9/27/2007

Received fixed asset listing from Scott. See attached workpapers.

Ashland, Kentucky

Winslow, Kim

From: Winslow, Kim
Sent: Monday, September 10, 2007 6:17 PM
To: 'tgrubb@ashandky.org'
Subject: RE: NKWD depreciation request

Tony,
I wanted to touch base with you again - will Ashland be able to respond to our request for information? Please let me know either way as we are drafting our final response to the Commission and if possible, I would like to include Ashland in our comparisons.

Thank you for your help,
Kim

From: Winslow, Kim
Sent: Monday, August 20, 2007 8:13 AM
To: 'tgrubb@ashandky.org'
Subject: NKWD depreciation request

Tony,
Based on our conversation last Tuesday, you had planned to send me a listing of your assets by account, average service life, and salvage (as applicable) the following day. I have not received it and have become concerned that you may not have my correct email address, and I don't believe I provided you with any other contact information if you had questions or problems. If you need any further clarification regarding my request, please do not hesitate to call me at the number below. I truly appreciate your help and your staff's help in this matter.

Thank you,
Kimberly J. Winslow
Enterprise Management Solutions
Black & Veatch Corporation
11401 Lamar
Overland Park, Kansas 66211
Phone: (913) 458-3276
Fax: (913) 458-3817

Owensboro Municipal Utilities

Winslow, Kim

From: Jim Grise [GRISEJR@omu.org]
Sent: Tuesday, September 11, 2007 6:37 AM
To: Winslow, Kim
Subject: RE: OMU Depreciation Rates

Morning Kim,

Thanks for your reminder. We have a lot happening at OMU right now...extremely busy. No, unfortunately, we won't be able to respond to your request. Our attorney voiced some concerns.

Thank you for your interest.

OWENSBORO MUNICIPAL UTILITIES

Jim Grise
Director, Finance and Accounting
(270) 926-3200 X202

>>> "Winslow, Kim" <winslowk@bv.com> 9/10/2007 6:15 pm >>>

Hi Jim,
Have you determined if OMU will respond to our request for information and meet our deadline of 9/17? Either way, could you please let me know?

Thank you for your help,
Kim

From: Winslow, Kim
Sent: Wednesday, August 29, 2007 10:24 AM
To: 'Jim Grise'
Cc: 'jhughes'
Subject: RE: OMU Depreciation Rates

Jim,
I forgot to mention the due date that we would like to receive this information. If possible, we would like to receive the information by September 17. Also, if you would prefer to talk with NKWD's attorney on this matter, his contact information is:

Mr. Jack Hughes
jhughes@fwpb.net
502-227-7270

Thank you again for your help.

Kim

From: Winslow, Kim
Sent: Tuesday, August 28, 2007 9:21 AM
To: 'Jim Grise'
Subject: OMU Depreciation Rates

Jim,
Per our telephone conversation this morning, I am following up with a

detailed request for information. Black & Veatch has been working with Northern Kentucky Water District to develop depreciation rates. Because NKWD did not have historical data on which to develop depreciation rates specific to their assets (i.e. perform an actuarial analysis), we performed a benchmark survey of other regional utilities from neighboring states. The Commission has now ordered that NKWD should consider other specific non-regulated Kentucky water utilities, such as OMU, as identified on Page 5, Footnote 9 of the attached Order. I would very much appreciate any assistance that you could provide regarding our efforts to collect this information. In order for us to fully comply with the Commission's request, please provide the following information:

1. What is the basis for OMU's existing depreciation rates for its water assets - are the average service lives based on a specific depreciation study, are they simply an estimation of the average service life, manufacturer's recommendation, historical experience, etc.
2. If your depreciation rates are based on a specific study, please provide that study.
3. Does OMU use remaining life or whole life depreciation? Or are your rates based on straight line depreciation (1 divided by average service life)?

4. Do OMU depreciation rates include salvage? If so, for what assets and what salvage percents are you using?
5. Please provide a listing of OMU's water assets (or grouping of assets) and the average service lives that you apply to these assets. We prefer as much detail as possible - for example, NKWD relies upon NARUC system of accounts. If you do not use NARUC system of accounts, please provide as much detail as possible so that we can marry the asset description to that of NKWD's.

6. How many customers does OMU serve? What is the capacity of your water treatment plant (mgd)? What are the ages of your water treatment plants? What is the raw water source?
- I would truly appreciate any help that you could give to us and NKWD on this. If you're interested, we should be able to provide results of our survey, with the utilities identified anonymously, to you when complete.

Thanks,
 Kimberly H. Winslow
 Enterprise Management Solutions
 Black & Veatch Corporation
 11401 Lamar
 Overland Park, Kansas 66211
 Phone: (913) 458-3276
 Fax: (913) 458-3817

From: Winslow, Kim
Sent: Tuesday, August 28, 2007 10:21 AM
To: 'Jim Grise'
Subject: OMU Depreciation Rates

Attachments: PSC order re revised study.pdf



PSC order re revised study.pdf... Jim,

Per our telephone conversation this morning, I am following up with a detailed request for information. Black & Veatch has been working with Northern Kentucky Water District to develop depreciation rates. Because NKWD did not have historical data on which to develop depreciation rates specific to their assets (i.e. perform an actuarial analysis), we performed a benchmark survey of other regional utilities from neighboring states. The Commission has now ordered that NKWD should consider other specific non-regulated Kentucky water utilities, such as OMU, as identified on Page 5, Footnote 9 of the attached Order. I would very much appreciate any assistance that you could provide regarding our efforts to collect this information. In order for us to fully comply with the Commission's request, please provide the following information:

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 2. If your depreciation rates are based on a specific study, please provide that study.
 3. Does OMU use remaining life or whole life depreciation? Or are your rates based on straight line depreciation (1 divided by average service life)?
 4. Do OMU depreciation rates include salvage? If so, for what assets and what salvage percents are you using?
 5. Please provide a listing of OMU's water assets (or grouping of assets) and the average service lives that you apply to these assets. We prefer as much detail as possible - for example, NKWD relies upon NARUC system of accounts. If you do not use NARUC system of accounts, please provide as much detail as possible so that we can marry the asset description to that of NKWD's.
 6. How many customers does OMU serve? What is the capacity of your water treatment plant (mgd)? What are the ages of your water treatment plants? What is the raw water source?
- I would truly appreciate any help that you could give to us and NKWD on this. If you're interested, we should be able to provide results of our survey, with the utilities identified anonymously, to you when complete.

Thanks,
Kimberly H. Winslow
Enterprise Management Solutions
Black & Veatch Corporation
11401 Lamar

Winslow, Kim

From: Winslow, Kim
Sent: Wednesday, August 08, 2007 10:39 AM
To: 'Jim Grise'
Subject: OMU Depreciation Rates

Jim,
Black & Veatch has been working with Northern Kentucky Water District to develop depreciation rates. Because NKWD's does not have historical data on which to develop depreciation rates specific to their assets, we performed a benchmark survey of other regional utilities. The Commission has now ordered that NKWD should consider other specific non-regulated Kentucky water utilities, such as OMU. Could you please provide me information with regard to how OMU's depreciation rates were developed (remaining life vs. whole life; depreciation study or estimates, is salvage included) and what the rates are by account?

The Commission has requested that we include the actual depreciation study - would you be able to provide that to us? It may be best if we could schedule a time for us to discuss. We also need to show similar characteristics among the proxy group and NKWD so it may be easier for us to discuss. I would truly appreciate any help that you could give to us and NKWD on this.

Thanks,
Kimberly H. Winslow
Enterprise Management Solutions
Black & Veatch Corporation
11401 Lamar
Overland Park, Kansas 66211
Phone: (913) 458-3276
Fax: (913) 458-3817

Bowling Green, Kentucky

Winslow, Kim

From: Winslow, Kim
Sent: Tuesday, August 14, 2007 3:44 PM
To: 'Alison Sexton'
Subject: RE: Estimated Useful Life on Depreciable Assets



Bowling Green.xls
(24 KB)

Alison,

Thank you for the information. I am attaching the type of detail that I am looking for - if there is any further information that you could provide with regard to these asset listings that were not provided on your attachment, please insert and return to me. The detail that I would need is probably in the asset listing that you have referred to; however since it is not in a usable format, it would be helpful if you could compare that asset listing with the attached spreadsheet. Again, I appreciate your efforts.

Thank you,
Kimberly H. Winslow
Senior Consultant

Enterprise Management Solutions
Black & Veatch Corporation
11401 Lamar
Overland Park, Kansas 66211
Phone: (913) 458-3276
Fax: (913) 458-3817

From: Alison Sexton [mailto:asexton@bgmu.com]
Sent: Tuesday, August 14, 2007 3:31 PM
To: Winslow, Kim
Subject: Estimated Useful Life on Depreciable Assets

Kim,
Here is the attached information we discussed on the telephone. Thanks and have a great day.
Alison

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Winslow, Kim

From: Allison Sexton [mailto:asexton@bgmu.com]
Sent: Thursday, September 27, 2007 1:26 PM
To: Winslow, Kim
Subject: RE: Estimated Useful Life on Depreciable Assets

We capitalize it:)

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>>> "Winslow, Kim" <WinslowK@bv.com> 09/27/07 9:14 AM >>>

Allison,
We are firming up our response to the Commission's order and have one additional question of BGMU. How does BGMU account for salvage/cost of removal? Do you capitalize it or expense it?

I appreciate your help.

Kim

From: Allison Sexton [mailto:asexton@bgmu.com]
Sent: Tuesday, August 14, 2007 3:54 PM
To: Winslow, Kim
Subject: RE: Estimated Useful Life on Depreciable Assets

Kim,
Please find your attached spreadsheet with some additional information. I hope this helps. Thanks.
Allison

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>>> "Winslow, Kim" <WinslowK@bv.com> 08/14/07 3:44 PM >>>

Alison,
Thank you for the information. I am attaching the type of detail that I am looking for - if there is any further information that you could provide with regard to these asset listings that were not provided on your attachment, please insert and return to me. The detail that I would need is probably in the asset listing that you have referred to; however since it is not in a usable format, it would be helpful if you could compare that asset listing with the attached spreadsheet. Again, I appreciate your efforts.

Thank you,
Kimberly J. Winslow
Senior Consultant

Enterprise Management Solutions
Black & Veatch Corporation
11401 Lamar
Overland Park, Kansas 66211
Phone: (913) 458-3276
Fax: (913) 458-3817

From: Alison Sexton [mailto:aseyton@bgmu.com]
Sent: Tuesday, August 14, 2007 3:31 PM
To: Winslow, Kim
Subject: Estimated Useful Life on Depreciable Assets

Kim,

Here is the attached information we discussed on the telephone. Thanks and have a great day.

Alison

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any other person is prohibited. If you have received this email in error, please notify the sender by reply e-mail and destroy all copies of the original message. Finally, computer viruses can be transmitted via e-mail. The recipient should check this e-mail and any attachments for the presence of viruses. BGMU accepts no liability for any damage caused by any virus transmitted by this e-mail.

**Bowling Green Municipal Utilities
Water / Wastewater - Depreciation
Estimated Useful Life of Assets**

Dept 11 Utility Plant - Water

- 5 Years Air Unit; System Studies; Chemical Feeder; Turbid meter
- 7 Years Air & Vac Valve
- 10 Years Fences; Rebuild of Pumps; Butterfly Valve Project
- 25 Years Water Attachments; Water Line Relocations
- 30 Years Water Meters; Water Line Relocations
- 40 Years Donated Utility; Water Treatment Plant Expansions; High Service Pumps; Water Line Relocations

Dept 12 Utility Plant - Sewer

- 3 Years Misc. Pump
- 5 Years Lab Equipment
- 10 Years Centrifuge; Auger Monster Filter; Sewer Flow Meters; Pump Panels; Rebuild of Pumps
- 25 Years Sewer Taps; Sewer Line Relocations
- 40 Years Donated Utility; Waste Water Treatment Plant Expansions; Sewer Line Relocations

Dept 13 Utility Plant - Equipment

- 3 Years Chemical Metering Pump; Camera Equipment; Falk Gear Drive
- 7 Years GPS Equipment
- 15 Years Valve for High Service #6; Sump Pump

Dept 14 Utility Plant - Vehicles

5 Years

Dept 15 Utility Plant - Office Equipment & Furniture

- 3 Years Software
- 5 Years Computers; Printers; Copiers
- 7 Years Furniture

Dept 16 Utility Plant - WTP Office Additions

Note: There have been no additions to this category since June 1993. We no longer classify items to this category.

- 5 Years
- 8 Years
- 10 Years
- 20 Years
- 25 Years

Boone County, KY

From: Dianne Bressler [diannebressler@insighthtb.com]
Sent: Wednesday, August 15, 2007 9:38 AM
To: Winslow, Kim
Subject: Depreciation Info

Attachments:

bcwddprn.PDF; bcwdfnote.PDF



bcwddprn.PDF (922 KB)
bcwdfnote.PDF (33 KB)

Kim,

Attached are two pdf files. One is the depreciation schedule for BCWD and one is the footnote from their audit report concerning depreciation. Call if you need anything else.

Dianne Bressler, CPA
Morris & Bressler, PSC
859-525-6306
859-525-3373 Fax

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BOONE COUNTY WATER DISTRICT						
DEPRECIATION SCHEDULE						
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM
					DEPRN	ACCUM
03/81	SL 33 1/3	790	23 7	586 6	23 7	610 3
12/80	SL 20	10,858 00	0	10,858 00	0	10,858 00
10/80	SL 33 1/3	1,158 27	34 75	860 07	34 75	894 82
01/81	SL 33 1/3	4,028 25	120 85	2,990 87	120 85	3,111 72
4-12/81	SL 33 1/3	2,878 97	86 37	2,137 66	86 37	2,224 03
03/84	SL 33 1/3	2,095 82	62 88	1,431 05		1,431 05
03/84	SL 33 1/3	(2,095 82)	(1,431 05)			(1,431 05)
1992	SL 33 1/3	3,689 00	110 67	1,494 06	110 67	1,604 73
1994	SL 33 1/3	10,704 78	321 15	3,693 20	321 15	4,014 35
1995	SL 15	920 93	61 4	644 65	61 4	706 05
1995	SL 33 1/3	3,252 67	97 58	1,024 60	97 58	1,122 18
1995	SL 10	1,561 50	78 07	1,561 50	78 07	1,639 57
F48-98	SL 40	1,424,903.86	35,622.60	280,527.95	35,622.60	316,150.55
1999	SL 15	5,480 00	365 33	2,374 67	365 33	2,740 00
2004	SL 40	209,288 00	5,232 23	7,848 34	5,232 23	13,080 57
2005	SL 40	11,650 00	291 25	291 25	291 25	582 5
2005	SL 40	24,197 02	302 46	302 46	604 93	907 39
2004	SL 40	34,730 21	868 26	1,302 38	868 26	2,170 64
2006	SL 15	8,350 00	0	0	278 33	278 33
2006	SL 40	20,360 75	0	0	254 51	254 51
2006	SL 15	12,050 00	0	0	401 67	401 67
TOTAL BUILDINGS						
		1,790,853 21	43,679 54	318,498 27	44,587 97	363,351 91
=FURNITURE & EQUIPMENT						
1968	SL 15	6,997 40	0	6,997 40	0	6,997 40
1969	SL 15	941 8	0	941 8	0	941 8
1970	SL 15	3,939 67	0	3,939 67	0	3,939 67
1971	SL 15	25	0	25	0	25
1972	SL 15	880	0	880	0	880
10/79	SL 15	189	0	189	0	189
11/79	SL 15	391 25	0	391 25	0	391 25
12/81		(500 00)	0	(500 00)	0	(500 00)
12/82	SL 15	769	0	769	0	769
04/85	SL 15	289 85	0	289 85	0	289 85
07/85	SL 15	480 8	0	480 8	0	480 8
10/85	SL 15	982 9	0	982 9	0	982 9
07/86	SL 15	1,543 44	0	1,543 44	0	1,543 44
09/88	SL 15	333 9	0	333 9	0	333 9
11/88	SL 15	166 95	0	166 95	0	166 95
06/89	SL 15	500 68	0	500 68	0	500 68
01/22/90	SL 15	1,395 00	46 5	1,395 00	0	1,395 00
03/22/90	SL 15	378	12 6	378	0	378
06/25/90	SL 15	129	4 3	129	0	129
1990	SL 15	189	6 3	189	0	189
1990	SL 15	71 47	2 4	71 47	0	71 47

BOONE COUNTY WATER DISTRICT							
DEPRECIATION SCHEDULE							
CHAIR	1993	SLS	249	0	249	0	0
CHAIR	1993	SLS	222	0	222	0	0
CHAIR	1993	SLS	222	0	222	0	0
CHAIR	1994	SLS	3,049.48	0	3,049.48	0	0
CHAIR	1994	SLS	2,206.00	0	2,206.00	0	0
CHAIR	1994	SLS	1,516.00	0	1,516.00	0	0
CHAIR	1994	SLS	875.11	0	875.11	0	0
CHAIR	1995	SLS	1,082.00	0	1,082.00	0	0
CHAIR	1995	SLS	1,244.96	0	1,244.96	0	0
CHAIR	1995	SLS	9,208.10	0	9,208.10	0	0
CHAIR	1995	SLS	7,375.00	0	7,375.00	0	0
CHAIR	1995	SLS	539.99	0	539.99	0	0
CHAIR	1995	SLS	10,000.00	0	10,000.00	0	0
CHAIR	1996	SLS	1,366.00	0	1,366.00	0	0
CHAIR	1997	SLS	569.34	0	569.34	0	0
CHAIR	1997	SLS	1,467.91	0	1,467.91	0	0
CHAIR	1997	SLS	1,184.00	0	1,184.00	0	0
CHAIR	1998	SLS	375	0	375	0	0
CHAIR	1998	SLS	660.42	0	660.42	0	0
CHAIR	1999	SLS	1,934.00	0	1,934.00	0	0
CHAIR	2000	SLS	1,324.64	0	1,324.64	0	0
CHAIR	2000	SLS	299.6	0	299.6	0	0
CHAIR	2000	SLS	129.92	0	129.92	0	0
CHAIR	2000	SLS	73.34	0	73.34	0	0
CHAIR	2000	SLS	403.36	0	403.36	0	0
CHAIR	2000	SLS	123.75	0	123.75	0	0
CHAIR	2000	SLS	399.98	0	399.98	0	0
CHAIR	2000	SLS	5,780.00	0	5,780.00	0	0
CHAIR	2000	SLS	8,995.00	0	8,995.00	0	0
CHAIR	2000	SLS	9,409.00	0	9,409.00	0	0
CHAIR	2000	SLS	5,320.00	0	5,320.00	0	0
CHAIR	2002	SLS	15,932.00	0	15,932.00	0	0
CHAIR	2003	SLS	585	0	585	0	0
CHAIR	2003	SLS	411	0	411	0	0
CHAIR	2004	SLS	5,330.00	0	5,330.00	0	0
CHAIR	2004	SLS	1,389.00	0	1,389.00	0	0
CHAIR	2004	SLS	3,971.00	0	3,971.00	0	0
CHAIR	2004	SLS	1,048.00	0	1,048.00	0	0
CHAIR	2004	SLS	974	0	974	0	0
CHAIR	2004	SLS	539	0	539	0	0
CHAIR	2004	SLS	73.5	0	73.5	0	0
CHAIR	2004	SLS	110.25	0	110.25	0	0
CHAIR	2004	SLS	586	0	586	0	0

BOONE COUNTY WATER DISTRICT							
DEPRECIATION SCHEDULE							
VNNT-COMPACT CABINET	1991	SLS	2,354.42	0	2,354.42	0	0
VNNT-COMPACT CABINET	1991	SLS	1,075.36	0	1,075.36	0	0
VNNT-COMPACT CABINET	1991	SLS	71.69	0	71.69	0	0
VNNT-COMPACT CABINET	1991	SLS	2,275.94	0	2,275.94	0	0
VNNT-COMPACT CABINET	1991	SLS	78.48	0	78.48	0	0
VNNT-COMPACT CABINET	1991	SLS	232	0	232	0	0
VNNT-COMPACT CABINET	1991	SLS	425.01	0	425.01	0	0
VNNT-COMPACT CABINET	1991	SLS	169	0	169	0	0
VNNT-COMPACT CABINET	1991	SLS	308.46	0	308.46	0	0
VNNT-COMPACT CABINET	1991	SLS	20.56	0	20.56	0	0
VNNT-COMPACT CABINET	1991	SLS	277.61	0	277.61	0	0
VNNT-COMPACT CABINET	1991	SLS	790.04	0	790.04	0	0
VNNT-COMPACT CABINET	1991	SLS	58.52	0	58.52	0	0
VNNT-COMPACT CABINET	1991	SLS	848.57	0	848.57	0	0
VNNT-COMPACT CABINET	1991	SLS	500	0	500	0	0
VNNT-COMPACT CABINET	1991	SLS	21	0	21	0	0
VNNT-COMPACT CABINET	1993	SLS	903	0	903	0	0

DATE	METHOD	K ->	12/31/05	DEPRN	12/31/06	DEPRN	ACUM
2001	JEEP CHEROKEE	SLS	20,955 00	20,955 00	0	0	20,955 00
2000	FORD RANGER	SLS	11,940 00	11,940 00	0	0	11,940 00
2000	FORD RANGER	SLS	11,940 00	11,940 00	0	0	11,940 00
2000	FORD RANGER	SLS	11,940 00	11,940 00	0	0	11,940 00
2000	TRANSMISSION REPAIR	SLS	1,742 00	1,742 00	0	0	1,742 00
2000	RADIO/INSTALLATION	SLS	1,324 00	1,324 00	0	0	1,324 00
2001	RADIO FOR DUMP TRUCK	SLS	49,309 00	9,861 80	44,378 10	4,930 90	49,309 00
2001	RADIO FOR DUMP TRUCK	SLS	698 45	139 69	628 61	69 84	698 45
2002	(4) 2002 FORD RANGER TRK	SLS	62,620 00	12,524 00	43,834 00	12,524 00	56,358 00
2002	(5) RADIO INSTALLATIONS	SLS	3,222 00	644 4	2,255 40	644 4	2,899 80
2002	2002 FORD F450	SLS	37,330 00	7,466 00	26,131 00	7,466 00	33,597 00
2003	(3) FORD RANGERS	SLS	51,166 00	10,233 20	25,583 00	10,233 20	35,816 20
2003	(2) FORD RANGERS	SLS	2,247 00	449 4	1,123 50	449 4	1,572 90
2004	(2) FORD RANGERS	SLS	29,624 00	5,924 80	8,887 20	5,924 80	14,812 00
2004	2 NEW RADIO INSTLTNS	SLS	1,494 00	298 8	448 2	298 8	747
2004	FORD F450	SLS	36,043 00	7,208 60	10,812 90	7,208 60	18,021 50
2004	2 NEW RADIOS & INSTLTN	SLS	1,494 00	298 8	448 2	298 8	747
2005	FORD RANGER	SLS	43,155 00	4,315 50	4,315 50	8,631 00	12,946 50
2005	FORD DUMPTRUCK	SLS	14,385 00	1,438 50	1,438 50	2,877 00	4,315 50
2006	4X4 PICKUP	SLS	17,985 00	0	0	0	1,798 50
2006	4X4 PICKUP	SLS	17,985 00	0	0	0	1,798 50

BOONE COUNTY WATER DISTRICT
DEPRECIATION SCHEDULE

DATE	METHOD	C	12/31/05	DEPRN	12/31/06	DEPRN	ACUM
2004	FILE CABINET	SL10	400	40	60	40	100
2004	STORAGE RACKS	SL10	800	80	120	80	200
2004	WALL ON OTHER SIDE	SL10	4,210 00	421	421	421	842
2004	CARPET ON OTHER SIDE	SL10	2,486 43	248 64	248 64	248 64	497 28
2005	COMPUTER	SLS	1,392 00	139 2	139 2	278 4	417 6
2005	COMPUTER	SLS	973 41	97 34	97 34	194 68	292 02
2005	MONITOR - PHIL	SLS	399 99	40	40	80	120
2006	disc	SLS	(4 72)	0	0	0	0
2006	CESKS/CHAIRS	SL10	964 47	0	0	48 22	48 22
TOTAL FURNITURE & EQUIPMENT							
			149,212 00	10,220 94	116,074 03	6,891 09	122,965 12
TRANSPORTATION EQUIPMENT							
MOBILE RADIOS (2)	SL10	400	0	400	0	0	400
RADIOS (2)	SL10	200	0	200	0	0	200
FILED 1000C HOLE HOG	SL10	4,700 00	0	4,700 00	0	0	4,700 00
TOKENS	SL10	1,033 82	0	1,033 82	0	0	1,033 82
PIPE RACKS	SLS	266 99	0	266 99	0	0	266 99
HOSE ASSEMBLY	SLS	244 78	0	244 78	0	0	244 78
1997 DUMP TRUCK	SLS	42,649 00	0	42,649 00	0	0	42,649 00
RADIO FOR DUMP TRUCK	SLS	1,396 00	0	1,396 00	0	0	1,396 00
1998 TRUCK	SLS	10,837 00	0	10,837 00	0	0	10,837 00
1998 TRUCK	SLS	10,837 00	0	10,837 00	0	0	10,837 00
1998 TRUCK	SLS	10,837 00	0	10,837 00	0	0	10,837 00
BOLD (1) 1998 TRUCK	SLS	10,837 00	0	10,837 00	0	0	10,837 00
1000 FORD TRUCK + LTRING	SLS	39,540 23	0	39,540 23	0	0	39,540 23

BOONE COUNTY WATER DISTRICT
DEPRECIATION SCHEDULE

BOONE COUNTY WATER DISTRICT						
DEPRECIATION SCHEDULE						
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM
2001	SL10	9,000.00	900	4,050.00	900	4,950.00
2001	SL10	7,732.00	773.2	3,479.40	773.2	4,252.60
2000	SL10	900	90	495	90	585
2000	SLS	685.53	68.55	685.53	0	685.53
CABLE LOCATOR						
BACKHOE BUCKET						
BACKHOE TRAILER						
FORKLIFT						

BOONE COUNTY WATER DISTRICT						
DEPRECIATION SCHEDULE						
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM
1968	SL10	4,563.68	0	4,563.68	0	4,563.68
1970	SL10	170	0	170	0	170
1971	SL10	3,080.32	0	3,080.32	0	3,080.32
1978	SL10	299.9	0	299.9	0	299.9
1978	SL10	173.23	0	173.23	0	173.23
1978	SL10	150	0	150	0	150
1978	SL10	373	0	373	0	373
09/79	SL10	502.53	0	502.53	0	502.53
1968	SL10	14,838.67	0	14,838.67	0	14,838.67
1968	SL10	2,118.63	0	2,118.63	0	2,118.63
1975	SL10	7,801.00	0	7,801.00	0	7,801.00
03/78	SL10	2,494.00	0	2,494.00	0	2,494.00
03/80	SL10	4,800.00	0	4,800.00	0	4,800.00
04/81	SL10	821.4	0	821.4	0	821.4
04/81	SL10	255.96	0	255.96	0	255.96
03/82	SL10	475.3	0	475.3	0	475.3
09/82	SL10	591.99	0	591.99	0	591.99
01/84	SL10	304.06	0	304.06	0	304.06
03/84	SL10	241.93	0	241.93	0	241.93
01/85	SL10	11,166.10	0	11,166.10	0	11,166.10
1991	SL10	5,200.00	0	5,200.00	0	5,200.00
1991	SL5	1,090.64	0	1,090.64	0	1,090.64
1991	SL10	750	0	750	0	750
1995	SL5	5,100.00	0	5,100.00	0	5,100.00
1995	SL5	1,058.37	0	1,058.37	0	1,058.37
1995	SL10	47,980.00	2,399.00	47,980.00	0	47,980.00
2006	SL10	(47,980.00)	(2,399.00)	(47,980.00)	0	(47,980.00)
1996	SL10	6,009.00	600.9	5,708.55	300.45	6,009.00
1996	SL10	296.25	29.63	281.44	14.81	296.25
1996	SL10	1,727.80	172.78	1,641.41	66.39	1,727.80
1996	SL10	8,850.00	885	8,407.50	442.5	8,850.00
1998	SL10	1,745.00	174.5	1,308.75	174.5	1,483.25
1998	SL10	2,072.00	207.2	1,554.00	207.2	1,761.20
1999	SL5	2,545.75	0	2,545.75	0	2,545.75
1999	SL10	4,069.00	406.9	2,644.85	406.9	3,051.75
1999	SL10	1,949.50	194.95	1,267.18	194.95	1,462.13
1999	SL5	7,598.00	0	7,598.00	0	7,598.00
2000	SL5	1,960.00	0	1,960.00	0	1,960.00
2000	SL5	259.43	25.94	259.43	0	259.43
2000	SL10	800	80	440	80	520
2000	SL5	990.64	99.06	990.64	0	990.64
2000	SL10	795	79.5	437.25	79.5	516.75
EQUIPMENT						
TOTAL TRANSPORTATION EQUIP						
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM
ACQUIRED	&LIFE					

BOONE COUNTY WATER DISTRICT						
DEPRECIATION SCHEDULE						
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM
ACQUIRED	& LIFE		DEPRN	DEPRN	DEPRN	DEPRN
2001	SL10	59,990.00	5,990.00	26,966.50	5,990.00	32,976.50
2001	SL10	1,381.17	138.12	621.53	138.12	759.65
2001	SL5	1,039.89	103.99	467.95	103.99	571.94
2001	SL10	3,429.40	685.88	3,086.46	342.94	3,429.40
2001	SL10	3,800.00	190	1,520.00	0	1,520.00
2001	SL10	(3,800.00)	0	(1,520.00)	0	(1,520.00)
2002	SL10	9,700.00	970	3,395.00	970	4,365.00
2002	SL5	255	51	178.5	51	229.5
2002	SL5	1,733.00	346.6	1,213.10	346.6	1,559.70
2002	SL5	9,145.00	1,829.00	6,401.50	1,829.00	8,230.50
2002	SL10	649	64.9	227.15	64.9	292.05
2002	SL10	10,000.00	1,000.00	3,500.00	1,000.00	4,500.00
2002	SL5	550	110	385	110	495
2002	SL5	3,900.00	780	2,730.00	780	3,510.00
2002	SL5	14,841.00	2,968.20	10,388.70	2,968.20	13,356.90
2003	SL10	26,000.00	2,600.00	6,500.00	2,600.00	9,100.00
2003	SL10	5,540.00	554	1,385.00	554	1,939.00
2003	SL10	6,685.00	668.5	1,671.25	668.5	2,339.75
2003	SL10	704	70.4	176	70.4	246.4
2003	SL10	975	97.5	243.75	97.5	341.25
2003	SL10	1,575.00	157.5	393.75	157.5	551.25
2003	SL10	1,048.00	104.8	262	104.8	366.8
2003	SL10	3,568.00	356.8	896.5	356.8	1,255.10
2004	SL10	1,570.00	157	235.5	157	392.5
2004	SL10	1,299.00	129.9	194.85	129.9	324.75
2004	SL5	4,500.00	900	1,350.00	900	2,250.00
2004	SL10	764	76.4	114.6	76.4	191
2004	SL10	2,231.00	223.1	334.65	223.1	557.75
2004	SL10	633	63.3	94.95	63.3	158.25
2004	SL10	1,419.00	141.9	212.85	141.9	354.75
2004	SL10	1,436.00	143.6	215.4	143.6	359
2004	SL10	1,660.00	166	249	166	415
2005	SL10	11,500.00	575	575	575	1,150.00
2005	SL5	693	69.03	69.03	69.03	138.06
2005	SL5	840.67	84.07	84.07	84.07	168.14
2005	SL10	603.2	120.64	120.64	120.64	241.28
2005	SL10	7,782.37	389.12	389.12	389.12	778.24
2005	SL10	1,000.00	50	50	50	100
2005	SL5	9,306.00	930.6	930.6	930.6	1,861.20
2005	SL5	3,075.60	307.56	307.56	307.56	615.12
2005	SL5	766.34	76.63	76.63	76.63	153.26
2005	SL10	1,500.00	75	75	75	150
2005	SL10	150	7.5	7.5	7.5	15
2005	SL10	2,086.25	104.31	104.31	104.31	208.62
2006	SL10	48,800.00	0	0	0	2,440.00
2006	SL5	2,484.00	0	0	0	248.4
2006	SL5	9,772.33	0	0	0	977.23
2006	SL10	1,496.00	0	0	0	74.8
2006	SL10	1,512.75	0	0	0	75.64
2006	SL10	796.43	0	0	0	39.82
2006	SL5	8,245.00	0	0	0	824.5
2006	SL10	1,883.88	0	0	0	94.19
2006	SL10	1,882.49	0	0	0	94.12
2006	SL5	1,825.00	0	0	0	182.5
2006	SL5	662.35	0	0	0	66.24
2006	SL10	12,000.00	0	0	0	600
2006	SL10	25,000.00	0	0	0	1,250.00

BOONE COUNTY WATER DISTRICT DEPRECIATION SCHEDULE									
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM	DATE	METHOD	DEPRN
1968	SL50	122,393.70	2,447.87	88,735.34	2,447.87	88,735.34	12/31/06	DEPRN	2,447.87
1969	SL50	18,221.30	364.43	13,210.53	364.43	13,210.53	12/31/06	DEPRN	364.43
1968	SL50	1,763,935.56	35,278.71	1,279,373.58	35,278.71	1,279,373.58	12/31/06	DEPRN	35,278.71
1969	SL50	220,420.53	4,408.41	159,804.87	4,408.41	159,804.87	12/31/06	DEPRN	4,408.41
1970	SL50	47,447.36	948.95	33,450.40	948.95	33,450.40	12/31/06	DEPRN	948.95
1971	SL50	198,100.19	3,962.00	135,698.55	3,962.00	135,698.55	12/31/06	DEPRN	3,962.00
1972	SL50	34,246.36	684.93	22,773.89	684.93	22,773.89	12/31/06	DEPRN	684.93
1973	SL50	60,752.00	1,215.04	39,185.04	1,215.04	39,185.04	12/31/06	DEPRN	1,215.04
1974	SL50	12,136.00	242.72	7,585.00	242.72	7,585.00	12/31/06	DEPRN	242.72
1975	SL50	18,384.00	367.68	11,122.32	367.68	11,122.32	12/31/06	DEPRN	367.68
1976	SL50	89,254.02	1,665.08	47,871.05	1,665.08	47,871.05	12/31/06	DEPRN	1,665.08
1977	SL50	6,909.83	138.2	3,973.05	138.2	3,973.05	12/31/06	DEPRN	138.2
1977	SL50	26,227.63	524.55	15,080.84	524.55	15,080.84	12/31/06	DEPRN	524.55
1978	SL50	33,378.02	667.56	18,858.57	667.56	18,858.57	12/31/06	DEPRN	667.56
1979	SL50	10,267.96	205.36	5,801.41	205.36	5,801.41	12/31/06	DEPRN	205.36
1978	SL50	5,511.49	110.23	3,058.88	110.23	3,058.88	12/31/06	DEPRN	110.23
1978	SL50	20,804.29	416.09	11,546.45	416.09	11,546.45	12/31/06	DEPRN	416.09
1978	SL50	19,400.84	388.02	10,767.52	388.02	10,767.52	12/31/06	DEPRN	388.02
1978	SL50	17,217.14	344.34	9,555.47	344.34	9,555.47	12/31/06	DEPRN	344.34
1979	SL50	12,727.52	254.55	6,809.21	254.55	6,809.21	12/31/06	DEPRN	254.55
1979	SL50	75,169.22	1,503.20	40,210.65	1,503.20	40,210.65	12/31/06	DEPRN	1,503.20
1979	SL50	20,880.40	417.61	11,171.05	417.61	11,171.05	12/31/06	DEPRN	417.61
1979	SL50	26,759.31	535.19	14,316.28	535.19	14,316.28	12/31/06	DEPRN	535.19
1979	SL50	16,980.30	339.61	9,084.52	339.61	9,084.52	12/31/06	DEPRN	339.61
1979	SL50	1,828.00	36.56	977.98	36.56	977.98	12/31/06	DEPRN	36.56
1979	SL50	6,851.50	137.03	3,665.55	137.03	3,665.55	12/31/06	DEPRN	137.03
1980	SL50	14,880.18	297.6	7,663.24	297.6	7,663.24	12/31/06	DEPRN	297.6
1980	SL50	13,009.37	260.19	6,699.86	260.19	6,699.86	12/31/06	DEPRN	260.19
1980	SL50	10,679.57	213.59	5,499.96	213.59	5,499.96	12/31/06	DEPRN	213.59
1981	SL50	8,110.37	162.21	4,176.88	162.21	4,176.88	12/31/06	DEPRN	162.21
1981	SL50	6,920.94	138.42	3,425.89	138.42	3,425.89	12/31/06	DEPRN	138.42
1981	SL50	14,277.34	285.55	7,067.32	285.55	7,067.32	12/31/06	DEPRN	285.55
1981	SL50	12,069.49	241.39	5,974.40	241.39	5,974.40	12/31/06	DEPRN	241.39
1981	SL50	8,208.02	164.16	4,062.96	164.16	4,062.96	12/31/06	DEPRN	164.16
1982	SL50	4,673.42	93.47	2,313.36	93.47	2,313.36	12/31/06	DEPRN	93.47
1982	SL50	6,735.80	134.72	3,233.23	134.72	3,233.23	12/31/06	DEPRN	134.72
1982	SL50	3,672.68	73.45	1,817.93	73.45	1,817.93	12/31/06	DEPRN	73.45
1982	SL50	6,627.17	132.54	3,147.87	132.54	3,147.87	12/31/06	DEPRN	132.54
1982	SL50	6,562.02	131.24	3,084.14	131.24	3,084.14	12/31/06	DEPRN	131.24

BOONE COUNTY WATER DISTRICT DEPRECIATION SCHEDULE									
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM	DATE	METHOD	DEPRN
1968	SL50	122,393.70	2,447.87	88,735.34	2,447.87	88,735.34	12/31/06	DEPRN	2,447.87
1969	SL50	18,221.30	364.43	13,210.53	364.43	13,210.53	12/31/06	DEPRN	364.43
1968	SL50	1,763,935.56	35,278.71	1,279,373.58	35,278.71	1,279,373.58	12/31/06	DEPRN	35,278.71
1969	SL50	220,420.53	4,408.41	159,804.87	4,408.41	159,804.87	12/31/06	DEPRN	4,408.41
1970	SL50	47,447.36	948.95	33,450.40	948.95	33,450.40	12/31/06	DEPRN	948.95
1971	SL50	198,100.19	3,962.00	135,698.55	3,962.00	135,698.55	12/31/06	DEPRN	3,962.00
1972	SL50	34,246.36	684.93	22,773.89	684.93	22,773.89	12/31/06	DEPRN	684.93
1973	SL50	60,752.00	1,215.04	39,185.04	1,215.04	39,185.04	12/31/06	DEPRN	1,215.04
1974	SL50	12,136.00	242.72	7,585.00	242.72	7,585.00	12/31/06	DEPRN	242.72
1975	SL50	18,384.00	367.68	11,122.32	367.68	11,122.32	12/31/06	DEPRN	367.68
1976	SL50	89,254.02	1,665.08	47,871.05	1,665.08	47,871.05	12/31/06	DEPRN	1,665.08
1977	SL50	6,909.83	138.2	3,973.05	138.2	3,973.05	12/31/06	DEPRN	138.2
1977	SL50	26,227.63	524.55	15,080.84	524.55	15,080.84	12/31/06	DEPRN	524.55
1978	SL50	33,378.02	667.56	18,858.57	667.56	18,858.57	12/31/06	DEPRN	667.56
1979	SL50	10,267.96	205.36	5,801.41	205.36	5,801.41	12/31/06	DEPRN	205.36
1978	SL50	5,511.49	110.23	3,058.88	110.23	3,058.88	12/31/06	DEPRN	110.23
1978	SL50	20,804.29	416.09	11,546.45	416.09	11,546.45	12/31/06	DEPRN	416.09
1978	SL50	19,400.84	388.02	10,767.52	388.02	10,767.52	12/31/06	DEPRN	388.02
1978	SL50	17,217.14	344.34	9,555.47	344.34	9,555.47	12/31/06	DEPRN	344.34
1979	SL50	12,727.52	254.55	6,809.21	254.55	6,809.21	12/31/06	DEPRN	254.55
1979	SL50	75,169.22	1,503.20	40,210.65	1,503.20	40,210.65	12/31/06	DEPRN	1,503.20
1979	SL50	20,880.40	417.61	11,171.05	417.61	11,171.05	12/31/06	DEPRN	417.61
1979	SL50	26,759.31	535.19	14,316.28	535.19	14,316.28	12/31/06	DEPRN	535.19
1979	SL50	16,980.30	339.61	9,084.52	339.61	9,084.52	12/31/06	DEPRN	339.61
1979	SL50	1,828.00	36.56	977.98	36.56	977.98	12/31/06	DEPRN	36.56
1979	SL50	6,851.50	137.03	3,665.55	137.03	3,665.55	12/31/06	DEPRN	137.03
1980	SL50	14,880.18	297.6	7,663.24	297.6	7,663.24	12/31/06	DEPRN	297.6
1980	SL50	13,009.37	260.19	6,699.86	260.19	6,699.86	12/31/06	DEPRN	260.19
1980	SL50	10,679.57	213.59	5,499.96	213.59	5,499.96	12/31/06	DEPRN	213.59
1981	SL50	8,110.37	162.21	4,176.88	162.21	4,176.88	12/31/06	DEPRN	162.21
1981	SL50	6,920.94	138.42	3,425.89	138.42	3,425.89	12/31/06	DEPRN	138.42
1981	SL50	14,277.34	285.55	7,067.32	285.55	7,067.32	12/31/06	DEPRN	285.55
1981	SL50	12,069.49	241.39	5,974.40	241.39	5,974.40	12/31/06	DEPRN	241.39
1981	SL50	8,208.02	164.16	4,062.96	164.16	4,062.96	12/31/06	DEPRN	164.16
1982	SL50	4,673.42	93.47	2,313.36	93.47	2,313.36	12/31/06	DEPRN	93.47
1982	SL50	6,735.80	134.72	3,233.23	134.72	3,233.23	12/31/06	DEPRN	134.72
1982	SL50	3,672.68	73.45	1,817.93	73.45	1,817.93	12/31/06	DEPRN	73.45
1982	SL50	6,627.17	132.54	3,147.87	132.54	3,147.87	12/31/06	DEPRN	132.54
1982	SL50	6,562.02	131.24	3,084.14	131.24	3,084.14	12/31/06	DEPRN	131.24

BOONE COUNTY WATER DISTRICT DEPRECIATION SCHEDULE									
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM	DATE	METHOD	DEPRN
1968	SL50	122,393.70	2,447.87	88,735.34	2,447.87	88,735.34	12/31/06	DEPRN	2,447.87
1969	SL50	18,221.30	364.43	13,210.53	364.43	13,210.53	12/31/06	DEPRN	364.43
1968	SL50	1,763,935.56	35,278.71	1,279,373.58	35,278.71	1,279,373.58	12/31/06	DEPRN	35,278.71
1969	SL50	220,420.53	4,408.41	159,804.87	4,408.41	159,804.87	12/31/06	DEPRN	4,408.41
1970	SL50	47,447.36	948.95	33,450.40	948.95	33,450.40	12/31/06	DEPRN	948.95
1971	SL50	198,100.19	3,962.00	135,698.55	3,962.00	135,698.55	12/31/06	DEPRN	3,962.00
1972	SL50	34,246.36	684.93	22,773.89	684.93	22,773.89	12/31/06	DEPRN	684.93
1973	SL50	60,752.00	1,215.04	39,185.04	1,215.04	39,185.04	12/31/06	DEPRN	1,215.04
1974	SL50	12,136.00	242.72	7,585.00	242.72	7,585.00	12/31/06	DEPRN	242.72
1975	SL50	18,384.00	367.68	11,122.32	367.68	11,122.32	12/31/06	DEPRN	367.68
1976	SL50	89,254.02	1,665.08	47,871.05	1,665.08	47,871.05	12/31/06	DEPRN	1,665.08
1977	SL50	6,909.83	138.2	3,973.05	138.2	3,973.05	12/31/06	DEPRN	138.2
1977	SL50	26,227.63	524.55	15,080.84	524.55	15,080.84	12/31/06	DEPRN	524.55
1978	SL50	33,378.02							

BOONE COUNTY WATER DISTRICT							
DEPRECIATION SCHEDULE							
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM	DEPRN
03/86	SL50	969 58	19 39	402 36	19 39	421 75	
03/86	SL50	11 663 26	233 27	4 840 29	233 27	5 073 56	
03/86	SL50	39 864 13	797 28	16 543 59	797 28	17 340 87	
12/85	SL50	6 966 32	139 33	2 891 06	139 33	3 030 38	
03/86	SL50	7 326 04	146 52	3 040 30	146 52	3 186 82	
06/86	SL50	41 659 76	833 2	16 455 64	833 2	17 288 84	
12/86	SL50	20 801 66	416 03	8 216 63	416 03	8 632 66	
12/86	SL50	9 884 34	197 69	3 904 34	197 69	4 102 03	
09/86	SL50	20 046 62	400 93	7 918 40	400 93	8 319 33	
12/86	SL50	13 314 42	266 29	5 259 21	266 29	5 525 50	
12/86	SL50	115 899 37	2 317 99	45 780 27	2 317 99	48 098 26	
12/86	SL50	145 349 91	2 907 00	57 413 23	2 907 00	60 320 23	
12/87	SL50	60 140 81	1 202 82	22 853 53	1 202 82	24 056 35	
12/87	SL50	401 210 72	8 024 21	150 248 71	8 024 21	158 272 92	
2004		(110,566 86)	0	(37,581 40)	0	(37,581 40)	
12/87	SL50	53 442 63	1 068 85	20 308 18	1 068 85	21 377 03	
12/88	SL50	100 581 12	2 011 62	36 209 19	2 011 62	38 220 81	
12/88	SL50	232 457 55	4 649 15	83 684 71	4 649 15	88 333 86	
12/88	SL50	3 932 00	78 64	1 415 52	78 64	1 494 16	
12/88	SL50	1 083 902 50	21 678 05	390 204 90	21 678 05	411 882 95	
12/89	SL50	1 295 047 34	25 900 95	427 365 63	25 900 95	453 266 58	
12/89	SL50	563 590 00	11 271 80	185 984 70	11 271 80	197 256 50	
12/89	SL50	99 850 74	1 997 01	32 950 72	1 997 01	34 947 73	
03/1990	SL50	27 213 12	544 26	8 436 06	544 26	8 980 32	
05/2390	SL50	74 546 60	1 490 93	23 109 44	1 490 93	24 600 38	
06/3090	SL50	36 615 50	732 31	11 350 81	732 31	12 083 12	

BOONE COUNTY WATER DISTRICT							
DEPRECIATION SCHEDULE							
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM	DEPRN
12/1882	SL50	4 393 55	87 87	2 042 99	87 87	2 130 86	
03/1883	SL50	10 020 67	200 41	4 609 47	200 41	4 809 88	
1983	SL50	6 530 00	130 6	3 003 80	130 6	3 134 40	
1983	SL50	25 430 00	508 6	11 824 95	508 6	12 333 55	
1983	SL50	41 500 00	830	19 297 50	830	20 127 50	
03/84	SL50	146 684 80	2 933 70	66 741 63	2 933 70	69 675 33	
03/84	SL50	11 734 78	234 7	5 339 37	234 7	5 574 06	
03/84	SL50	10 029 10	200 58	4 563 22	200 58	4 763 81	
03/84	SL50	16 117 95	322 36	7 333 68	322 36	7 656 04	
03/84	SL50	5 538 59	110 77	2 520 04	110 77	2 630 81	
03/84	SL50	2 142 42	42 85	974 82	42 85	1 017 67	
03/84	SL50	398 67	7 97	181 36	7 97	189 33	
06/84	SL50	12 599 01	251 98	5 480 56	251 98	5 732 54	
09/84	SL50	11 554 67	231 09	5 026 25	231 09	5 257 34	
12/84	SL50	3 033 86	60 68	1 319 76	60 68	1 380 43	
03/85	SL50	4 291 13	85 82	1 866 61	85 82	1 952 43	
03/85	SL50	148 018 00	2 960 36	64 387 83	2 960 36	67 348 19	
03/85	SL50	4 751 15	95 02	1 971 70	95 02	2 066 72	
06/85	SL50	9 567 27	191 35	3 970 45	191 35	4 161 80	
03/86	SL50	25 157 72	503 15	10 440 41	503 15	10 943 57	
03/86	SL50	3 548 42	70 97	1 472 61	70 97	1 543 58	
03/86	SL50	2 451 97	49 04	1 017 57	49 04	1 066 61	
03/86	SL50	361 25	7 23	149 96	7 23	157 19	
03/86	SL50	9 359 76	187 2	3 884 34	187 2	4 071 54	

BOONE COUNTY WATER DISTRICT DEPRECIATION SCHEDULE									
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM	DEPRN	ACCUM	DEPRN
1993	SL50	84,641.61	1,692.83	21,160.41	1,692.83	22,853.24			
1993	SL50	68,847.06	1,376.94	17,211.76	1,376.94	18,588.71			
1993	SL50	55,717.76	1,114.36	13,929.44	1,114.36	15,043.80			
1993	SL50	289,333.66	5,786.67	72,333.42	5,786.67	78,120.09			
1993	SL50	452,884.80	9,057.70	113,221.20	9,057.70	122,278.90			
1993	SL50	4,703.35	94.07	1,175.83	94.07	1,269.90			
1994	SL50	2,227,015.00	44,540.30	512,213.45	44,540.30	556,753.75			
1994	SL50	215,406.16	4,308.12	49,543.42	4,308.12	53,851.54			

BOONE COUNTY WATER DISTRICT DEPRECIATION SCHEDULE									
DATE	METHOD	COST	DEPRN	ACCUM	DEPRN	ACCUM	DEPRN	ACCUM	DEPRN
06/30/90	SL50	35,025.59	700.51	10,857.93	700.51	11,558.44			
08/17/90	SL50	11,340.00	226.8	3,515.40	226.8	3,742.20			
08/23/90	SL50	785.5	15.71	243.51	15.71	259.22			
09/30/90	SL50	30,834.03	616.68	9,568.55	616.68	10,175.23			
12/31/90	SL50	20,600.70	412.01	6,386.21	412.01	6,798.22			
12/31/90	SL50	42,737.77	854.76	13,248.72	854.76	14,103.48			
12/31/90	SL50	5,679.00	113.58	1,760.49	113.58	1,874.07			
12/31/90	SL10	16,200.00	0	16,200.00	0	16,200.00			
12/31/90	SL10	13,572.25	0	13,572.25	0	13,572.25			
12/31/90	SL10	311.26	0	311.26	0	311.26			
12/31/90	SL10	833.16	0	833.16	0	833.16			
12/31/90	SL10	5,176.50	0	5,176.50	0	5,176.50			
12/31/90	SL10	12,805.00	0	12,805.00	0	12,805.00			
12/31/90	SL50	15,000.00	300	4,650.00	300	4,950.00			
12/31/90	SL50	1,220.19	24.4	378.25	24.4	402.65			
12/31/90	SL50	16,882.98	337.66	5,233.73	337.66	5,571.38			
12/31/90	SL50	9,711.50	194.23	3,010.57	194.23	3,204.80			
12/31/90	SL10	4,686.00	0	4,686.00	0	4,686.00			
02/31/91	SL50	19,014.29	380.29	5,489.60	380.29	5,869.89			
12/31/91	SL10	4,686.00	0	4,686.00	0	4,686.00			
12/31/91	SL10	3,583.12	0	3,583.12	0	3,583.12			
06/30/91	SL50	29,143.56	582.87	8,451.63	582.87	9,034.51			
12/31/91	SL50	2,465.00	49.3	714.85	49.3	764.15			
09/30/91	SL50	22,615.43	452.31	6,568.47	452.31	7,010.78			
12/31/91	SL50	30,913.00	618.26	8,964.77	618.26	9,583.03			
12/31/91	SL50	22,961.64	459.23	6,658.87	459.23	7,118.11			
1991	SL50	516,150.00	10,323.00	149,683.50	10,323.00	160,006.50			
03/31/92	SL50	24,194.83	483.9	6,532.60	483.9	7,016.50			
06/30/92	SL50	27,373.99	547.48	7,390.97	547.48	7,938.45			
09/30/92	SL50	32,335.27	646.71	8,730.52	646.71	9,377.23			
12/31/92	SL10	815	0	815	0	815			
1992	SL50	1,404,795.00	28,095.90	379,294.65	28,095.90	407,390.55			
1992	SL50	40,858.73	817.17	11,031.86	817.17	11,849.03			
1992	SL50	69.95	1.4	18.89	1.4	20.29			
1992	SL50	43,696.57	873.93	11,798.08	873.93	12,672.01			
1993	SL50	167,439.67	3,349.19	41,864.92	3,349.19	45,214.11			
1993	SL50	1,475,644.00	29,512.88	368,911.00	29,512.88	398,423.88			
1993	SL50	42,466.00	849.32	10,616.50	849.32	11,465.82			
1993	SL50	106,635.00	2,132.70	26,658.75	2,132.70	28,791.45			
1993	SL50	1,979.20	39.58	494.8	39.58	534.38			

BOONE COUNTY WATER DISTRICT						
DEPRECIATION SCHEDULE						
DATE	METHOD	COST	ACCUM	ACCUM	12/31/06	DEPRN
		=	DEPRN	DEPRN	DEPRN	DEPRN
2000	SL50	2,428,190.00	48,563.80	267,100.90	48,563.80	315,664.70
2001	SL50	608,440.35	12,168.81	54,759.63	12,168.81	66,928.44
2001	SL50	620,020.44	16,400.41	73,801.84	16,400.41	90,202.25
2001	SL50	654,703.84	13,094.08	58,923.35	13,094.08	72,017.42
2001	SL50	69,521.88	1,390.44	6,256.97	1,390.44	7,647.41
2001	SL50	28,621.89	572.44	2,575.97	572.44	3,148.41
2001	SL50	2,841,389.00	56,827.78	255,725.01	56,827.78	312,552.79
2001	SL50	34,438.60	688.77	3,099.47	688.77	3,788.25
2001	SL50	3,600.00	72	324	72	396
2001	SL50	4,719.13	94.38	424.72	94.38	519.11
2002	SL50	577,405.53	11,548.11	40,418.39	11,548.11	51,966.50
2002	SL50	2,851,461.25	57,029.23	199,602.29	57,029.23	256,631.51
2002	SL50	41,616.25	832.33	2,913.14	832.33	3,745.46
2002	SL50	71,071.47	1,421.43	4,975.00	1,421.43	6,396.43
2002	SL50	42,472.27	849.45	2,973.06	849.45	3,822.50
2002	SL50	4,735.00	94.7	331.45	94.7	426.15
2002	SL50	17,490.28	349.81	1,224.32	349.81	1,574.13
2002	SL50	256,773.32	5,315.47	18,604.13	5,315.47	23,919.60
2002	SL50	17,490.28	349.81	1,224.32	349.81	1,574.13
2002	SL50	258,882.20	5,177.64	18,121.75	5,177.64	23,299.40
2002	SL50	182,581.89	3,651.64	12,780.73	3,651.64	16,432.37
2002	SL50	27,755.00	555.1	1,942.85	555.1	2,497.95
2002	SL50	1,796.00	35.92	125.72	35.92	161.64
2002	SL50	878,963.66	17,579.27	43,948.18	17,579.27	61,527.46
2003	SL50	1,465,800.75	29,316.02	73,290.04	29,316.02	102,606.05
2003	SL50	91,225.36	1,824.51	4,561.27	1,824.51	6,385.78
2003	SL50	38,726.51	774.53	1,936.33	774.53	2,710.86
2003	SL50	385,616.63	7,712.33	19,280.83	7,712.33	26,993.16
2003	SL50	4,000.00	80	200	80	280
2003	SL50	381,437.43	7,628.75	19,071.87	7,628.75	26,700.62
2003	SL50	27,606.69	552.13	1,380.33	552.13	1,932.47
2003	SL50	402,399.52	8,046.79	20,116.96	8,046.79	28,163.77
2003	SL50	141,246.03	2,824.92	7,062.30	2,824.92	9,887.22
2003	SL50	170,000.00	3,400.00	8,500.00	3,400.00	11,900.00
2003	SL50	117,120.00	2,342.40	4,684.80	2,342.40	7,027.20
2003	SL50	9,200.00	184	368	184	552
2003	SL50	8,104.33	162.09	324.17	162.09	486.26
2003	SL50	30,000.00	600	1,200.00	600	1,800.00
2003	SL50	38,719.00	774.38	1,548.76	774.38	2,323.14
2003	SL50	98,990.00	1,979.80	3,959.60	1,979.80	5,939.40
2003	SL50	7,190.00	143.8	287.6	143.8	431.4
2003	SL50	4,800.00	96	192	96	288
2004	SL50	1,000.00	20	30	20	50
2004	SL50	719,948.00	14,398.96	21,598.44	14,398.96	35,997.40
2004	SL50	1,926,260.00	38,525.20	57,787.80	38,525.20	96,313.00
2004	SL50	2,820.00	56.4	84.6	56.4	141
2004	SL50	3,000.00	60	90	60	150
2004	SL50	3,484.00	69.68	104.52	69.68	174.2

BOONE COUNTY WATER DISTRICT						
DEPRECIATION SCHEDULE						
DATE	METHOD	COST	ACCUM	ACCUM	12/31/06	DEPRN
		=	DEPRN	DEPRN	DEPRN	DEPRN
2000	SL50	2,786.00	55.72	306.46	55.72	362.18
2000	SL50	14,134.00	282.68	1,554.74	282.68	1,837.42

BOONE COUNTY WATER DISTRICT						
DEPRECIATION SCHEDULE						
	DATE	METHOD	C	12/31/05	ACCUM	12/31/06
	ACQUIRED	&LIFE	COST	DEPRN	DEPRN	DEPRN
STUDY	1997	SL4	15,000.00	0	15,000.00	0
STUDY	1998	SL4	33,415.84	0	33,415.84	0
STUDY	1999	SL4	83,184.86	0	83,184.86	0
STUDY	2000	SL4	17,488.78	0	17,488.78	0
TOTAL			220,578.35	-	220,578.36	-
AUTOMATED METER SYSTEM						
1997 METERS/SOFTWARE	1997	SL50	113,141.59	2,262.83	19,234.07	2,262.83
1998 AMR METERS	1998	SL50	965,856.99	19,317.14	144,878.55	19,317.14
1999 AMR METERS	1999	SL50	584,110.69	11,682.21	75,934.39	11,682.21
TOTAL			1,663,109.27	33,262.19	240,047.01	33,262.19
TOTAL DEPRECIATION						
			79,918,639.06	1,469,417.00	12,906,572.89	1,576,337.99
						14,482,910.88

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BOONE COUNTY WATER DISTRICT
DEPRECIATION SCHEDULE

DATE	METHOD	ACQUIRED & LIFE	COST	12/31/05	DEPRN	ACCUM	12/31/06	DEPRN	ACCUM
03/81	SL 33 1/3		790.00	23.70	586.60	23.70		23.70	610.30
12/80	SL 20		10,858.00	0.00	10,858.00	0.00		0.00	10,858.00
10/80	SL 33 1/3		1,158.27	34.75	860.07	34.75		34.75	894.82
01/81	SL 33 1/3		4,028.25	120.85	2,990.87	120.85		120.85	3,111.72
4-12/81	SL 33 1/3		2,878.97	86.37	2,137.66	86.37		86.37	2,224.03
03/84	SL 33 1/3		2,095.82	62.88	1,431.05	62.88		62.88	1,431.05
03/84	SL 33 1/3		(2,095.82)	(1431.05)	(1,431.05)				(1,431.05)
1992	SL 33 1/3		3,689.00	110.67	1,494.06	110.67		110.67	1,604.73
1994	SL 33 1/3		10,704.78	321.15	3,693.20	321.15		321.15	4,014.35
1995	SL 15		920.93	61.40	644.65	61.40		61.40	706.05
1995	SL 33 1/3		3,252.67	97.58	1,024.60	97.58		97.58	1,122.18
1995	SL 10		1,561.50	78.07	1,561.50	78.07		78.07	1,639.57
Feb-98	SL 40		1,424,903.86	35,622.60	280,527.95	35,622.60		35,622.60	316,150.55
2004	SL 40		209,289.00	5,232.23	7,848.34	5,232.23		5,232.23	13,080.57
2005	SL 40		11,650.00	291.25	291.25	291.25		291.25	582.50
2005	SL 40		24,197.02	302.46	302.46	302.46		302.46	604.93
2004	SL 40		347,302.21	868.26	1,302.38	868.26		868.26	2,170.64
2006	SL 15		8,950.00	0.00	0.00	0.00		0.00	278.33
2006	SL 40		20,360.75	0.00	0.00	0.00		0.00	254.51
2006	SL 15		12,050.00	0.00	0.00	0.00		0.00	401.67
TOTAL BUILDINGS									
			1,790,653.21	43,679.54	318,498.27	44,587.97		363,351.91	
FURNITURE & EQUIPMENT									
1968	SL 15		6,997.40	0.00	6,997.40	0.00		0.00	6,997.40
1969	SL 15		941.80	0.00	941.80	0.00		0.00	941.80
1970	SL 15		3,939.67	0.00	3,939.67	0.00		0.00	3,939.67
1971	SL 15		25.00	0.00	25.00	0.00		0.00	25.00
1972	SL 15		880.00	0.00	880.00	0.00		0.00	880.00
10/79	SL 15		189.00	0.00	189.00	0.00		0.00	189.00
11/79	SL 15		391.25	0.00	391.25	0.00		0.00	391.25
12/81	SL 15		(500.00)	(500.00)	(500.00)	0.00		0.00	(500.00)
12/82	SL 15		769.00	0.00	769.00	0.00		0.00	769.00
04/85	SL 15		289.85	0.00	289.85	0.00		0.00	289.85
07/85	SL 15		480.80	0.00	480.80	0.00		0.00	480.80
10/85	SL 15		982.90	0.00	982.90	0.00		0.00	982.90
07/86	SL 15		1,543.44	0.00	1,543.44	0.00		0.00	1,543.44
09/88	SL 15		333.90	0.00	333.90	0.00		0.00	333.90
11/88	SL 15		166.95	0.00	166.95	0.00		0.00	166.95
06/89	SL 15		500.68	0.00	500.68	0.00		0.00	500.68
01/22/90	SL 15		1,395.00	46.50	1,395.00	0.00		0.00	1,395.00
03/22/90	SL 15		378.00	12.60	378.00	0.00		0.00	378.00
06/25/90	SL 15		129.00	4.30	129.00	0.00		0.00	129.00
1990	SL 15		189.00	6.30	189.00	0.00		0.00	189.00
1990	SL 15		71.47	2.40	71.47	0.00		0.00	71.47
1991	SL 15		2,354.42	156.96	2,275.94	78.48		78.48	2,354.42
1991	SL 15		1,075.36	71.69	1,039.52	35.84		35.84	1,075.36
08/24/92	SL 15		232.00	15.47	208.80	23.20		23.20	232.00
02/14/92	SL 5		425.01	0.00	425.01	0.00		0.00	425.01
02/25/92	SL 15		169.00	11.27	152.10	16.90		16.90	169.00
04/23/92	SL 15		308.46	20.56	277.61	20.56		20.56	298.17
05/20/92	SL 15		877.83	58.52	790.04	58.52		58.52	848.57
09/18/92	SL 5		500.00	0.00	500.00	0.00		0.00	500.00
10/10/92	SL 5		21.00	0.00	21.00	0.00		0.00	21.00
1993	SL 5		903.00	0.00	903.00	0.00		0.00	903.00

BOONE COUNTY WATER DISTRICT

DEPRECIATION SCHEDULE

DATE	METHOD	COST	DEPRN	DEPRN	DEPRN	DEPRN	ACCUM
ACQUIRED	& LIFE						
1993	SL 5	249.00	0.00	249.00	0.00	0.00	249.00
1993	SL 5	222.00	0.00	222.00	0.00	0.00	222.00
1994	SL 5	3,049.48	0.00	3,049.48	0.00	0.00	3,049.48
1994	SL 5	2,206.00	0.00	2,206.00	0.00	0.00	2,206.00
1994	SL 5	1,516.00	0.00	1,516.00	0.00	0.00	1,516.00
1994	SL 5	875.11	0.00	875.11	0.00	0.00	875.11
1995	SL 10	1,082.00	0.00	1,082.00	0.00	0.00	1,082.00
1995	SL 3	1,244.96	0.00	1,244.96	0.00	0.00	1,244.96
1995	SL 5	9,208.10	0.00	9,208.10	0.00	0.00	9,208.10
1995	SL 10	7,375.00	0.00	7,375.00	0.00	0.00	7,375.00
1995	SL 5	539.99	0.00	539.99	0.00	0.00	539.99
1995	SL 5	10,000.00	0.00	10,000.00	0.00	0.00	10,000.00
1996	SL 10	1,366.00	136.60	1,297.70	68.30	1,366.00	1,366.00
1997	SL 5	569.34	0.00	569.34	0.00	0.00	569.34
1997	SL 5	1,467.91	0.00	1,467.91	0.00	0.00	1,467.91
1997	SL 5	1,184.00	0.00	1,184.00	0.00	0.00	1,184.00
1998	SL 5	375.00	0.00	375.00	0.00	0.00	375.00
1998	SL 10	88.06	88.06	660.42	88.06	748.48	748.48
1999	SL 5	1,934.00	0.00	1,934.00	0.00	0.00	1,934.00
2000	SL 10	1,324.64	132.46	1,228.55	132.46	861.01	861.01
2000	SL 10	299.60	29.96	164.78	29.96	194.74	194.74
2000	SL 10	733.38	73.34	403.36	73.34	844.48	844.48
2000	SL 10	224.99	22.50	123.75	22.50	146.25	146.25
2000	SL 5	399.98	40.00	399.98	0.00	399.98	399.98
2000	SL 5	5,780.00	578.00	5,780.00	0.00	5,780.00	5,780.00
2000	SL 5	8,995.00	899.50	8,995.00	0.00	8,995.00	8,995.00
2000	SL 5	9,409.00	940.90	9,409.00	0.00	9,409.00	9,409.00
2000	SL 5	5,320.00	532.00	5,320.00	0.00	5,320.00	5,320.00
2002	SL 8	15,922.00	1,991.50	6,970.25	1,991.50	8,961.75	8,961.75
2003	SL 10	585.00	58.50	146.25	58.50	204.75	204.75
2003	SL 10	411.00	41.10	102.75	41.10	143.85	143.85
2004	SL 5	5,330.00	1,066.00	1,599.00	1,066.00	2,665.00	2,665.00
2004	SL 5	3,971.00	794.20	1,191.30	794.20	1,985.50	1,985.50
2004	SL 5	1,048.00	209.60	314.40	209.60	524.00	524.00
2004	SL 10	974.00	97.40	146.10	97.40	243.50	243.50
2004	SL 10	539.00	53.90	80.85	53.90	134.75	134.75
2004	SL 10	735.00	73.50	110.25	73.50	183.75	183.75
2004	SL 10	586.00	58.60	87.90	58.60	146.50	146.50
2004	SL 10	400.00	40.00	60.00	40.00	100.00	100.00
2004	SL 10	800.00	80.00	120.00	80.00	200.00	200.00
2004	SL 10	4,210.00	421.00	421.00	421.00	842.00	842.00
2004	SL 10	2,486.43	248.64	248.64	248.64	497.28	497.28
2005	SL 5	1,392.00	139.20	139.20	139.20	417.60	417.60
2005	SL 5	973.41	97.34	97.34	97.34	194.68	194.68
2005	SL 5	399.99	40.00	40.00	40.00	120.00	120.00
2006	SL 5	964.47	0.00	0.00	0.00	48.22	48.22
2006	SL 10	149,212.00	10,220.94	116,074.03	6,891.09	122,965.12	122,965.12
TOTAL FURNITURE & EQUIPMENT							
TRANSPORTATION EQUIPMENT							
02/06/92	SL 10	400.00	0.00	400.00	0.00	400.00	400.00
08/10/92	SL 10	200.00	0.00	200.00	0.00	200.00	200.00
01/27/92	SL 10	4,700.00	0.00	4,700.00	0.00	4,700.00	4,700.00
1994	SL 10	1,033.82	0.00	1,033.82	0.00	1,033.82	1,033.82
1994	SL 5	266.99	0.00	266.99	0.00	266.99	266.99
1994	SL 5	244.78	0.00	244.78	0.00	244.78	244.78
1997	SL 5	42,649.00	0.00	42,649.00	0.00	42,649.00	42,649.00
1997	SL 5	1,396.00	0.00	1,396.00	0.00	1,396.00	1,396.00
1998	SL 5	10,837.00	0.00	10,837.00	0.00	10,837.00	10,837.00
1998	SL 5	10,837.00	0.00	10,837.00	0.00	10,837.00	10,837.00
1998	SL 5	10,837.00	0.00	10,837.00	0.00	10,837.00	10,837.00
1998	SL 5	10,837.00	0.00	10,837.00	0.00	10,837.00	10,837.00
10/19/2004	SL 5	(10,837.00)	0.00	(10,837.00)	0.00	(10,837.00)	(10,837.00)
1999	SL 5	39,540.23	0.00	39,540.23	0.00	39,540.23	39,540.23

BOONE COUNTY WATER DISTRICT
DEPRECIATION SCHEDULE

DATE	METHOD	ACQUIRED & LIFE	COST	DEPRN	ACCUM	DEPRN	ACCUM
2000	SL 5	20,955.00	20,955.00	2,095.50	20,955.00	0.00	20,955.00
2000	SL 5	11,940.00	11,940.00	1,194.00	11,940.00	0.00	11,940.00
2000	SL 5	11,940.00	11,940.00	1,194.00	11,940.00	0.00	11,940.00
2000	SL 5	1,742.00	1,742.00	174.20	1,742.00	0.00	1,742.00
2000	SL 5	1,324.00	1,324.00	132.40	1,324.00	0.00	1,324.00
2001	SL 5	49,309.00	49,309.00	9,861.80	49,309.00	4,930.90	49,309.00
2001	SL 5	698.45	698.45	69.84	698.45	69.84	698.45
2002	SL 5	62,620.00	62,620.00	12,524.00	62,620.00	12,524.00	56,358.00
2002	SL 5	3,222.00	3,222.00	644.40	3,222.00	644.40	2,899.80
2002	SL 5	7,466.00	7,466.00	26,131.00	7,466.00	7,466.00	33,597.00
2003	SL 5	51,166.00	10,233.20	25,583.00	10,233.20	10,233.20	35,816.20
2003	SL 5	2,247.00	449.40	1,123.50	449.40	449.40	1,572.90
2004	SL 5	29,624.00	5,924.80	8,887.20	5,924.80	5,924.80	14,812.00
2004	SL 5	1,494.00	298.80	448.20	298.80	298.80	747.00
2004	SL 5	36,043.00	7,208.60	10,812.90	7,208.60	7,208.60	18,021.50
2004	SL 5	1,494.00	298.80	448.20	298.80	298.80	747.00
2004	SL 5	51,710.00	10,342.00	15,513.00	10,342.00	10,342.00	25,855.00
2005	SL 5	43,155.00	4,315.50	4,315.50	4,315.50	4,315.50	12,946.50
2005	SL 5	14,385.00	1,438.50	1,438.50	1,438.50	1,438.50	4,315.50
2005	SL 5	17,985.00	1,798.50	0.00	1,798.50	1,798.50	1,798.50
2006	SL 5	17,985.00	1,798.50	0.00	1,798.50	1,798.50	1,798.50
TOTAL TRANSPORTATION EQUIP							
			580,473.27	75,935.59	345,802.92	75,495.74	421,298.66
EQUIPMENT							
1968	SL 10	4,563.68	4,563.68	0.00	4,563.68	0.00	4,563.68
1970	SL 10	170.00	170.00	0.00	170.00	0.00	170.00
1971	SL 10	3,080.32	3,080.32	0.00	3,080.32	0.00	3,080.32
1978	SL 10	299.90	299.90	0.00	299.90	0.00	299.90
1978	SL 10	173.23	173.23	0.00	173.23	0.00	173.23
1978	SL 10	150.00	150.00	0.00	150.00	0.00	150.00
1978	SL 10	373.00	373.00	0.00	373.00	0.00	373.00
1979	SL 10	502.53	502.53	0.00	502.53	0.00	502.53
1968	SL 10	14,838.67	14,838.67	0.00	14,838.67	0.00	14,838.67
1969	SL 10	2,118.63	2,118.63	0.00	2,118.63	0.00	2,118.63
1975	SL 10	7,801.00	7,801.00	0.00	7,801.00	0.00	7,801.00
1978	SL 10	2,494.00	2,494.00	0.00	2,494.00	0.00	2,494.00
03/78	SL 10	4,800.00	4,800.00	0.00	4,800.00	0.00	4,800.00
04/81	SL 10	821.40	821.40	0.00	821.40	0.00	821.40
04/81	SL 10	255.96	255.96	0.00	255.96	0.00	255.96
03/82	SL 10	475.30	475.30	0.00	475.30	0.00	475.30
09/82	SL 10	591.99	591.99	0.00	591.99	0.00	591.99
01/84	SL 10	304.06	304.06	0.00	304.06	0.00	304.06
03/84	SL 10	241.93	241.93	0.00	241.93	0.00	241.93
01/85	SL 10	11,166.10	11,166.10	0.00	11,166.10	0.00	11,166.10
1991	SL 10	5,200.00	5,200.00	0.00	5,200.00	0.00	5,200.00
1991	SL 5	1,090.64	1,090.64	0.00	1,090.64	0.00	1,090.64
1991	SL 10	750.00	750.00	0.00	750.00	0.00	750.00
1995	SL 5	5,100.00	5,100.00	0.00	5,100.00	0.00	5,100.00
1995	SL 5	1,058.37	1,058.37	0.00	1,058.37	0.00	1,058.37
1995	SL 10	47,980.00	47,980.00	2,399.00	47,980.00	0.00	47,980.00
2006	SL 10	(47,980.00)	(47,980.00)	(2,399.00)	(47,980.00)	0.00	(47,980.00)
1996	SL 10	6,009.00	6,009.00	600.90	5,708.55	300.45	6,009.00
1996	SL 10	298.25	298.25	29.83	281.44	14.81	298.25
1996	SL 10	1,727.80	1,727.80	172.78	1,641.41	86.39	1,727.80
1996	SL 10	885.00	885.00	88.50	8,407.50	442.50	8,850.00
1998	SL 10	1,745.00	1,745.00	174.50	1,308.75	174.50	1,483.25
1998	SL 10	2,072.00	2,072.00	207.20	1,554.00	207.20	1,761.20
1999	SL 5	2,545.75	2,545.75	0.00	2,545.75	0.00	2,545.75
1999	SL 10	4,069.00	4,069.00	406.90	2,644.85	406.90	3,051.75
1999	SL 10	1,849.50	1,849.50	194.95	1,267.18	194.95	1,462.13
1999	SL 5	7,598.00	7,598.00	0.00	7,598.00	0.00	7,598.00
2000	SL 5	1,960.00	1,960.00	0.00	1,960.00	0.00	1,960.00
2000	SL 5	259.43	259.43	25.94	259.43	0.00	259.43
2000	SL 10	800.00	800.00	80.00	440.00	80.00	520.00
2000	SL 5	990.64	990.64	99.06	990.64	0.00	990.64
2000	SL 10	795.00	795.00	79.50	437.25	79.50	516.75

BOONE COUNTY WATER DISTRICT

DEPRECIATION SCHEDULE

DATE	METHOD	COST	12/31/05	12/31/06	ACCUM	DEPRN
2000	SL 5	685.53	68.55	685.53	0.00	685.53
2000	SL 10	900.00	773.20	3,479.40	773.20	4,252.60
2001	SL 10	9,000.00	900.00	4,050.00	900.00	4,950.00
2001	SL 10	59,990.00	5,990.00	26,986.50	5,990.00	32,976.50
2001	SL 10	1,381.17	138.12	621.53	138.12	759.65
2001	SL 5	1,393.00	278.60	1,253.70	139.30	1,393.00
2001	SL 10	1,039.89	103.99	467.95	103.99	571.94
2001	SL 5	3,429.40	685.88	3,086.46	342.94	3,429.40
2001	SL 10	3,800.00	190.00	1,520.00	0.00	1,520.00
2001	SL 10	(3,800.00)	0.00	(1,520.00)	0.00	(1,520.00)
2002	SL 10	9,700.00	970.00	3,995.00	970.00	4,365.00
2002	SL 5	255.00	51.00	178.50	51.00	229.50
2002	SL 5	1,733.00	346.60	1,213.10	346.60	1,559.70
2002	SL 5	9,145.00	1,829.00	6,401.50	1,829.00	8,230.50
2002	SL 10	649.00	64.90	227.15	64.90	292.05
2002	SL 10	10,000.00	1,000.00	3,500.00	1,000.00	4,500.00
2002	SL 5	550.00	110.00	385.00	110.00	495.00
2002	SL 5	3,900.00	780.00	2,730.00	780.00	3,510.00
2002	SL 5	14,841.00	2,968.20	10,388.70	2,968.20	13,356.90
2003	SL 10	26,000.00	2,600.00	6,500.00	2,600.00	9,100.00
2003	SL 10	5,540.00	554.00	1,885.00	554.00	1,939.00
2003	SL 10	6,685.00	668.50	1,671.25	668.50	2,339.75
2003	SL 10	704.00	70.40	176.00	70.40	246.40
2003	SL 10	975.00	97.50	243.75	97.50	341.25
2003	SL 10	1,575.00	157.50	393.75	157.50	551.25
2003	SL 10	1,048.00	104.80	262.00	104.80	366.80
2003	SL 10	3,586.00	358.60	896.50	358.60	1,255.10
2004	SL 10	1,570.00	157.00	235.50	157.00	392.50
2004	SL 10	1,299.00	129.90	194.85	129.90	324.75
2004	SL 5	4,500.00	900.00	1,350.00	900.00	2,250.00
2004	SL 10	764.00	76.40	114.60	76.40	191.00
2004	SL 10	2,231.00	223.10	334.65	223.10	557.75
2004	SL 10	633.00	63.30	94.95	63.30	158.25
2004	SL 10	1,419.00	141.90	212.85	141.90	354.75
2004	SL 10	1,436.00	143.60	215.40	143.60	359.00
2004	SL 10	1,660.00	166.00	249.00	166.00	415.00
2004	SL 10	11,500.00	575.00	575.00	575.00	1,150.00
2005	SL 5	690.30	69.03	69.03	69.03	138.06
2005	SL 5	840.67	84.07	84.07	84.07	168.14
2005	SL 10	603.20	120.64	120.64	120.64	241.28
2005	SL 5	766.34	76.63	76.63	76.63	153.26
2005	SL 5	3,075.60	307.56	307.56	307.56	615.12
2005	SL 5	9,306.00	930.60	930.60	930.60	1,861.20
2005	SL 10	1,000.00	50.00	50.00	50.00	100.00
2005	SL 5	7,782.37	389.12	389.12	389.12	778.24
2005	SL 10	1,000.00	50.00	50.00	50.00	100.00
2005	SL 5	3,075.60	307.56	307.56	307.56	615.12
2005	SL 5	930.60	93.06	93.06	93.06	186.12
2005	SL 5	1,500.00	75.00	75.00	75.00	150.00
2005	SL 10	1,500.00	75.00	75.00	75.00	150.00
2005	SL 10	2,086.25	104.31	104.31	104.31	208.62
2006	SL 10	49,800.00	4,980.00	2,440.00	2,440.00	4,950.00
2006	SL 5	2,484.00	248.40	248.40	248.40	496.80
2006	SL 5	9,772.33	977.23	977.23	977.23	1,954.46
2006	SL 10	1,496.00	149.60	149.60	149.60	299.20
2006	SL 10	1,512.75	151.27	151.27	151.27	302.54
2006	SL 10	796.43	79.64	79.64	79.64	159.28
2006	SL 5	8,245.00	824.50	824.50	824.50	1,649.00
2006	SL 10	1,883.88	188.39	188.39	188.39	376.78
2006	SL 10	1,882.49	188.25	188.25	188.25	376.50
2006	SL 5	1,825.00	182.50	182.50	182.50	365.00
2006	SL 5	662.35	66.23	66.23	66.23	132.46
2006	SL 10	12,000.00	1,200.00	600.00	600.00	1,200.00
2006	SL 10	25,000.00	2,500.00	1,250.00	1,250.00	2,500.00
TOTAL EQUIPMENT						
463,698.03						
29,696.37						
192,329.99						
34,953.86						
227,283.84						
TRANSMISSION & DISTRIBUTION MAINS						

BOONE COUNTY WATER DISTRICT						
DEPRECIATION SCHEDULE						
DATE	METHOD	COST	DEPRN	DEPRN	DEPRN	DEPRN
ACQUIRED & LIFE						
1968	SL 50	122,993.70	2,447.87	88,735.34	2,447.87	91,183.21
DIST,RESERVOIR,STPIPE						
1969	SL 50	18,221.30	364.43	13,210.53	364.43	13,574.96
DIST,RESERVOIR,STPIPE						
1969	SL 50	2,021.80	40.44	1,122.16	40.44	1,162.60
INTERCONNECTOR FUND						
1969	SL 50	49,996.50	999.93	27,470.56	999.93	28,460.49
INTERCONNECTOR FUND						
1970	SL 50	47,447.36	948.95	33,450.40	948.95	34,399.34
TRANS & DIST MAINS						
1971	SL 50	198,100.19	3,982.00	135,698.55	3,982.00	139,660.55
TRANS & DIST MAINS						
1972	SL 50	34,246.36	684.93	22,773.89	684.93	23,458.81
TRANS & DIST MAINS						
1973	SL 50	60,175.00	1,215.04	39,185.04	1,215.04	40,400.08
TRANS & DIST MAINS						
1974	SL 50	1,136.00	242.72	7,585.00	242.72	7,827.72
TRANS & DIST MAINS						
1975	SL 50	18,984.00	367.68	11,122.82	367.68	11,490.00
TRANS & DIST MAINS						
1976	SL 50	83,254.02	1,665.08	47,871.05	1,665.08	49,536.14
ADDITIONS						
03/31/77	SL 50	6,909.83	138.20	3,973.05	138.20	4,111.25
ADDITIONS						
06/30/77	SL 50	26,227.63	524.55	15,080.84	524.55	15,605.39
ADDITIONS						
09/30/77	SL 50	33,978.02	667.56	18,858.57	667.56	19,526.14
ADDITIONS						
12/31/77	SL 50	10,267.96	205.36	5,801.41	205.36	6,006.77
ADDITIONS						
03/31/78	SL 50	5,511.49	110.23	3,058.88	110.23	3,169.11
ADDITIONS						
06/30/78	SL 50	20,804.29	416.09	11,546.45	416.09	11,962.64
ADDITIONS						
09/30/78	SL 50	19,400.84	388.02	10,767.52	388.02	11,155.54
ADDITIONS						
12/31/78	SL 50	12,217.14	344.34	9,555.47	344.34	9,899.82
ADDITIONS						
03/31/79	SL 50	12,277.52	254.55	6,809.21	254.55	7,063.77
ADDITIONS						
06/30/79	SL 50	75,160.22	1,503.20	40,210.65	1,503.20	41,713.86
EXTENSIONS						
09/30/79	SL 50	20,880.40	417.61	11,171.05	417.61	11,588.65
ADDITIONS						
12/31/79	SL 50	16,880.30	339.61	9,084.52	339.61	9,424.13
ADDITIONS						
07-09/79	SL 50	765.00	15.30	409.28	15.30	424.58
GRAVEL						
1979	SL 50	1,828.00	36.56	977.98	36.56	1,014.54
CHRYSLER CONTRACT						
1979	SL 50	6,851.50	137.03	3,665.55	137.03	3,802.58
DIFF ON LINES						
03/31/80	SL 50	14,880.18	297.60	7,663.24	297.60	7,960.85
ADDITIONS						
06/30/80	SL 50	19,009.37	260.19	6,699.86	260.19	6,960.05
ADDITIONS						
09/30/80	SL 50	10,679.57	213.59	5,499.96	213.59	5,713.55
ADDITIONS						
12/31/80	SL 50	8,110.37	162.21	4,176.88	162.21	4,339.09
ADDITIONS						
03/31/81	SL 50	6,290.94	138.42	3,425.89	138.42	3,564.30
ADDITIONS						
4/80-3/81	SL 50	14,277.34	285.55	7,067.32	285.55	7,352.87
EXTENSIONS						
06/30/81	SL 50	12,069.49	241.39	5,974.40	241.39	6,215.79
ADDITIONS						
09/31/81	SL 50	8,208.02	164.16	4,062.96	164.16	4,227.13
ADDITIONS						
12/81	SL 50	4,673.42	93.47	2,313.36	93.47	2,406.83
ADDITIONS						
09/81	SL 50	8,208.02	164.16	4,062.96	164.16	4,227.13
ADDITIONS						
12/31/82	SL 50	4,993.55	87.87	2,042.99	87.87	2,130.86
ADDITIONS						
03/31/83	SL 50	10,020.67	200.41	4,609.47	200.41	4,809.88
ADDITIONS						
1983	SL 50	6,530.00	130.60	3,003.80	130.60	3,134.40
UPGRADE LINE - LITTON						
1983	SL 50	25,430.00	508.60	11,824.95	508.60	12,333.55
UPGRADE LINE - LITTON						
1983	SL 50	41,500.00	830.00	19,297.50	830.00	20,127.50
OAKBROOK DREES LINE						
03/84	SL 50	146,684.80	2,933.70	66,741.63	2,933.70	69,675.36
SMITH PLBG CONRAD RD						
03/84	SL 50	11,734.78	234.70	5,339.37	234.70	5,574.06
VOIX-CONRAD TAP-INS						
03/84	SL 50	10,029.10	200.58	4,563.22	200.58	4,763.81
VOIX-CONRAD TAP-INS						
03/84	SL 50	16,117.95	322.36	7,333.68	322.36	7,656.04
VOIX-CONRAD TAP-INS						
03/84	SL 50	5,538.58	110.77	2,520.04	110.77	2,630.81
VOIX-CONRAD TAP-INS						
03/84	SL 50	2,142.42	42.85	974.82	42.85	1,017.67
VOIX-CONRAD TAP-INS						
03/84	SL 50	398.67	7.97	181.36	7.97	189.33
BORON ADJ						
06/84	SL 50	12,599.01	251.98	5,480.56	251.98	5,732.54
TAP-INS						
09/84	SL 50	11,554.67	231.09	5,026.25	231.09	5,257.34
TAP-INS						
12/84	SL 50	3,033.86	60.68	1,319.76	60.68	1,390.43
TAP-INS						
03/85	SL 50	4,291.13	85.82	1,866.61	85.82	1,952.43
TAP-INS						
03/85	SL 50	148,018.00	2,960.36	64,387.83	2,960.36	67,348.19
TAP-INS						
03/85	SL 50	4,751.15	95.02	1,971.70	95.02	2,066.72
TAP-INS						
06/85	SL 50	9,567.27	191.35	3,970.45	191.35	4,161.80
TAP-INS						
03/86	SL 50	25,157.72	503.15	10,440.41	503.15	10,943.57
ENGINEERING						
03/86	SL 50	3,548.42	70.97	1,472.61	70.97	1,543.58
TREATY CO						
03/86	SL 50	2,451.97	49.04	1,017.57	49.04	1,066.61
MID STATE METER						
03/86	SL 50	361.25	7.23	149.96	7.23	157.19
ALL RTE						
03/86	SL 50	9,359.76	187.20	3,884.34	187.20	4,071.54
TREATY						

BOONE COUNTY WATER DISTRICT DEPRECIATION SCHEDULE									
DATE	METHOD	COST	DEPRN	DEPRN	DEPRN	DEPRN	DEPRN	DEPRN	DEPRN
ACQUIRED	& LIFE								
1993	SL 50	84,641.61	1,692.83	21,160.41	1,692.83	22,853.24	18,588.71	1,376.94	1,692.83
1993	SL 50	68,847.06	1,376.94	17,211.76	1,376.94	18,588.71	15,043.80	1,114.36	1,376.94
1993	SL 50	289,333.66	5,786.67	72,333.42	5,786.67	78,120.09	15,043.80	1,114.36	5,786.67
1993	SL 50	452,884.80	9,057.70	113,221.20	9,057.70	122,278.90	12,227.90	9,057.70	9,057.70
1993	SL 50	4,703.35	94.07	1,175.83	94.07	1,269.90	1,269.90	94.07	94.07
1994	SL 50	2,227,015.00	44,540.30	512,213.45	44,540.30	556,753.75	556,753.75	44,540.30	44,540.30
1994	SL 50	216,406.16	4,308.12	49,543.42	4,308.12	53,851.54	53,851.54	4,308.12	4,308.12
1994	SL 50	69,776.25	1,395.53	16,048.54	1,395.53	17,444.06	17,444.06	1,395.53	1,395.53
1994	SL 50	3,019.97	60.40	694.59	60.40	754.99	754.99	60.40	60.40
1994	SL 50	1,407,847.12	28,156.94	323,804.84	28,156.94	351,961.78	351,961.78	28,156.94	28,156.94
1994	SL 50	55,547.30	1,110.95	12,775.88	1,110.95	13,886.83	13,886.83	1,110.95	1,110.95
1994	SL 50	6,548.00	130.96	1,506.04	130.96	1,637.00	1,637.00	130.96	130.96
1994	SL 50	18,102.23	362.04	4,163.51	362.04	4,525.56	4,525.56	362.04	362.04
1994	SL 50	314,647.77	6,292.96	72,368.99	6,292.96	78,661.94	78,661.94	6,292.96	6,292.96
1994	SL 50	7,668.80	153.34	1,763.36	153.34	1,918.70	1,918.70	153.34	153.34
1994	SL 50	70,514.02	1,410.28	16,218.22	1,410.28	17,628.51	17,628.51	1,410.28	1,410.28
1994	SL 50	12,652.00	253.04	2,909.96	253.04	3,163.00	3,163.00	253.04	253.04
1994	SL 50	72,086.77	1,441.74	16,579.96	1,441.74	18,021.69	18,021.69	1,441.74	1,441.74
1994	SL 50	708,525.65	14,170.51	162,960.90	14,170.51	177,131.41	177,131.41	14,170.51	14,170.51
1994	SL 50	113,185.17	2,263.70	26,032.59	2,263.70	28,296.29	28,296.29	2,263.70	2,263.70
1994	SL 50	219,353.71	4,387.07	46,064.28	4,387.07	50,451.35	50,451.35	4,387.07	4,387.07
1995	SL 50	596,963.90	11,939.28	125,362.42	11,939.28	137,301.70	137,301.70	11,939.28	11,939.28
1995	SL 50	75,985.27	1,501.71	15,767.91	1,501.71	17,269.61	17,269.61	1,501.71	1,501.71
1995	SL 50	1,157,600.00	23,152.00	243,096.00	23,152.00	266,248.00	266,248.00	23,152.00	23,152.00
1996	SL 50	44,320.50	886.41	8,420.90	886.41	9,307.31	9,307.31	886.41	886.41
1996	SL 50	1,400.00	28.00	266.00	28.00	294.00	294.00	28.00	28.00
1996	SL 50	19,895.00	397.90	3,780.05	397.90	4,177.95	4,177.95	397.90	397.90
1996	SL 50	361,956.43	7,639.13	72,571.72	7,639.13	80,210.85	80,210.85	7,639.13	7,639.13
1996	SL 50	55,943.61	1,118.87	10,629.29	1,118.87	11,748.16	11,748.16	1,118.87	1,118.87
1996	SL 50	26,522.65	530.45	5,039.30	530.45	5,569.76	5,569.76	530.45	530.45
1996	SL 50	20,290.00	405.80	3,855.10	405.80	4,260.90	4,260.90	405.80	405.80
1996	SL 50	14,215.00	284.30	6,538.90	284.30	6,823.20	6,823.20	284.30	284.30
1996	SL 50	2,522,466.00	50,449.32	479,268.54	50,449.32	529,717.86	529,717.86	50,449.32	50,449.32
1997	SL 50	16,093.98	321.88	2,735.88	321.88	3,057.86	3,057.86	321.88	321.88
1997	SL 50	375,981.83	7,519.64	63,916.91	7,519.64	71,436.55	71,436.55	7,519.64	7,519.64
1997	SL 50	1,070.00	21.40	181.90	21.40	203.30	203.30	21.40	21.40
1997	SL 50	156,789.86	3,135.80	26,654.28	3,135.80	29,790.07	29,790.07	3,135.80	3,135.80
1997	SL 50	42,419.14	848.38	7,211.25	848.38	8,059.64	8,059.64	848.38	848.38
1997	SL 50	27,899.11	557.98	4,742.85	557.98	5,300.83	5,300.83	557.98	557.98
1997	SL 50	2,345,449.00	46,908.98	390,422.31	46,908.98	437,331.29	437,331.29	46,908.98	46,908.98
1997	SL 50	105,644.11	2,112.88	15,846.62	2,112.88	17,959.50	17,959.50	2,112.88	2,112.88
1998	SL 50	30,063.34	601.27	4,509.50	601.27	5,110.77	5,110.77	601.27	601.27
1998	SL 50	25,523.33	510.47	3,828.50	510.47	4,338.97	4,338.97	510.47	510.47
1998	SL 50	4,250.00	85.00	637.50	85.00	722.50	722.50	85.00	85.00
1998	SL 50	96,522.33	1,925.92	12,518.48	1,925.92	14,444.40	14,444.40	1,925.92	1,925.92
1999	SL 50	290,575.18	5,811.50	37,774.77	5,811.50	43,586.28	43,586.28	5,811.50	5,811.50
1999	SL 50	1,133.00	22.66	147.29	22.66	169.95	169.95	22.66	22.66
1999	SL 50	3,659,883.00	73,187.66	475,719.79	73,187.66	548,907.45	548,907.45	73,187.66	73,187.66
1999	SL 50	62,934.00	1,258.68	7,552.08	1,258.68	8,810.76	8,810.76	1,258.68	1,258.68
2000	SL 50	680,578.78	13,611.58	74,863.67	13,611.58	88,475.24	88,475.24	13,611.58	13,611.58
2000	SL 50	174,579.68	3,491.59	19,203.76	3,491.59	22,895.36	22,895.36	3,491.59	3,491.59
2000	SL 50	8,684.73	173.69	955.32	173.69	1,129.01	1,129.01	173.69	173.69
2000	SL 50	117,954.12	2,359.08	12,974.95	2,359.08	15,334.04	15,334.04	2,359.08	2,359.08
2000	SL 50	6,854.82	137.10	754.03	137.10	891.13	891.13	137.10	137.10
2000	SL 50	900.00	18.00	99.00	18.00	117.00	117.00	18.00	18.00
2000	SL 50	6,262.50	125.25	688.88	125.25	814.13	814.13	125.25	125.25
2000	SL 50	2,786.00	55.72	306.46	55.72	362.18	362.18	55.72	55.72
2000	SL 50	14,134.00	282.68	1,554.74	282.68	1,837.42	1,837.42	282.68	282.68

BOONE COUNTY WATER DISTRICT
DEPRECIATION SCHEDULE

DATE	METHOD	ACQUIRED & LIFE	COST	DEPRN	DEPRN	DEPRN	DEPRN	ACCUM	ACCUM
2005	SL 50	GRAVES RD C-ASSESSMENT PROJ	124,540.44	1,245.40	1,245.40	2,490.81	3,736.21		
2005	SL 50	PEEL RD SERVICES NOT PERFOR	(205,633.00)	(205.63)	(205.63)	(411.26)	(616.89)		
2005	SL 50	LONGBRANCH B/FOWLER CREEK	397,977.39	3,979.77	3,979.77	7,959.55	11,939.32		
2005	SL 50	KY 338/CLAY STREET	535.00	5.35	5.35	10.70	16.05		
2005	SL 50	KROTH - RECLOSE	2,994.00	23.94	23.94	47.88	71.82		
2005	SL 50	RIGHT OF WAYS	26,519.00	0.00	0.00	0.00	0.00		
2005	SL 50	SOLD BURLINGTON LOT	(4,500.00)	0.00	0.00	0.00	0.00		
2005	SL 50	WILLIAMS - RECLOSE	4,000.00	40.00	40.00	80.00	120.00		
2006	SL 50	WILLIAMS - RECLOSE	(1,500.00)	0.00	0.00	(15.00)	(15.00)		
2006	SL 50	CONNER ROAD	67,346.53	0.00	0.00	673.47			
2006	SL 50	LONGBRANCH C	2,540.44	0.00	0.00	25.40			
2006	SL 50	RIVER RD / GRANT PROJECT	1,015,222.03	0.00	0.00	5,076.50			
2006	SL 50	RE-CLOSE GRAVES	(1,883.00)	0.00	0.00	(18.83)			
2006	SL 50	DONALDSON RD - LOOP	40,451.68	0.00	0.00	404.52			
2006	SL 50	JPSIZING FROGTOWN 338	29,715.00	0.00	0.00	297.15			
2006	SL 50	JPSIZING US 42 UNION	37,952.88	0.00	0.00	373.53			
2006	SL 50	TAP-INS	597,004.19	0.00	0.00	5,970.04			
2006	SL 50	DEDICATED LINES	6,154,125.00	0.00	0.00	30,770.63			
		TOTAL TRANS DIST MAIN	74,794,082.18	1,266,622.38	11,473,242.31	1,381,147.15	12,803,338.61		
		WATER RATE MASTER PLAN							
		STUDY	1994	SL 5	35,164.38	0.00	35,164.38		
		STUDY	1995	SL 4	10,124.49	0.00	10,124.49		
		STUDY	1996	SL 4	26,200.00	0.00	26,200.00		
		STUDY	1997	SL 4	15,000.00	0.00	15,000.00		
		STUDY	1998	SL 4	33,415.84	0.00	33,415.84		
		STUDY	1999	SL 4	83,184.86	0.00	83,184.86		
		STUDY	2000	SL 4	17,488.78	0.00	17,488.78		
		TOTAL			220,578.35	-	220,578.36		
		AUTOMATED METER SYSTEM							
		1997 METERS/SOFTWARE	1997	SL 50	113,141.58	2,262.83	19,234.07	2,262.83	21,496.90
		1998 AMR METERS	1998	SL 50	965,856.99	19,317.14	144,878.55	19,317.14	164,195.69
		999 AMR METERS	1999	SL 50	584,110.69	11,682.21	75,934.39	11,682.21	87,616.60
		TOTAL			1,663,109.27	33,262.19	240,047.01	33,262.19	273,309.19
		TOTAL DEPRECIATION			79,918,639.06	1,459,417.00	12,906,572.89	1,576,337.99	14,482,910.88

NOTE 4 – UTILITY PLANT IN SERVICE

All property, plant and equipment including infrastructure assets are recorded at cost and depreciated over their estimated useful lives, using the straight-line method as detailed in Note 1. Repair and maintenance charges, which do not increase the useful lives of the assets, are charged to income as incurred. Interest incurred on construction funding during the period of construction is capitalized and is added to the item under construction rather than charged to expense as incurred.

Asset Type	2005	Additions	Retirements	2006
Land	\$ 256,633	\$ -	\$ -	\$ 256,633
Transmission lines	66,853,608	7,940,475	-	74,794,083
Automated meter system	1,663,110	-	-	1,663,110
Buildings	1,737,475	40,761	-	1,778,236
Machinery and equipment	952,433	152,330	47,980	1,056,783
Furniture and fixtures	148,252	964	-	149,216
Rate study	220,578	-	-	220,578
Construction in progress	-	1,124,528	1,122,278	2,250
Subtotal	71,832,089	9,259,058	(1,170,258)	79,920,889
Accumulated depreciation	(12,954,553)	(1,576,338)	47,980	(14,482,911)
Fixed Assets, net	\$ 58,877,536	\$ 7,682,720	\$ (1,122,278)	\$ 65,437,978

Louisville Water Company

Winslow, Kim

From: Amber Halloran [ahalloran@lwc.ky.com]
Sent: Thursday, September 27, 2007 9:46 AM
To: Winslow, Kim
Subject: RE: Here is the correct copy....I didn't have the lffe on the one just sent.

We expense it.

Amber Halloran

Controller

Louisville Water Company

550 South Third Street

Louisville, Kentucky 40202

502-569-3683 phone

502-569-0815 fax

-----Original Message-----

From: Winslow, Kim [mailto:Winslowk@bv.com]
Sent: Thursday, September 27, 2007 10:17 AM
To: Amber Halloran
Subject: RE: Here is the correct copy....I didn't have the lffe on the one just sent.

Amber,

We are firming up our response to the Commission's order and have one additional question of LWC. How does LWC account for salvage/cost of removal? Do you capitalize it or expense it?

I appreciate your help.

Kim

From: Naumann, David F.

Sent: Wednesday, August 29, 2007 10:24 AM

To: Winslow, Kim

Subject: FW: Here is the correct copy....I didn't have the lffe on the one just sent.

Here you go Kim.

From: Amber Halloran [mailto:ahalloran@lwcky.com]

Sent: Tuesday, August 28, 2007 4:11 PM

To: Naumann, David F.

Subject: FW: Here is the correct copy....I didn't have the lfile on the one just sent.

Dave here is information. Hope this helps.

Amber Halloran

Controller

Louisville Water Company

550 South Third Street

Louisville, Kentucky 40202

502-569-3683 phone

502-569-0815 fax

-----Original Message-----

From: Laura Amshoff

Sent: Tuesday, August 28, 2007 1:27 PM

To: Amber Halloran

Subject: Here is the correct copy....I didn't have the lfile on the one just sent.

From: Amber Halloran [ahalloran@lwcky.com]
Sent: Thursday, August 16, 2007 10:42 AM
To: Naumann, David F.
Cc: Winslow, Kim
Subject: RE: Depreciation discussion

Sorry for the delayed response. I am out of town.

I'd be happy to talk to you and Kim. I'll be back tomorrow afternoon and will be in all next week.

Amber Halloran

Controller

Louisville Water Company

550 South Third Street

Louisville, Kentucky 40202

502-569-3683 phone

502-569-0815 fax

-----Original Message-----

From: Naumann, David F. [mailto:NaumannDF@bv.com]
Sent: Thursday, August 09, 2007 6:26 PM
To: Amber Halloran
Cc: Winslow, Kim
Subject: Depreciation discussion

Amber,

An associate of mine (Kim Winslow) has been working with Northern Kentucky Water District in a project to review NKWD's depreciation practices. The PUC has issued a request that they (the project team) get more familiar with the depreciation practices currently used by some Kentucky neighbors. I think this stems from a concern that benchmarks being used in the study are reasonable. Among others, LWC was recommended as a utility to talk to.

We looked at your annual report, and saw the depreciation rates listed by asset type. Kim has questions that go just a little deeper than this - specifically targeted to understand how LWC depreciates assets at the NARUC account level.

I don't think a conversation on this topic would take any longer than 30-60 minutes. Would you be willing to participate in an informal conference call with Kim (and myself) to address some depreciation questions? If yes, I'll work with you and Kim to get something coordinated. If you have any questions, please call me to discuss.

And Kim, if I've misstated anything, feel free to correct me.

Thanks,

Please note that the information and attachments in this email are intended for the exclusive use of the addressee and may contain confidential or privileged information. If you are not the intended recipient, please do not forward, copy or print the message or its attachments. Notify me at the above address, and delete this message and any attachments. Thank you.

Dave Naumann
Senior Consultant
Black & Veatch Corporation
11401 Lamar Ave. Overland Park, KS 66211 USA
Tel: (913) 458-3432
naumanndf@bv.com
Building a World of Difference®

Utility Plant in Service									
YTD 2007									
	Account Number	Life Years	December 2006 GL	Additions FA	Adjustments FA	Retirements FA	Misc Adj GL	7/1/2007 Balance FA	39,264.00 GL
Land & Land Rights	3030	1	7,179,621.28	1,033.58	0.00	0.00	0.00	7,180,654.86	7,180,654.86
Structures & Improvements	3040	40	81,861,766.74	1,398,892.16	2,045,747.91	(48,775.00)	0.00	85,257,631.81	85,257,631.81
Riverbank Infiltration Well	3080	25	5,085,242.50	0.00	0.00	0.00	0.00	5,085,242.50	5,085,242.50
Supply Mains	3090	75	2,628,313.41	0.00	0.00	0.00	0.00	2,628,313.41	2,628,313.41
Pumping Equipment	3110	25	17,632,502.39	0.00	0.00	0.00	0.00	17,632,502.39	17,632,502.39
Water Treatment Equipment	3200	25	69,517,976.96	0.00	0.00	0.00	0.00	69,517,976.96	69,517,976.96
Distribution Reservoirs & Standpipes	3305	25	15,435,937.34	0.00	0.00	0.00	0.00	17,202,263.19	17,202,263.19
Transmission Mains	3315	65-100	281,183,264.39	10,083,885.88	(1,924,659.49)	(1,057,822.53)	0.00	288,284,668.25	288,284,668.25
Distribution Mains	3325	65	235,693,073.55	8,467,020.91	(153,191.86)	(501,019.29)	0.00	243,505,883.31	243,505,883.31
Services	3335	40	83,738,141.86	3,197,305.33	44,125.45	(128,454.24)	0.00	86,851,118.40	86,851,118.40
Water Meters	3345	15	12,456,662.33	539,700.99	(33,960.65)	(141,440.79)	(500.00)	12,820,361.88	12,820,361.88
Meter Installations	3355	40	34,374,354.88	1,621,681.72	24,704.21	(281,952.67)	0.00	35,738,788.14	35,738,788.14
Hydrants	3365	50	40,612,848.09	2,001,052.19	9.21	(243,674.34)	0.00	42,570,335.15	42,570,335.15
Fire Services	3375	40	17,246,340.69	404,939.55	2,759.44	(9,548.43)	0.00	17,644,491.25	17,644,491.25
Miscellaneous Intangible Plant	3390	5	3,386,832.70	182,980.86	50,490.26	0.00	0.00	3,620,303.82	3,620,303.82
Other Plant & Misc Equipment	3395	20	2,488,497.96	0.00	37,710.65	0.00	500.00	2,526,708.61	2,526,708.61
Office Furniture & Equipment	3400	20	3,208,694.76	0.00	0.00	(5,268.12)	0.00	3,203,426.64	3,203,426.64
IT Equipment	3410	3	26,323,516.11	344,653.75	0.00	0.00	0.00	26,668,169.86	26,668,169.86
Transportation Equipment	3415	5	10,781,019.70	83,446.06	5,087.00	0.00	0.00	10,869,552.76	10,869,552.76
Tools, Shop & Garage Equipment	3430	10	955,369.05	59,423.70	0.00	0.00	0.00	1,014,792.75	1,014,792.75
Laboratory Equipment	3440	10	1,439,144.10	13,750.00	(5,500.00)	0.00	0.00	1,457,144.10	1,457,144.10
Power Operated Equipment	3455	10	1,500,860.95	18,000.00	0.00	0.00	0.00	1,500,860.95	1,500,860.95
Communication Equipment	3465	5	1,239,997.06	0.00	0.00	0.00	0.00	1,258,630.75	1,258,630.75
Miscellaneous Equipment	3475	10	957,111,018.77	18,633.69	93,322.13	(2,417,855.41)	0.00	984,989,211.71	984,989,211.71
Total Assets			957,111,018.77	30,202,726.22	93,322.13	(2,417,855.41)	0.00	984,989,211.71	984,989,211.71
Asset Clearing (3999)			(314,893.47)	1,430,203.89		(1,116,310.42)		984,989,211.71	984,989,211.71
Total Utility Plant in Service			956,796,125.30	31,632,930.11	93,322.13	(3,533,165.83)	0.00	976,826,099.29	976,826,099.29
Utility Plant Acquisition Adjustments (11)	1140		(982,457.56)		0.00		0.00	(982,457.56)	(982,457.56)
			948,634,046.46	31,631,896.53	93,322.13	(3,533,165.83)	0.00	976,826,099.29	976,826,099.29
Land			7,179,621.28	1,033.58	0.00	0.00	0.00	7,180,654.86	7,180,654.86
Buildings			81,861,766.74	1,398,892.16	2,045,747.91	(48,775.00)	0.00	85,257,631.81	85,257,631.81
Machinery/Equipment			46,389,741.70	537,907.20	(413.00)	(6,268.12)	0.00	46,921,967.78	46,921,967.78
Infro			820,382,538.02	29,695,097.17	(1,952,012.78)	(3,479,122.71)	0.00	844,646,499.70	844,646,499.70
Total			948,634,046.46	31,631,896.53	93,322.13	(3,533,165.83)	0.00	976,826,099.29	976,826,099.29

Hardin County Water District No. 1

From: Jenny Huff [jhuff@hcwd.com]
Sent: Wednesday, September 26, 2007 12:54 PM
To: Winslow, Kim
Cc: Jim Bruce
Subject: FW: Depreciation Info

Attachments: Dep Q&A Case 2006-00410.PDF; 2007Water depreciation schedule.xls



Dep Q&A Case 2007Water
006-00410.PDF (1.4 MB)
Hello Kim,

Jim Bruce, our General Manager, asked that I forward the explanation for our method of depreciation, as I stated in our recent rate case. I have also attached our current Water Depreciation Schedule, which I update each month, & use to prepare my monthly adjust to depreciation expense. You should find the schedule fairly straightforward, except for the "partial" disposals.

Previously, on certain items, an asset was listed as one item, but may actually consist of a group of assets, some with shorter lives. The best example of that is the construction of our service center. It is listed as asset #16, under Structures & Improvements. Although we capitalized the total cost of the service center's construction, some of the components are not expected to last 40 years, as the building should. When we replaced flooring & heat pumps, the items still had a significant residual value, since they were part of that asset #16. Therefore, we recognized a loss on that portion of the disposal, & set up the replacement components at a more realistic life.

Ideally, each item should be depreciated over a reasonable life, as guided by NARUC, but when situations like this occur, I have to make a judgment call – should the cost of replacing the failed components be considered maintenance & immediately expensed, or is the replacement an improvement that significantly extends the life of the asset from what was originally expected, or do I need to segregate the component from what the asset? The items that you see subtracted on the schedule are the things that I have decided to segregate. After the year is ended, I simply remove the items that were subtracted, since they no longer affect current depreciation.

If you have any questions about what I have done, or if I can help in any way, please give me a call or send me an email.

Sincerely,

Jenny

Jenny Huff

Accountant

Hardin County Water District No. 1
Phone: (270)352-4280 ext. 207
Fax: (270)352-3055

14. Refer to the Application, Exhibit 14. State the process and procedures used to determine the estimated useful lives of all asset categories included therein.

ANSWER 14:

NARUC defines depreciation as the loss in service value, not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant assets in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of public authorities. NARUC also recommends a range for the average service life of each category of assets, but states that a water utility may not have sufficient retirement experience or sufficient records of asset retirements to estimate the service life of an asset or a group of assets. In such cases, service life may be adjusted by as more information becomes available, or as future conditions change.

The District uses the straight line method for depreciation of all of our assets, and no salvage value. We use historical data and retirement experience to adjust the lives of each category of assets to a term that is within the NARUC guidelines, but gives a fair representation of the value of our assets on the balance sheet, while allocating the cost of asset replacement to customers as a cost of providing their service.

While extenuating circumstances may adjust the deterioration or obsolescence of assets, the current lives that we have for our assets are as follows:

Structures - 40 years
Wells - 50 years
Supply Mains - 40 years
Pumping Stations - 40 years
Water Treatment Equipment - 20 years
Distribution, Reservoirs, & Standpipes - 50 years
Transmission Mains - 50 years
Service Lines & Meter Installations - 30 years
Hydrants - 40 years
Tools & Pumps - 10 years
Office Furniture - 20 years
Software - 5 years
Office Equipment - 10 years
Transportation Equipment - 7 years
Power Operated Equipment - 7 years
Laboratory Equipment - 15 years

Ms. Jenny Huff, Accountant, HCWD1

WITNESS:

15. Refer to the Application, Exhibit 14, pages 10 and 11. For each entry to Transmission and Distribution Mains that is depreciated over and estimated useful life other than 50 years, explain how the estimated useful life was chosen, why it is shorter than the lives of the other mains, and state why the life is appropriate.

ANSWER 15:

(First paragraph response to Answer 14 applies to 15 also). The recommended NARUC life range for transmission and distribution mains are 50 - 75 years, and the recommended life range for services and meter installations are 30 - 50 years. The initial mains and service lines that Hardin County District No. 1 acquired in the 1970's and 1980's were estimated to have a useful life of 50 and 40 years, respectively. Some improvements and extensions, such as the valves and pipes that were added in 1989, 1990, 1992, 2001, 2003, and 2004, were not expected to last longer than the original line, but they were improvements to enhance the initial installation.

The conditions of certain areas, such as Illinois Rd., University Dr., Jim Dandy Est., Wingard, Richard Nail Rd., Clearwell, Meadowlake, Notting Hill, Hunter Ridge, Lincoln Trail, Logsdon, Mill Pond, Rolling Hills, Trappers Ridge, and Voyagers Village, installed in 2001 & 2004, reduced the life of the mains. These were near industrial areas, and the chemical content of the soil, and the rolling, rocky landscape, were increasing the deterioration of the pipes and the corrosion of the valves.

WITNESS: Ms. Jenny Huff, Accountant, HCWD1

16. Refer to the Application, Exhibit 14, page 13. Explain why the estimated useful lives of hydrants is 40 years for those placed into service during the test year but 50 years for all previously installed hydrants.

ANSWER 16:

(First paragraph response to Answer 14 applies to 16 also). The recommended life range for hydrants is 40 – 60 years. The initial hydrants that Hardin County District No. 1 acquired in the 1970's and 1980's were estimated to have a useful life of 50 years. As we realized that the hydrants were deteriorating faster than expected, the life expectancy was changed to 40 years, when we added new hydrants in 2005.

WITNESS: Ms. Jenny Huff, Accountant, HCWD1

- a. Identify all assets listed that have been allocated pursuant to item (e), Depreciation of Fixed Assets, as stated on page 6 of item 2 filed in response to the Commission Staffs First Information Request.

b. For each asset listed response to Item (a) above, provide the method and basis for allocation.

c. Confirm that all assets listed on these pages not identified in response to Item (a) above are used for the sole purpose of furnishing water in Hardin's water customers and are not used for Hardin's processing of waste water or storm water.

ANSWER 17: a) A 2004 Jeep Laredo vehicle, used by Operations Manager Brett Pyles, and the Operation Manger's office furniture, were allocated to the Sewer Operations and deducted from the Water Operations, based on their usage. The Sewer Fund actually reimbursed the Water Fund for 25% of the cost of these two purchases in 2005.

- b) Based on the ratio of the number of hours spent on sewer related activities versus water related activities, Brett Pyles, the Operations Manager for Hardin County District No. 1, was 25% allocated to the Fort Knox Sewer Operations. Therefore, the cost of the assets that were used by the Operations Manager, were also allocated to the Sewer Department, at the same 25% rate.
- c) The District confirms that the above listed shared assets are allocated properly to each utility, and all assets that have been purchased in 2005 and 2006, solely for the use by one utility, have only been shown on the appropriate utility's depreciation schedule, and the annual depreciation charged accordingly.

WITNESS: Ms. Jenny Huff, Accountant, HCWDI

	Description	Date Acquired	Org Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly	YTD Depreciator	Current Accumulated Depreciation	Asset #	Basis	
303	Land & Land Rights											
	Land Office Lot	9/1/85	43,334.00	0	-	-	-	-	-	-	-	
	Land Standpipe Site	9/1/85	1,974.00	0	-	-	-	-	-	-	-	
	Land Water Source	9/1/85	11,725.00	0	-	-	-	-	-	-	-	
	Land Watershed	9/1/85	50,535.00	0	-	-	-	-	-	-	-	
	Prtle Spring	8/31/86	16,250.00	0	-	-	-	-	-	-	-	
	Prtle Springs	1/1/89	54,435.00	0	-	-	-	-	-	-	-	
	10 Acres - Service Center	10/31/93	80,084.88	0	-	-	-	-	-	-	-	
	Property held for Future	9/1/87	7,684.67	0	-	-	-	-	-	-	-	
			266,022.55	F-1								
	304	Structures & Improvements										
		Improvements	9/1/85	900.00	33	27.27	594.33	2.27	18.18	612.51	1	287.49
Equipment		9/1/85	3,064.00	50	61.28	1,348.16	5.11	40.85	1,389.01	2	1,674.99	
Purification Bldg		9/1/86	808.00	50	16.16	339.36	1.35	10.77	350.13	3	457.87	
Purification		1/1/89	40,000.00	50	800.00	14,400.00	66.67	533.33	14,933.33	4	25,066.67	
Vinyl Siding		1/1/89	322,466.00	50	6,449.32	116,087.76	537.44	4,299.55	120,387.31	5	202,078.69	
Int Cap		1/1/92	3,959.00	50	79.18	1,187.70	6.60	52.79	1,240.49	6	2,718.51	
Chemical Building		4/1/92	886.00	50	13.72	205.80	1.14	9.15	214.95	7	471.05	
Transformer		11/15/93	15,778.00	50	315.56	4,733.40	26.30	210.37	4,943.77	8	10,834.23	
Heartland Industries		1/1/94	803.00	50	16.06	224.84	1.34	10.71	235.55	9	567.45	
Lighting Arrestors		1/1/94	1,299.00	50	25.98	337.74	2.17	17.32	355.06	10	943.94	
Roof-Prtle		1/1/94	1,776.00	50	35.52	461.76	2.96	23.68	485.44	11	1,290.56	
Audit Adjustment 2002		6/30/95	1,770.00	50	35.40	424.80	2.95	23.60	448.40	12	1,321.60	
Equipment Building - 3 Bay		9/30/98	11,998.00	20	599.90	5,399.10	49.99	399.93	5,799.03	13	6,198.97	
Service Center		12/3/102	650.00	20	32.50	162.50	2.71	21.67	184.17	14	465.83	
Capitalized Interest		10/31/97	166,266.02	40	4,156.63	12,489.88	346.39	2,771.08	15,240.96	15	151,024.06	
Steel Tank Painting		12/1/05	1,374,120.84	40	34,353.02	343,530.21	2,862.75	22,902.01	366,432.22	16	1,007,688.62	
Test		12/1/06	11,296.14	40	282.40	282.40	23.53	188.27	470.67	17	10,825.47	
Gold Removes		1/1/90	218,582.04	11	20,492.04	20,492.04	1,707.67	13,661.36	34,153.41	489	184,429.07	
Metrol Tech Lin		12/31/06	82,186.74	5	17,304.58	-	1,442.05	11,536.38	11,536.38	490	70,660.36	
KBC Toolply		1/1/90	1,901.00	10	-	1,901.00	-	-	1,901.00	411	-	
G&C Supply		1/1/90	755.00	10	-	755.00	-	-	755.00	412	-	
Prtle Well		8/31/92	1,950.00	10	-	1,950.00	-	-	1,950.00	479	-	
Office Buildings		1/1/93	1,055.00	10	-	1,055.00	-	-	1,055.00	480	-	
Office Improvement		1/1/93	1,666.00	10	-	1,666.00	-	-	1,666.00	415	-	
Improvements		1/1/94	2,008.06	10	-	2,008.06	-	-	2,008.06	416	-	
Air Temp		1/1/65	42,449.00	10	848.98	35,657.16	70.75	565.99	36,223.15	417	6,225.85	
Improvements		9/1/87	7,900.00	50	158.00	3,160.00	13.17	105.33	4,634.67	481	4,634.67	
Drive Thru Improve		1/1/89	6,099.00	50	121.98	2,195.64	10.17	81.32	2,276.96	419	3,822.04	
Flagpole		1/1/93	1,675.00	50	33.50	469.00	2.79	22.33	491.33	420	1,183.67	
Heat Detectors		1/1/94	836.70	50	16.73	217.54	1.39	11.16	228.70	421	608.00	
Road & Parking Area		6/30/00	302.79	50	6.06	42.39	0.50	4.04	46.43	422	256.36	
Meister Shop Air Conditioner		12/31/00	1,501.65	50	30.03	210.23	2.50	20.02	230.25	423	1,271.40	
Road Improvements	3/27/01	1,243.31	50	24.87	149.20	2.07	16.58	165.78	424	1,077.53		
New Concrete Prtle Lot	5/1/75	49,796.57	50	-	49,796.57	-	-	49,796.57	425	-		
Meister Shop doors	9/1/87	1,200.00	25	48.00	960.00	4.00	32.00	992.00	426	208.00		
Upgrade Scada HMI Software	7/13/00	15,022.51	25	600.90	4,206.30	50.08	400.60	4,606.90	427	10,415.61		
Re-do Restroom floors	4/29/03	3,253.13	25	81.33	325.31	6.78	54.22	379.53	428	2,873.60		
Server Stwr, Lap top & PCs	12/30/04	16,020.96	40	1,602.10	4,806.29	133.51	1,068.06	5,874.35	429	10,146.61		
Meister Shop Air Conditioner	7/31/04	8,493.15	10	1,698.63	5,095.89	141.55	1,132.42	6,228.31	430	2,264.84		
	7/29/04	2,401.45	5	240.15	720.44	20.01	160.10	880.54	431	1,520.91		
	11/23/04	1,475.00	10	295.00	885.00	24.58	196.67	1,081.67	432	393.33		

	Description	Acquired Date	Orig Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly	YTD Depreciator	Current Accumulated Depreciation	Asset #	Basis
307 1830700	Disposed 3 Heat Pumps Disposed 40% of carpet & tile	10/31/97 10/31/97	(29,111.00) (4,809.67)	40 40		(6,913.61) (1,202.56)	(60.65) (10.02)	(303.24) (40.08)	(7,216.85) (1,242.44)	16	(21,894.15) (3,567.23)
	Ice Blockers for Service Center	11/30/04	1,645.70	5	164.57	493.71	13.71	109.71	603.42	433	1,042.28
	Door Openers - Svc Center	12/15/05	484.39	10	-	48.44	4.04	32.29	80.73	434	403.66
	Doors, Springs & Shafts	8/5/06	3,931.00	10	393.10	163.79	32.76	262.07	425.86	437	3,505.14
	3 Heat Pumps in Service Cent	3/31/07	14,600.00	10	1,460.00	-	121.67	608.33	608.33		13,991.67
	Carpet & Ceramic tile-40% Svc	5/1/07	18,033.67	20	901.68	-	75.14	300.56	300.56		17,733.11
	Wells & Springs										
	Well Supply	9/1/85	9,237.00	50	184.74	4,064.28	15.40	123.16	4,187.44	18	5,049.56
	Well Field West Pt	8/31/88	247,956.00	33	7,513.82	141,423.45	626.15	5,009.21	146,432.66	19	101,523.34
	Prtle Well	1/1/89	167,000.00	50	3,340.00	60,120.00	278.33	2,226.67	62,346.67	20	104,653.33
Muldraugh Well	1/1/89	160,000.00	50	3,200.00	57,600.00	266.67	2,133.33	59,733.33	21	100,266.67	
Equipment	1/1/5/89	781.00	50	15.62	281.16	1.30	10.41	291.57	22	489.43	
Test Well	1/1/90	6,680.00	50	133.60	2,271.20	11.13	89.07	2,360.27	23	4,319.73	
Test Well Gray Ln	1/1/90	8,185.00	50	163.70	2,782.90	13.64	109.13	2,892.03	23	5,292.97	
Installation	1/1/90	12,375.00	50	247.50	4,207.50	20.63	165.00	4,372.50	23	8,002.50	
Gray Lane Well	1/1/92	85,293.00	50	1,705.86	26,587.90	142.16	1,137.24	26,725.14	24	58,567.86	
Int Cap	1/1/92	3,722.00	50	74.44	1,116.60	6.20	49.63	1,166.23	24	2,555.77	
Pump Well #5	8/14/92	8,783.00	50	175.66	2,634.90	14.64	117.11	2,752.01	25	6,030.99	
Well Motor	1/1/94	1,790.00	50	35.80	465.40	2.98	23.87	489.27	26	1,300.73	
A/P 1994	12/31/94	19,554.00	50	391.08	5,084.04	32.59	260.72	5,344.76	27	14,209.24	
West Point Well C/P 1995	6/15/95	44,233.61	33	1,340.41	15,938.96	111.70	893.61	16,832.57	28	27,401.04	
C/P - Streamflow Study Project	6/15/03	19,845.00	5	3,969.00	15,876.00	330.75	2,646.00	18,522.00	29	1,323.00	
C/P - Streamflow Study Project	6/15/03	2,911.28	5	582.26	2,329.02	48.52	388.17	2,717.19	29	194.09	
Prtle Re-build Raw Building (C	8/15/05	66,738.34	50	445.00	1,779.77	11.23	89.84	2,669.61	30	64,068.73	
Supply Mains											
Water Sys Imp C/P	1/1/89	119,369.00	40	2,984.23	53,716.05	248.69	1,989.48	55,705.53	31	53,716.06	
Valves	1/1/90	2,868.00	50	57.36	975.12	4.78	38.24	1,013.36	32	975.12	
Cont 2 Capital Int	1/1/92	36,608.00	33	1,109.33	16,488.23	92.44	739.56	17,225.79	33	16,486.24	
Cont 2 Water Main	3/13/92	791,708.00	33	23,991.15	356,541.77	1,999.26	15,994.10	372,535.87	33	356,541.77	
Cont 2 Water Main	1/1/93	88,721.76	50	1,774.44	24,842.09	147.87	1,182.96	26,025.05	496	24,842.10	
Capitalized Intere	11/15/93	26,123.00	50	522.46	7,314.44	43.54	348.31	7,662.75	496	7,314.44	
Meiter Manhole	1/19/00	712.00	50	14.24	242.08	1.19	9.49	251.57	34	242.08	
Audit Adjustment 2003	12/31/02	460.97	20	23.05	115.24	1.92	15.37	130.61	35	115.24	
Pipe	9/1/87	2,530.00	40	63.25	1,265.00	5.27	42.17	1,307.17	36	1,265.00	
Capitalized Intere	9/1/87	2,778.00	40	69.45	1,389.00	5.79	46.30	1,435.30	36	1,389.00	
Gate Valves	12/31/87	1,160.00	40	29.00	580.00	2.42	19.33	599.33	37	580.00	
Pumping Station	12/31/87	8,025.00	40	200.63	4,012.50	16.72	133.75	4,146.25	38	4,012.50	
T. Knox Line	1/31/88	1,020.00	40	25.50	484.50	2.13	17.00	501.50	39	484.50	
Pipe	1/31/88	1,025.00	40	25.63	486.88	2.14	17.08	503.96	39	486.88	
Booster Structure	1/31/88	1,138.00	40	28.45	540.55	2.37	18.97	559.52	39	540.55	
Pipe	2/23/88	6,540.00	40	163.50	3,106.50	13.63	109.00	3,215.50	40	3,106.50	
Pipe	2/23/88	3,015.00	40	75.36	1,432.13	6.28	50.25	1,482.38	40	1,432.13	
Pipe	2/23/88	2,595.00	40	64.88	1,232.63	5.41	43.25	1,275.88	40	1,232.63	
Pipe	2/23/88	940.00	40	23.50	446.50	1.96	15.67	462.17	40	446.50	
Booster Pump	2/24/88	3,499.00	40	87.48	1,662.03	7.29	58.32	1,720.35	40	1,662.03	
Turbo Meter	4/19/88	1,320.00	40	33.00	627.00	2.75	22.00	649.00	41	627.00	
Fort Knox Meter	1/1/01	547.97	33	16.61	132.84	1.38	11.07	143.91	42	132.85	
		1,102,703.70	F-1	31,382.48	477,631.08	2,615.21	20,921.66	498,552.74		477,631.12	

865,084.23 F-1

23,518.49

343,563.08

2,034.02

16,272.17

359,835.25

505,248.98

Description	Date Acquired	Orig Cost	Life YRS	Annual		Prior		Monthly	YTD Depreciator	Current Accumulated		Asset #	Basis
				Depreciation	Depreciation	Depreciation	Depreciation			Depreciation	Asset #		
Countryside WME	1/1/93	6,617.00	50	132.34	1,852.76	11.03	88.23	1,940.99	143	4,676.01			
Food Lion WMP	1/1/93	6,924.00	50	138.48	1,938.78	11.54	92.32	2,031.04	144	4,892.96			
Main Supply	1/1/93	4,483.00	50	89.66	1,255.24	7.47	59.77	1,315.01	145	3,167.99			
Capitalized Inter	1/1/93	60,682.00	50	1,213.64	16,990.96	101.14	809.09	17,800.05	145	42,881.95			
Cont A Booster	1/1/93	217,448.00	50	4,348.96	60,885.44	382.41	2,899.31	63,784.75	146	153,663.25			
Capitalized Payroll	1/1/93	4,699.00	50	93.98	1,315.72	7.83	62.65	1,378.37	146	3,320.63			
Small Item<100	1/1/93	6,697.00	50	133.94	1,875.16	11.16	89.29	1,964.45	146	4,732.55			
Labor Phillips WME	1/1/94	4,849.00	50	96.98	1,260.74	8.08	64.65	1,325.39	147	3,523.61			
Heads & Distribution	1/1/94	5,293.00	50	105.86	1,376.18	8.82	70.57	1,446.75	147	3,846.25			
Heatherfield Mat	1/1/94	10,840.00	50	216.80	2,818.40	18.07	144.53	2,962.93	148	7,877.07			
Rolling Hills Mate	1/1/84	11,599.00	50	231.98	3,015.74	19.33	154.65	3,170.39	149	8,428.61			
Easement Settlement	6/1/95	17,700.00	50	354.00	4,248.00	29.50	236.00	4,484.00	150	13,216.00			
T&D Mains	6/30/95	20,377.00	50	407.54	4,890.48	33.96	271.69	5,162.17	151	15,214.83			
Contributed Capital	6/30/95	20,377.00	50	407.54	4,890.48	33.96	271.69	5,162.17	151	15,214.83			
1995 FINISHED CIP	12/31/95	17,934.00	50	358.68	4,304.16	29.89	239.12	4,543.28	151	13,390.72			
MEADE CO. EXTENSION	11/30/96	23,427.27	50	468.55	5,622.54	39.05	312.36	5,934.90	152	17,492.37			
Rolling Hills Extension	11/30/96	27,212.35	50	544.25	6,586.72	45.35	362.83	6,949.55	153	20,862.80			
CIP Work Order 014	11/30/96	27,509.29	50	550.19	6,652.05	45.85	366.79	6,418.84	154	21,090.45			
Wood Lane	12/31/96	39,231.72	50	784.63	8,630.98	65.39	523.09	9,154.07	155	30,077.65			
Wood Lane	7/31/97	3,244.33	50	784.63	8,630.98	65.39	523.09	9,154.07	155	30,077.65			
Credit on WME #9702	7/31/97	2,000.00	50	40.00	400.00	3.33	26.67	692.13	156	2,552.20			
Squaw Valley	12/31/97	2,000.00	50	40.00	400.00	3.33	26.67	692.13	156	2,552.20			
Main	12/31/97	6,338.00	50	126.76	1,267.60	10.56	84.51	1,352.11	157	4,985.89			
W.M. Dito Lane	12/31/97	15,163.00	50	303.26	3,032.60	25.27	202.17	3,234.77	157	11,928.23			
Rainbow Village	12/31/97	19,640.00	50	392.80	3,928.00	32.73	261.87	4,189.87	158	15,450.13			
Hill Top Sect 7 #024	12/31/97	9,094.00	50	181.88	1,818.80	15.16	121.25	1,940.05	159	7,153.95			
Hill Top Sect 7 #024	2/28/98	8,628.99	50	172.58	1,553.22	14.38	115.05	1,668.27	160	6,960.72			
Hill Top Terrace Sect 9	10/28/98	17,116.62	50	342.33	3,080.99	28.53	228.22	3,309.21	161	13,807.41			
WME 97.04	12/31/98	7,700.00	50	154.00	1,386.00	12.83	102.67	1,488.67	162	6,211.33			
Wiseman Engineering & Land	12/31/98	1,500.00	50	30.00	270.00	2.50	20.00	290.00	162	1,210.00			
WME 97.01	12/31/98	7,230.00	50	144.60	1,301.40	12.05	96.40	1,397.80	163	5,832.20			
Whispering Hills	12/31/98	110,237.35	50	2,204.75	19,842.73	163.73	1,459.83	21,312.56	164	88,924.79			
WME 97.03	12/31/98	27,150.00	50	543.00	4,887.00	45.25	362.00	5,249.00	165	21,901.00			
CIP Bondview Heights	1/31/98	6,095.39	50	121.91	1,097.17	10.16	81.27	1,178.44	166	4,916.95			
WME 9802	6/30/99	2,450.00	50	49.00	441.00	4.08	32.67	473.67	167	1,976.33			
WME County Expansion WO #	6/30/00	152,888.49	50	3,057.77	21,404.39	254.81	2,038.51	23,442.90	168	129,445.59			
Expansion 1/2 Revenue	6/30/00	13,828.72	50	276.57	1,936.02	23.05	184.38	2,120.40	169	11,708.32			
Challenger On Site	9/13/00	6,864.87	50	137.30	961.08	11.44	91.53	1,052.61	170	5,812.26			
Heatherfield CIP	5/3/00	22,018.33	50	440.37	3,082.57	36.70	293.58	3,376.15	171	18,642.18			
Whispering Hills CIP	5/3/00	21,886.74	50	437.73	3,064.15	36.48	291.82	3,356.97	172	18,530.77			
Meredith Road CIP	9/30/00	15,948.55	50	318.97	2,232.80	26.58	212.65	2,445.45	173	13,503.10			
Nighthawk CIP	11/30/00	8,091.27	50	161.83	1,132.78	13.49	107.88	1,240.66	174	6,850.61			
Illinois Road (Our Exp)	1/1/01	9,135.40	33	276.83	1,660.98	23.07	184.55	1,845.53	175	7,289.87			
University Dr. W/C #036	1/1/01	2,218.13	33	67.22	403.30	5.60	44.81	448.11	176	1,770.02			
Jim Dandy Est. WO#037	1/1/01	3,258.56	33	98.74	592.47	8.23	65.83	658.30	177	2,600.26			
Wingard	1/1/01	1,393.73	33	42.23	253.41	3.52	28.16	281.57	178	1,112.16			
Richard Nail Road	1/1/01	4,697.91	33	142.36	854.16	11.86	94.91	949.07	179	3,748.84			
Clearewell Project	1/1/01	304,612.63	33	9,230.69	55,384.12	769.22	6,153.79	61,537.91	180	243,074.72			
Relocation of line @ 86 & How	9/5/01	56,871.75	50	1,137.44	6,824.62	94.79	758.29	7,582.91	181	49,288.84			
Water Main Extensions	12/31/03	95,960.55	33	2,907.90	11,631.59	242.32	1,938.60	13,570.19	182	82,390.36			
Water Main Extensions	12/31/04	342,091.99	33	10,366.42	31,099.27	863.87	6,910.95	38,010.22	183	304,081.77			
920/86 County Expansion Proj	8/9/04	3,898,507.07	50	77,970.14	233,910.42	6,497.51	51,980.09	285,890.51	184	3,612,616.56			
Main Extensions - (Contrib Cap)	12/1/05	406,987.00	50	8,187.74	8,817.74	678.31	5,426.49	14,244.23	185	392,742.77			
3.1.2 Miles 6 Inch Mains (NSCF	12/1/05	2,117,457.00	50	3,529.00	45,878.14	3,529.10	28,232.76	74,110.90	186	2,043,346.10			
5.3 Miles 8 Inch Mains (NSCF	12/1/05	558,878.00	50	931.00	12,108.56	931.46	7,451.71	19,560.27	187	539,317.73			
1.8 Miles 12 Inch Mains (NSCF	12/1/05	306,092.00	50	513.00	6,674.84	513.49	4,107.89	10,782.73	188	297,309.27			
Capitalized Interest	12/1/05	51,675.00	50	1,033.50	1,033.50	86.13	689.00	1,722.50	188	49,952.50			
Hilltop Sec 10	1/1/06	1,135.95	50	22.72	22.72	1.89	15.15	37.87	436	1,098.08			
Whispering Hills Sec 15	1/1/06	15,672.65	50	311.45	311.45	25.95	207.64	519.09	443	15,053.56			
Lexavilla Water Main Extension	1/1/06	18,093.95	50	361.88	361.88	30.16	241.25	603.13	442	17,490.82			
Hunter's Ridge II Water Main E	2/1/06	27,808.29	50	556.17	509.82	46.35	370.78	880.60	462	26,927.69			
Shelton Woods I Water Main E	2/1/06	67,739.91	50	1,354.80	1,241.90	112.90	903.20	1,935.92	463	65,594.81			
Tuscany Place Water Main Ext	5/1/06	72,597.20	50	1,451.94	967.96	121.00	967.96	1,935.92	464	70,661.28			
Nothing Hills III Water Main Ext	6/1/06	35,695.56	50	713.91	416.45	59.49	475.94	892.39	465	34,803.17			

Date	Description	Acquired	Org Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly YTD Depreciator	Current Accumulated Depreciation	Asset #	Basis
9/1/06	Falcon Hq's Water Main Exter	9/1/06	85,435.05	50	1,708.70	569.57	142.39	1,139.13	466	83,726.35
9/1/06	Woods @ Aitcher Water Main I	9/1/06	55,431.89	50	1,108.64	369.55	92.39	739.09	467	54,323.25
11/1/06	Nails Lane Water Main Replac	11/1/06	126,899.43	50	2,537.99	423.00	211.50	1,691.99	468	124,784.44
12/1/06	New Salem Church Road Wat	12/1/06	221,939.80	50	4,438.80	369.90	369.90	2,959.20	469	218,610.70
12/1/06	Meadowlake Water Main Exter	12/1/06	10,077.49	50	201.55	16.80	16.80	134.37	470	9,926.32
2/27/07	200 Millpond Drive Water Main	2/27/07	21,895.00	50	437.90	36.49	36.49	218.95	483	21,676.05
4/1/07	Lincoln Trail Behavior Rehab N	4/1/07	26,425.66	50	528.51	44.04	44.04	220.21		26,205.45
4/1/07	Nails Lane modification	4/1/07	1,500.00	50	30.00	2.50	2.50	12.50		1,487.50
			14,720,931.83	F-1	250,712.01	3,195,285.42	26,074.11	208,380.25		11,317,256.16

333

Service Lines & Connections

1833300	Service Lines	6/1/75	931,876.00	30	-	931,876.00	32.30	258.42	189	2,842.65
1833400	Service Lines	9/1/85	11,629.00	30	387.63	8,527.93	6.68	53.44	190	587.89
1833402	Service Lines	9/1/85	2,405.00	30	80.17	1,763.67	14.54	116.31	191	1,279.42
	Service Lines	9/17/85	5,234.00	30	174.47	3,838.27	49.89	13,171.40	191	4,390.47
	Payroll	9/30/85	17,961.00	30	598.70	13,171.40	17.91	4,870.31	192	1,575.69
	Service Lines	10/1/85	6,446.00	30	214.87	4,727.07	17.61	4,870.31	193	1,550.02
	Service Lines	11/1/85	6,341.00	30	211.37	4,650.07	11.70	3,182.40	194	1,029.60
	Service Lines	12/1/85	4,212.00	30	140.40	3,088.80	4.89	3,182.40	195	489.44
	Service Lines	1/13/86	1,762.00	30	58.73	1,233.40	17.93	1,272.56	196	1,792.78
	Service Lines	2/19/86	6,454.00	30	215.13	4,517.80	2.91	4,661.22	197	291.11
	Service Lines	3/31/86	1,048.00	30	34.93	733.60	20.36	1,628.7	198	2,035.83
	Service Lines	4/17/86	7,329.00	30	244.30	5,130.30	12.96	3,370.61	199	1,296.39
	Service Lines	5/15/86	4,667.00	30	155.57	3,266.90	28.06	103.71	200	2,806.39
	Service Lines	6/17/86	10,103.00	30	336.77	7,072.10	26.92	2,245.1	202	2,691.67
	Service Lines	7/1/86	6,893.00	30	229.77	4,825.10	19.15	4,978.28	201	1,914.72
	Service Lines	7/31/86	9,690.00	30	323.00	6,783.00	12.59	2,153.3	202	2,158.89
	Service Lines	9/1/86	4,532.00	30	151.07	3,172.40	29.64	100.71	203	1,258.89
	Service Lines	9/1/86	10,669.00	30	355.63	7,468.30	96.16	7,705.39	203	2,963.61
	Capitalized Labor	9/1/86	34,618.00	30	1,153.93	24,232.60	32.43	25,001.89	204	9,616.11
	Service Lines	10/1/86	11,675.00	30	389.17	8,172.50	6.61	8,431.94	204	3,243.06
	Installation Line	11/1/86	2,380.00	30	79.33	1,666.00	17.91	143.27	205	661.11
	Service Lines	12/1/86	6,447.00	30	214.90	4,512.90	18.77	150.13	206	1,790.83
	Service Lines	1/1/87	6,756.00	30	225.20	4,504.00	9.29	74.33	208	2,101.87
	Service Lines	3/1/87	3,345.00	30	111.50	2,230.00	14.53	116.24	209	1,040.67
	Service Lines	6/1/87	5,231.00	30	174.37	3,487.34	294.59	3,603.58	210	1,627.42
	Service Lines	8/1/87	106,051.00	30	3,535.03	70,700.66	2,356.69	73,057.35	211	32,993.65
	Meters	8/1/87	9,484.00	30	316.13	6,322.66	26.34	210.76	212	2,950.58
	Service Lines	8/1/87	2,938.00	33	89.03	1,772.76	7.42	6,533.42	212	1,105.89
	Service Lines	9/1/87	2,938.00	30	97.93	1,958.66	8.16	65.29	214	914.05
	Service Lines	9/1/87	4,825.00	30	160.83	3,216.67	13.40	107.22	214	1,501.11
	Meter Setters	9/1/87	3,501.00	30	116.70	2,334.00	9.73	77.80	215	1,089.20
	Equipment	9/1/87	5,987.00	30	199.57	3,991.34	16.63	133.04	216	1,862.62
	Capitalized Payroll	9/1/87	20,121.00	30	670.70	13,414.00	55.89	447.13	216	6,259.87
	Capitalized Payroll	9/1/87	7,590.00	30	253.00	5,060.00	21.08	168.67	216	2,361.33
	Setter & Saddles	11/1/87	8,555.00	30	285.17	5,703.34	23.76	190.11	217	2,661.55
	Service Lines	11/1/87	1,528.00	30	50.93	1,018.66	4.24	1,052.62	218	475.38
	Service Lines	11/1/87	1,106.00	30	36.87	737.34	3.07	24.58	219	344.08
	Meter Setters	11/1/87	3,120.00	30	104.00	2,080.00	8.67	69.33	220	970.67
	Service Lines	11/1/87	3,196.00	30	106.53	2,130.67	8.88	71.02	220	994.31
	Service Lines	11/1/87	2,210.00	30	73.67	1,473.33	6.14	49.11	220	687.56
	Service Lines	11/1/87	8,180.00	30	272.67	5,453.33	22.72	181.78	220	2,544.89
	Service Lines	11/1/87	748.00	30	24.93	498.67	2.08	16.62	220	232.71
	Meter Installation	9/1/87	2,665.00	30	88.83	1,778.66	7.40	59.22	225	829.12
	Meters	10/31/87	45,445.00	30	1,514.83	30,296.67	126.24	1,009.89	225	14,138.44
	Meters	10/31/87	1,909.00	30	63.63	1,272.66	5.30	42.42	226	593.92
	Meters	10/31/87	1,848.00	30	61.60	1,232.00	5.13	41.07	226	574.93
	Meter Installation	11/1/87	3,150.00	30	105.00	2,100.00	8.75	70.00	227	980.00
	Meters	12/15/87	1,557.00	30	51.90	1,038.00	4.33	34.60	228	484.40
	Meters	2/23/88	1,092.00	30	36.40	691.60	3.03	24.27	229	376.13
	Meters	2/23/88	2,280.00	30	76.00	1,444.00	6.33	50.67	229	785.33
	Meters	2/25/88	1,654.00	30	55.13	1,047.53	4.59	36.76	229	569.71

Scrapped 3/31/07

Description	Date Acquired	Orig Cost	Life YRS	Annual		Prior		Monthly	YTD Depreciator	Current Accumulated		Asset #	Basis
				Depreciation	Prior Depreciation	Monthly	Depreciation			Asset #	Basis		
Meters	3/3/88	1,017.00	30	33.90	64.10	2.83	22.60	666.70	230	350.30			
Meters	3/24/88	1,384.00	30	46.13	87.53	3.84	30.76	907.29	231	476.71			
Meters	3/29/88	2,458.00	30	81.93	1,556.73	6.83	54.62	1,611.35	232	846.65			
Meters	3/29/88	1,721.00	30	57.37	1,089.97	4.78	38.24	1,128.21	232	592.79			
Service Lines	4/1/88	5,069.00	30	168.97	3,210.37	14.08	112.64	3,323.01	221	1,745.99			
Meter Installation	5/9/88	1,111.00	30	37.03	703.63	3.09	24.69	728.32	233	382.68			
Meter Setters	6/1/88	3,160.00	30	105.33	2,001.33	8.78	70.22	2,071.55	222	1,088.45			
Meters	6/15/88	923.00	30	30.77	584.57	2.56	20.51	605.08	234	317.92			
Meters	10/28/88	3,398.00	30	113.27	2,152.07	9.44	75.51	2,227.58	235	1,170.42			
Meters	10/28/88	930.00	30	31.00	589.00	2.58	20.67	609.67	235	320.33			
Meters	1/1/89	12,896.00	30	429.87	7,737.60	35.82	286.56	8,024.18	236	4,871.82			
Labor	1/1/89	5,044.00	30	168.13	3,026.40	14.01	112.09	3,138.49	236	1,905.51			
Setters	1/1/89	91,865.00	30	3,062.17	55,119.00	255.18	2,041.44	57,160.44	223	34,704.56			
Labor	1/1/89	15,058.00	30	501.93	9,034.80	41.83	334.62	9,369.42	223	5,688.58			
Valves Rings Lids	1/1/90	13,482.00	30	449.40	7,639.80	37.45	299.60	7,939.40	224	5,542.60			
Meters	1/1/90	8,153.00	30	271.77	4,620.03	22.65	181.18	4,801.21	237	3,351.79			
Meters	1/1/90	2,537.00	30	84.57	1,437.63	7.05	56.38	1,494.01	237	1,042.99			
Capitalized Labor	1/1/90	2,264.00	30	75.47	1,282.93	6.29	50.31	1,333.24	237	930.76			
Meters	1/1/90	38,836.00	30	1,294.53	22,007.07	107.88	863.02	22,870.09	237	15,965.91			
Meters	1/1/90	41,778.00	30	1,392.60	23,674.20	116.05	928.40	24,602.60	237	17,175.40			
Meter Inv Change	1/1/90	4,173.00	30	139.10	2,364.70	11.59	92.73	2,457.43	237	1,715.57			
Meters	1/1/90	7,817.00	30	260.57	4,429.64	21.71	173.71	4,603.35	237	3,213.65			
Meters	1/1/92	3,393.00	30	113.10	1,696.50	9.43	75.40	1,771.90	238	1,621.10			
Labor	1/1/92	1,254.00	30	41.80	627.00	3.48	27.87	654.87	238	599.13			
Capitalized Labor	1/1/92	9,995.00	30	333.17	4,997.50	27.76	222.11	5,219.61	238	4,775.39			
Work Order 455	3/31/92	5,942.00	30	198.07	2,971.00	16.51	132.04	3,103.04	239	2,838.96			
Work Order 601	4/30/92	17,275.00	30	575.83	8,637.50	47.99	383.89	9,021.39	240	8,253.61			
Meter Lids & Rings	6/30/92	2,727.00	30	90.90	1,363.50	7.58	60.60	1,424.10	241	1,302.90			
1500 K-Cooper	8/31/92	2,234.00	30	74.47	1,117.00	6.21	49.64	1,166.64	242	1,067.36			
Service Lines	1/1/93	13,945.00	30	464.83	6,507.66	38.74	309.89	6,817.55	243	7,127.45			
Curbstop-Meadowlark	1/1/93	7,569.00	30	252.30	3,532.20	21.03	168.20	3,700.40	244	3,868.60			
Small Items<1000	1/1/93	7,148.00	30	238.27	3,335.74	19.86	158.84	3,494.58	244	3,653.42			
Capitalized Payroll	1/1/93	10,584.00	30	352.80	4,939.20	29.40	235.20	5,174.40	244	5,409.60			
Meters	1/1/93	1,619.00	30	53.97	755.52	4.50	35.98	791.50	245	827.50			
Meters	1/1/93	3,954.00	30	131.80	1,845.20	10.98	87.87	1,933.07	245	2,020.93			
Meter Installation	1/1/93	5,281.00	30	176.03	2,464.47	14.67	117.36	2,581.83	245	2,699.17			
Small Items<1000	1/1/93	2,368.00	30	78.93	1,105.07	6.58	52.62	1,157.69	245	1,210.31			
Capitalized Payroll	1/1/93	813.00	30	27.10	379.40	2.26	18.07	397.47	245	415.53			
WM Relocation Cip	1/1/93	654.00	30	21.80	305.20	1.82	14.53	319.73	245	334.27			
Service Lines	1/1/94	9,746.00	33	295.33	3,804.24	24.61	196.89	4,001.13	246	5,774.87			
Meters	1/1/94	16,064.00	30	535.47	6,961.07	44.62	356.98	7,318.05	247	8,745.95			
Meters	1/1/94	4,206.00	30	140.20	1,822.60	11.58	93.47	1,916.07	248	2,289.93			
Meter Inventory	1/1/94	2,227.00	30	74.23	965.03	6.19	49.49	1,014.52	248	1,212.48			
Meters Installation	1/1/94	14,952.00	30	498.40	6,479.20	41.53	332.27	6,811.47	248	8,140.53			
Service Lines	6/30/95	8,805.00	30	226.83	2,722.00	18.90	151.22	2,873.22	249	3,931.78			
HWY 313 Additions	6/30/95	131,394.00	30	4,379.80	52,557.60	364.98	2,919.87	55,477.47	250	75,916.53			
Capitalized Labor	6/30/95	5,208.00	30	173.60	2,083.20	14.47	115.73	2,198.93	250	3,009.07			
Meters & Labor	6/30/95	15,554.00	30	518.47	6,221.60	43.21	345.64	6,567.24	251	8,986.76			
Inventory-1996	12/31/96	6,650.72	30	221.69	2,438.60	18.47	147.79	2,586.39	252	4,064.33			
Inventory Installation-1996	12/31/96	14,327.15	30	477.57	5,253.30	39.80	318.38	5,571.68	252	8,755.47			
Inventory-1996	12/31/96	8,903.03	30	296.77	3,264.44	24.73	197.85	3,462.29	252	5,440.74			
Confirmed Space Meters # 603	6/15/97	3,302.86	33	100.09	1,000.87	8.34	66.72	1,067.59	253	2,235.27			
Inventory-1997	12/31/97	9,561.31	30	318.71	3,187.10	26.56	212.47	3,399.57	253	6,161.74			
Inventory Installation-1998	12/31/98	2,033.98	30	67.80	610.18	5.65	45.20	655.38	254	1,378.60			
Inventory-1998	12/31/98	15,206.49	30	506.88	4,561.94	42.24	337.92	4,899.86	254	10,306.63			
Inventory-1998	12/31/98	6,577.78	30	219.26	1,973.33	18.27	146.17	2,119.50	254	4,458.28			
Inventory-1999	12/31/99	11,845.99	30	394.87	3,158.93	32.91	263.24	3,422.17	255	8,423.82			
Manual Entries	12/31/99	1,096.38	30	36.55	292.36	3.05	24.36	316.72	255	779.66			
Inventory-1999	12/31/99	12,449.05	30	414.97	3,319.75	34.58	276.65	3,596.40	255	8,852.65			
Inventory	12/31/00	1,567.62	33	47.50	332.52	3.96	31.67	364.19	258	1,203.43			
Entries	12/31/00	34,739.06	30	1,157.97	8,105.78	96.50	771.98	8,877.76	257	25,861.30			

Description	Date Acquired	Org Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly	YTD Depreciator	Current Accumulated Depreciation	Asset #	Basis
2001 Capitalized Labor	12/19/01	5,671.87	30	189.06	1,134.37	15.76	126.04	1,260.41	259	4,411.46
2002 Capitalized Labor	12/1/02	3,834.89	30	127.83	639.15	10.65	85.22	724.37	260	3,110.52
2002 Audit Adjustments	12/31/02	404.35	30	13.48	67.39	1.12	8.99	76.38	260	327.97
2003 Capitalized Labor	12/31/02	5,795.00	30	193.17	965.84	16.10	128.78	1,094.62	260	4,700.38
Ultrasonic Flow Meter	4/29/03	5,160.85	30	172.03	688.12	14.34	114.69	802.81	261	4,358.04
Inventory	12/1/03	7,493.96	30	249.80	999.18	20.82	166.53	1,165.71	262	6,328.25
Service Lines	12/1/03	16,591.37	30	553.05	2,212.18	46.09	368.70	2,580.88	262	14,010.49
Service Line - Slaughter Rd	12/1/03	97,279.60	30	3,242.65	12,970.61	270.22	2,161.77	15,132.38	262	82,147.22
Service Line - Hardinsburg Rd	7/29/04	2,500.00	30	83.33	250.00	6.94	55.56	305.56	264	2,194.44
Service Line - Hardinsburg Rd	12/8/04	30,227.88	30	1,007.60	3,022.79	83.97	671.73	3,694.52	263	26,533.36
Meters	12/31/04	98,227.53	30	3,274.25	9,822.75	272.85	2,182.83	12,005.58	265	86,221.95
2004 Capitalized Labor	12/31/04	12,326.17	30	410.87	1,232.63	34.24	273.91	1,506.54	265	10,819.63
AMR Meters Installed 2005 (1/1	9/1/05	166,248.80	30	1,847.00	7,388.63	461.80	3,694.42	11,083.05	266	155,165.75
Meters & Services Installed 201	12/31/05	189,576.00	30	-	6,319.20	526.60	4,212.80	10,532.00	267	179,044.00
Meters Moved from NSCR Pro	12/31/05	71,050.00	30	-	2,368.33	197.36	1,578.89	3,947.22	268	67,102.78
Relocate DeRoche Service (5/1	10/3/05	3,701.00	30	31.00	154.37	10.28	82.24	236.61	269	3,464.39
Capitalized Interest	12/1/05	4,000.00	30	-	133.33	11.11	88.89	222.22	270	3,777.78
Meters installed	1/31/06	26,135.17	30	871.17	798.58	72.60	580.78	1,379.36	271	24,755.81
23 Taps on NSCR Project	2/28/06	54,125.66	30	1,804.19	1,503.49	150.35	1,202.79	2,706.28	272	51,419.38
33 Meter Installations	3/2/06	9,700.00	30	323.33	269.45	26.94	215.56	485.01	453	9,214.99
25 Taps on New Water Main E	3/23/06	51,786.99	30	1,726.23	1,294.68	143.86	1,150.82	2,445.50	457	49,341.49
29 Meter Installations	4/20/06	12,100.00	30	403.33	268.89	33.61	268.89	537.78	458	11,562.22
Meter installations	5/23/06	33,519.33	30	1,117.31	651.78	93.11	744.87	1,396.65	459	32,122.68
Meter installations	6/30/06	50,606.62	30	1,686.89	843.44	140.57	1,124.59	1,968.03	460	48,638.59
Meter installations	7/27/06	24,902.58	30	830.09	345.87	69.17	553.39	899.26	461	24,003.32
Meter installations	8/31/06	9,541.78	30	318.06	106.02	26.50	212.04	318.06	471	9,223.72
Meter installations	9/30/06	5,263.38	30	175.45	43.86	14.62	116.96	160.82	472	5,102.56
Meter installations	10/2/06	190.00	30	6.33	1.58	0.53	4.22	5.80	473	184.20
Meter installations	11/1/06	127,266.24	30	4,242.21	707.04	353.52	2,828.14	3,535.18	474	123,731.06
Meter & Service Installations	12/1/06	4,582.67	30	152.76	12.73	12.73	101.84	114.57	475	4,468.10
NSCR Installations	12/1/06	17,190.40	30	573.01	47.75	47.75	382.01	429.76	476	16,760.64
Sand Ridge Rd. Wholesale Me	12/1/06	14,545.85	30	484.86	40.41	40.41	323.24	363.65	477	14,182.20
Meter & Service Installations	1/31/07	2,263.94	30	75.46	6.29	6.29	44.02	44.02	482	2,219.92
Meter & Service Installations	2/28/07	2,474.19	30	82.47	6.87	6.87	41.24	41.24	485	2,432.95
Meter & Service Installations	3/31/07	10,219.09	30	340.64	28.39	28.39	141.93	141.93	486	10,077.16
Meter & Service Installations	4/30/07	3,071.92	30	102.40	8.53	8.53	34.13	34.13	488	3,037.79
Meter & Service Installations	5/31/07	3,300.69	30	110.02	9.17	9.17	27.51	27.51	489	3,273.18
Meter & Service Installations	6/30/07	5,381.63	30	179.39	14.95	14.95	29.90	29.90	490	5,351.73
Meter & Service Installations	7/31/07	16,241.27	30	541.38	-	45.11	45.11	45.11	491	16,196.16
Meter & Service Installations	8/31/07	4,395.29	30	146.51	-	12.21	-	-	492	4,395.29

Disposals (9,484.00) 66,106.06 (6,401.68) 6,559.49 51,787.61 1,671,442.18 212 1,623,447.41

3,285,405.59 F-1 1,613,252.89 5,559.49 51,787.61 1,671,442.18 212 1,623,447.41

Description	Date Acquired	Org Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly	YTD Depreciator	Current Accumulated Depreciation	Asset #	Basis
Hydrants	4/1/76	170,564.00	50	3,411.28	105,749.68	284.27	2,274.19	108,023.87	273	62,540.13
Hydrants	9/1/85	1,000.00	50	20.00	440.00	1.67	13.33	453.33	274	546.67
Hill St Estates	9/1/85	950.00	50	19.00	418.00	1.58	12.67	430.67	274	519.33
Meadowlake #3	10/16/85	1,100.00	50	22.00	484.00	1.83	14.67	498.67	275	601.33
Meadowlake #4	11/1/1/85	1,250.00	50	25.00	550.00	2.08	16.67	566.67	276	683.33
Country Meadow Est	11/30/85	875.00	50	17.50	385.00	1.46	11.67	396.67	277	478.33
Country Meadow Est	12/31/85	1,800.00	50	36.00	792.00	3.00	24.00	816.00	278	984.00
Oscar Wilden Main Ext.	3/31/86	833.00	50	16.66	349.86	1.39	11.11	360.97	279	472.03
Hill St Estates	3/31/86	2,100.00	50	42.00	882.00	3.50	28.00	910.00	280	1,190.00
Meadowlake Sect 4	6/17/86	1,990.00	50	39.80	835.80	3.32	26.53	862.33	281	1,127.67
Hill Street Hydrant	6/30/86	950.00	50	19.00	399.00	1.58	12.67	411.67	282	538.33
1/2 Revenue Hydrant	6/30/86	950.00	50	19.00	399.00	1.58	12.67	411.67	283	538.33
1/2 Rev Hydrants	7/31/86	1,043.00	50	20.86	438.06	1.74	13.91	451.97	284	591.03
1/2 Rev Hydrants	7/31/86	1,750.00	50	35.00	735.00	2.92	23.33	758.33	284	991.67
Hydrants	9/1/86	16,750.00	50	335.00	7,035.00	27.92	223.33	7,258.33	285	9,491.67
Hydrants 1/2 Rev	9/1/86	4,573.00	50	91.46	1,920.66	7.62	60.97	1,981.63	286	2,591.37
Hydrant	11/30/87	36,510.00	50	730.20	14,604.00	60.85	486.80	15,090.80	287	21,419.20

339	1020300	1833900	Description	Date Acquired	Ong Cost	Life YRS	Annual Depreciation	Prior		Monthly	YTD Depreciator	Current Accumulated		Asset #	Basis
								Depreciation	Depreciation			Depreciation	Asset #		
			Hydrant	4/30/88	566.00	50	11.92	226.48	0.99	7.95	361.57	288	361.57		
			Hydrant	1/1/89	969.00	50	19.18	345.24	1.60	12.79	600.97	289	600.97		
			Hydrant & Labor	1/1/90	1,779.00	50	35.58	604.86	2.97	23.72	1,150.42	290	1,150.42		
			Hydrants - 73 - NSCR Project :	12/1/05	180,265.00	40	376.00	4,883.13	375.59	3,004.75	172,397.12	291	172,397.12		
			Capitalized Interest	12/1/05	3,121.00	40	-	78.03	6.50	52.02	2,990.95	291	2,990.95		
			Rebuild NSCR Project	12/1/06	13,397.07	40	-	27.91	27.91	223.28	13,145.88	484	13,145.88		
					445,125.07	F-1	5,342.44	142,582.71	823.88	6,591.01	295,951.35		295,951.35		
			Other Plant & Equipment												
			Lagoon Return Pump	1/1/90	2,198.00	10	-	2,198.00	-	-	2,198.00	292	-		
			Misc. Equipment	1/1/90	925.00	10	-	925.00	-	-	925.00	293	-		
			Work Order 300	11/24/92	1,255.00	10	-	1,255.00	-	-	1,255.00	294	-		
			Meterhead Assembly	6/30/95	1,812.31	10	-	1,812.31	-	-	1,812.31	295	-		
			WO 030 V.F.D.'s	12/16/98	18,807.34	10	-	16,926.60	156.73	1,253.82	18,180.42	296	626.92		
			True Valve Hardware	9/29/99	1,169.96	10	-	1,052.97	9.75	78.00	1,130.97	297	38.99		
			Equipment	12/31/00	1,273.74	10	-	891.61	10.61	84.92	976.53	298	297.21		
			Mag Meter	1/31/00	7,354.26	10	-	5,154.99	61.37	490.95	5,645.94	299	1,718.32		
			Network	1/1/00	16,051.22	5	-	16,051.22	-	-	16,051.22	300	-		
			Server	1/31/00	3,095.10	5	-	3,095.10	-	-	3,095.10	301	-		
			Information System	1/1/00	124,288.26	5	-	124,288.26	-	-	124,288.26	302	-		
			Source of New Water	9/1/87	40,000.00	10	-	40,000.00	-	-	40,000.00	303	-		
			Source of New Water	1/1/89	29,316.00	10	-	29,316.00	-	-	29,316.00	304	-		
			Source of New Water	1/1/90	1,069.00	10	-	1,069.00	-	-	1,069.00	305	-		
			GIS Mapping	12/8/04	105,100.07	10	-	31,530.02	875.83	7,006.67	38,536.69	306	66,563.38		
			Chlorine Analyzer	9/27/04	8,497.19	10	-	2,549.16	70.81	566.48	3,115.64	307	5,381.55		
			GIS Mapping	1/1/06	17,685.13	10	-	1,768.51	147.38	1,179.01	14,737.61	485	14,737.61		
			GIS Updated Aerial Imagery	8/30/07	23,841.00	10	-	-	198.68	-	2,947.52	485	23,841.00		
					403,748.58	F-1	18,373.87	279,893.75	1,531.16	10,659.85	290,543.60		113,204.98		
			Office Furniture & Equipment												
			Power Failure Prot	7/18/86	648.00	10	-	648.00	-	-	648.00	308	-		
			Office Equipment	1/1/89	1,200.00	10	-	1,200.00	-	-	1,200.00	309	-		
			Canon Printer	1/1/90	695.00	10	-	695.00	-	-	695.00	310	-		
			Office Equipment	1/1/90	913.00	10	-	913.00	-	-	913.00	311	-		
			Office Equipment	1/1/92	3,078.00	10	-	3,078.00	-	-	3,078.00	312	-		
			Tab Products	1/1/93	4,900.00	10	-	4,900.00	-	-	4,900.00	313	-		
			Small Items <1000	1/1/93	1,308.00	10	-	1,308.00	-	-	1,308.00	313	-		
			Office Equipment	1/1/94	4,087.00	10	-	4,087.00	-	-	4,087.00	314	-		
			Wordperfect Software	6/30/95	629.00	10	-	629.00	-	-	629.00	315	-		
			Office Furniture	6/30/96	2,435.77	10	-	2,435.77	-	-	2,435.77	317	-		
			Computer Upgrade	2/24/97	1,571.00	5	-	1,571.00	-	-	1,571.00	318	-		
			Computer	7/31/97	1,545.00	5	-	1,545.00	-	-	1,545.00	320	-		
			New Equipment-Service Cente	10/31/97	1,825.07	5	-	1,825.07	-	-	1,825.07	321	-		
			Stack Chairs	11/30/97	1,116.00	5	-	1,116.00	-	-	1,116.00	322	-		
			Desk, Crdz, bookcase	11/30/97	886.80	5	-	886.80	-	-	886.80	323	-		
			Side Chairs	11/30/97	6,720.00	5	-	6,720.00	-	-	6,720.00	324	-		
			10 Chairs	11/30/97	4,320.00	5	-	4,320.00	-	-	4,320.00	325	-		
			File Cabinet	11/30/97	523.00	5	-	523.00	-	-	523.00	326	-		
			Round Table	11/30/97	630.00	5	-	630.00	-	-	630.00	327	-		
			File Cabinets	11/30/97	4,804.60	5	-	4,804.60	-	-	4,804.60	328	-		
			Lounge Chairs	11/30/97	2,744.00	5	-	2,744.00	-	-	2,744.00	329	-		
			Litter Receptacles	11/30/97	594.00	5	-	594.00	-	-	594.00	330	-		
			Stool	11/30/97	764.00	5	-	764.00	-	-	764.00	332	-		
			Desk	11/30/97	1,455.00	5	-	1,455.00	-	-	1,455.00	333	-		
			T & W Office Products	3/31/98	1,615.49	5	-	1,615.49	-	-	1,615.49	336	-		
			VISA Payable	7/31/99	2,500.00	5	-	2,500.00	-	-	2,500.00	337	-		
			VISA Payable	7/31/99	891.64	5	-	891.64	-	-	891.64	338	-		
			VISA Payable	2/29/00	990.00	5	-	990.00	-	-	990.00	339	-		
			Port Channels & Daughterboa	3/30/01	3,812.35	5	-	3,812.35	-	-	3,812.35	340	-		
			(2) Dell Computers	2/26/02	6,158.48	5	-	6,158.48	-	-	6,158.48	341	-		
			Computer Harddrives - Old Co	10/30/02	11,853.00	5	-	11,853.00	-	-	11,853.00	342	-		
			Toshiba copier	4/29/03	7,166.00	5	-	5,792.80	119.43	955.47	6,688.27	343	477.73		
			Main Server - Dell	4/29/04	6,248.53	5	-	3,749.12	104.14	833.14	4,588.26	344	1,666.27		
			Furniture for C/S Managers Of	3/1/05	6,796.78	20	-	622.84	28.32	226.56	849.40	345	5,947.38		

	Description	Date Acquired	Orig Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly	YTD Depreciator	Current Accumulated Depreciation	Asset #	Basis
341	Credit Card Swipe / Software	8/31/05	1,229.00	5	82.00	327.80	20.48	163.87	491.67	346	737.33
	Dell PCs PMP & FSR's (2)	5/18/05	1,677.36	5	195.00	531.48	27.96	223.65	755.13	347	922.23
	GIS Workstation / Repl PC	1/15/05	2,118.81	5	424.00	847.76	35.31	282.51	1,130.27	349	988.54
	FSR Office Doors	1/27/05	1,632.00	30	54.40	108.40	4.53	36.27	144.67	350	1,487.33
	New Security Camera System	10/31/05	2,111.94	10	35.00	246.19	17.60	140.80	386.99	351	1,724.95
	Dell E-mail Server & Software	3/1/05	5,944.47	5	991.00	2,179.89	99.07	792.60	2,972.49	352	2,971.98
	IT Study	12/1/06	2,991.63	5	598.33	49.86	49.86	398.88	448.74	455	2,542.89
	Server	12/29/06	2,195.80	5	439.16	-	36.60	292.77	292.77	456	1,903.03
	Office Pro 2007 Software/Licser	3/7/07	8,736.66	5	1,747.33	-	145.61	873.67	873.67	487	7,862.99
	12k BTU GE Zoneline a/c unit	5/7/07	1,400.00	5	280.00	-	23.33	93.33	93.33	-	1,306.67
Dell Precision 390-Drive-Thru	7/9/07	1,320.41	5	264.08	-	22.01	44.01	44.01	-	1,276.40	
		128,782.59	F-1	12,441.97	91,609.34	734.26	5,357.51	96,966.85	31,815.73		

	Description	Date Acquired	Orig Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly	YTD Depreciator	Current Accumulated Depreciation	Asset #	Basis	
342	Transportation Equipment											
	Buyers Fee	6/17/88	770.00	5	-	770.00	-	-	770.00	354	-	
	1-Ton Herb Jones Chevy	11/30/97	27,571.61	5	-	27,571.61	-	-	27,571.61	356	-	
	Hardin Count Truck Tops	4/30/98	740.00	5	-	740.00	-	-	740.00	358	-	
	Backhoe Trailer Inc.	6/17/98	7,356.85	5	-	7,356.85	-	-	7,356.85	359	-	
	1999 Additions	6/30/99	1,600.51	5	-	1,600.51	-	-	1,600.51	361	-	
	Distribution 3/4T 4x4	9/29/99	20,557.00	5	-	20,557.00	-	-	20,557.00	362	-	
	2000 Dodge Dakota	2/29/00	15,255.00	5	-	15,255.00	-	-	15,255.00	363	-	
	3/4 Ton Truck	5/16/00	19,253.29	5	-	19,253.29	-	-	19,253.29	364	-	
	1/2 Ton Dodge Truck	5/23/01	15,696.00	5	3,139.20	15,696.00	-	-	15,696.00	365	-	
	Accessories for Dodge Truck	8/31/01	1,017.88	5	203.58	1,017.88	-	-	1,017.88	366	-	
	2002 Ford F-150 Truck	8/30/02	16,968.13	5	3,393.63	16,968.13	-	-	16,968.13	367	-	
	2003 Ford F-150 Truck	10/30/03	17,346.47	5	3,469.29	13,877.18	289.11	2,312.86	16,190.04	368	1,156.43	
	USED 2003 Honda Accord EX	11/9/04	22,464.00	5	4,492.80	18,968.04	374.40	2,995.20	16,473.60	369	5,990.40	
	2004 1-Ton Diesel Utility Truck	3/25/04	31,113.41	5	6,222.68	16,668.04	518.56	4,148.45	22,816.49	370	8,296.92	
	2005 Chevy Colorado 1/2T Pic	3/4/05	14,138.00	5	1,683.00	3,702.72	168.31	1,346.48	5,049.20	371	9,088.80	
	2004 Jeep Laredo (75% Water	4/13/05	15,367.50	7	1,647.00	3,842.36	182.95	1,463.57	5,305.93	372	10,061.57	
	2006 4x4 Chevy Pick-up	2/23/06	22,009.00	7	3,144.14	2,620.12	262.01	2,096.10	4,716.22	451	17,292.78	
	2006 Chevy Silverado	3/5/06	24,241.94	7	3,463.13	2,885.95	288.59	2,308.76	5,194.71	452	19,047.23	
			273,466.59	F-1	30,858.46	185,861.04	2,083.93	16,671.42	202,532.46	70,934.13		

	Description	Date Acquired	Orig Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly	YTD Depreciator	Current Accumulated Depreciation	Asset #	Basis	
345	Stores Equipment & Tool, Work & Safety Equipm											
	Tools & Equipment	2/1/95	202.00	5	-	202.00	-	-	202.00	385	-	
	Radio Communicator	3/1/81	61,685.00	5	-	61,685.00	-	-	61,685.00	373	-	
	Equipment	5/15/86	790.00	5	-	790.00	-	-	790.00	375	-	
	Tools	6/30/86	560.00	5	-	560.00	-	-	560.00	376	-	
	Barricades	9/1/86	1,098.00	5	-	1,098.00	-	-	1,098.00	377	-	
	Tools	8/31/88	940.00	5	-	940.00	-	-	940.00	378	-	
	Riding Lawn Mower	8/31/88	937.00	5	-	937.00	-	-	937.00	379	-	
	tools	1/1/89	3,750.00	5	-	3,750.00	-	-	3,750.00	380	-	
	Tools	1/1/89	15,575.00	5	-	15,575.00	-	-	15,575.00	381	-	
	CSI Space Kit	1/1/89	3,176.00	5	-	3,176.00	-	-	3,176.00	381	-	
	Tools	1/1/90	2,532.00	5	-	2,532.00	-	-	2,532.00	382	-	
	Tools	1/1/90	4,122.00	5	-	4,122.00	-	-	4,122.00	383	-	
	Hunt Tractor	1/1/90	1,291.00	5	-	1,291.00	-	-	1,291.00	383	-	
	Misc. Tools	1/1/93	822.00	5	-	822.00	-	-	822.00	384	-	
Air Monitor Confined Space Eq	6/30/95	698.00	5	-	698.00	-	-	698.00	386	-		
Air Pack/Case/Spare Bottle	4/28/97	2,436.00	5	-	2,436.00	-	-	2,436.00	387	-		
Hoprich Company, Inc.	7/31/97	2,328.12	5	-	2,328.12	-	-	2,328.12	388	-		
2003 Audit adjustments	12/31/03	1,461.46	5	-	1,461.46	189.59	1,516.72	10,617.04	390	758.36		
Radio Frequency Line Locator	6/30/04	2,400.00	5	480.00	1,440.00	40.00	320.00	1,760.00	392	640.00		
Road Traffic Plates	2/29/04	1,450.00	5	290.00	870.00	24.17	193.33	1,063.33	393	386.67		
Ops 32	1/1/06	931.65	5	186.33	186.33	15.53	124.22	310.55	454	621.10		
		120,560.63	F-1	3,231.41	116,000.23	269.28	2,154.27	118,154.50	2,406.13			

	Description	Date Acquired	Orig Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly	YTD Depreciator	Current Accumulated Depreciation	Asset #	Basis	
1834500	Power Operated Equipment											
	Acculators	1/1/90	2,273.00	10	-	2,273.00	-	-	2,273.00	394	-	
	Equipment	1/1/90	1,550.05	10	-	1,550.05	-	-	1,550.05	395	-	
		43,760.00	F-1	4,376.00	30,632.00	364.67	2,917.33	33,549.33	10,210.67			

	Description	Date Acquired	Ong Cost	Life YRS	Annual Depreciation	Prior Depreciation	Monthly	YTD Depreciation	Current Accumulated Depreciation	Asset #	Base
	PUSH Machine	4/14/00	7,174.21	10	717.42	5,021.95	59.79	478.28	5,500.23	397	1,673.98
	Hydraulic Tool & Power Unit	9/13/04	9,975.75	10	1,425.11	2,992.73	118.76	950.07	3,942.80	398	6,032.95
	2005 Case 4x4 580-IM Backho	2/2/05	57,591.00	7	7,540.00	15,765.86	685.49	5,483.90	21,249.76	399	36,331.24
	05 Chevy Diesel Dump Truck	1/5/05	54,769.00	7	7,824.14	15,648.14	652.01	5,216.10	20,864.24	400	33,904.76
	2" Tapping Machine	3/5/06	1,588.34	7	226.91	189.09	18.91	151.27	340.36	438	1,247.98
	Hydraulic Hose Reel	4/5/06	1,283.23	7	183.32	137.49	15.28	122.21	259.70	439	1,023.53
	450 GPM Trash Pump	7/8/06	1,775.00	7	253.57	126.79	21.13	169.05	295.84	440	1,479.16
			181,729.58	7	22,546.47	74,337.10	1,936.03	15,488.22	89,825.32		91,904.26
	Laboratory Equipment										
	Laboratory Equipment	8/1/81	4,699.00	10	-	4,699.00	-	-	4,699.00	316	-
	Floc Tester	11/11/85	535.00	10	-	535.00	-	-	535.00	401	-
	Lab Turb	4/17/86	1,006.00	10	-	1,006.00	-	-	1,006.00	319	-
	Turbidimeter	4/17/86	935.00	10	-	935.00	-	-	935.00	331	-
	Misc. Lab Equip	5/15/86	1,416.00	10	-	1,416.00	-	-	1,416.00	334	-
	Meier Test Bench	9/1/87	3,626.00	10	-	3,626.00	-	-	3,626.00	335	-
	Colorimetric Analyz	2/23/88	795.00	15	-	795.00	-	-	795.00	353	-
	Equipment	1/1/89	795.00	10	-	795.00	-	-	795.00	355	-
	Lab Equipment	1/1/90	684.00	10	-	684.00	-	-	684.00	357	-
	AP/ Hach	4/30/99	1,047.20	10	104.72	837.76	8.73	69.81	907.57	360	139.63
	Desktop PH Meter	6/30/04	671.09	10	67.11	201.33	5.59	44.74	246.07	374	425.02
	Programmable Jar Tester	4/29/05	2,291.00	10	102.00	254.73	12.73	101.82	356.55	402	1,934.45
	Hach In-line Turbidimeter	4/29/05	2,601.29	15	173.42	288.92	14.45	115.61	404.53	403	2,196.76
	Hach In-line Turbidimeter	4/28/05	2,601.28	15	173.42	288.92	14.45	115.61	404.53	404	2,196.75
	Pocket Chlorimeter	4/1/06	2,501.62	15	166.77	187.62	13.90	111.18	298.80	447	2,202.82
	Pocket Chlorimeter	4/8/06	2,588.75	10	258.88	194.16	21.57	172.58	366.74	448	2,222.01
	Spectra Analyzer	4/8/06	5,604.05	10	560.41	420.30	46.70	373.60	793.90	449	4,810.15
			34,397.28	10	1,606.72	17,164.74	138.12	1,104.97	18,269.71		16,127.57
	Communication Equipment										
	Radios	1/1/90	7,432.00	10	-	7,432.00	-	-	7,432.00	405	-
	New DSL	11/30/00	785.23	10	-	549.66	21.81	174.50	724.16	406	61.07
	Cordless Phones	10/30/02	521.50	3	-	521.50	-	-	521.50	407	-
	AMR System purchased in 200	9/1/05	61,065.00	3	2,036.00	8,142.50	508.88	4,071.00	12,213.50	408	48,851.50
	Upgrade / Add Base Radios (6	5/16/05	2,475.00	10	144.00	391.50	20.63	165.00	556.50	409	1,918.50
	3 Comm Phone System	2/23/06	31,692.09	10	3,169.21	2,641.01	264.10	2,112.81	4,753.81	410	26,938.28
	Dell Poweredge 850 Rack Sen	3/1/06	1,530.00	10	153.00	255.00	12.75	102.00	357.00	441	1,173.00
	Repeater for Brizendyne Tank	11/30/06	7,524.00	5	-	62.70	62.70	501.60	564.30	444	6,959.70
			113,024.82	10	5,502.21	19,995.87	890.86	7,126.90	27,122.77		85,902.05
	TOTALS		30,539,638.80	F-1	701,526.89	8,774,072.56	64,404.99	511,648.10	9,292,122.35		20,881,337.64

1834600

348

Hardin County Water District No. 2

Winslow, Kim

From: Scott Clark [sclark@hardincountywater2.org]
Sent: Thursday, September 27, 2007 10:15 AM
To: Winslow, Kim
Subject: RE: Contact information

Attachments: HCWD2 DEPR SCH FOR 2007.PDF



HCWD2 DEPR SCH FOR 2007.PDF (1...

Here is our schedule for 2007.

Scott

From: Winslow, Kim [mailto:WinslowK@bv.com]
Sent: Wednesday, September 26, 2007 3:18 PM
To: sclark@hardincountywater2.org
Subject: Contact information

Scott,
My contact information is shown below . Thank you again for your help.

Kimberly H. Winslow
Enterprise Management Solutions
Black & Veatch Corporation
11401 Lamar
Overland Park, Kansas 66211
Phone: (913) 458-3276
Fax: (913) 458-3817

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
	Furniture & Fixtures								
167	ACCOUNTING SOFTWARE	073093SL		5.00	17,295.		17,295.	17,295.	0.
168	WTP COPIER	042994SL		5.00	2,720.		2,720.	2,720.	0.
169	CIVIL ENGINEERING SOFTWARE	053195SL		5.00	910.		910.	910.	0.
170	COMPUTER	101095SL		5.00	1,533.		1,533.	1,533.	0.
171	PRINTER	112195SL		5.00	479.		479.	479.	0.
172	FLAT CABINETS	113095SL		5.00	2,756.		2,756.	2,756.	0.
173	WINDOWS SOFTWARE	123195SL		5.00	529.		529.	529.	0.
174	PRINTER	123195SL		5.00	552.		552.	552.	0.
175	PRINTER	123195SL		5.00	370.		370.	370.	0.
176	COMPUTER	123195SL		5.00	1,633.		1,633.	1,633.	0.

628103
05-01-06

(D) Asset disposed

* ITC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
177	BOOKCASE, DESK, WORKCENTERS	123195SL		5.00	1,165.		1,165.	1,165.	0.
178	GUEST CHAIRS	123195SL		5.00	525.		525.	525.	0.
179	CHAIR & FILE CABINETS	123195SL		5.00	871.		871.	871.	0.
180	MANAGER'S TABLE	013196SL		5.00	194.		194.	194.	0.
181	BILL BURSTER	013196SL		5.00	6,436.		6,436.	6,436.	0.
182	COMPUTER	013196SL		5.00	2,095.		2,095.	2,095.	0.
183	NETWORK LICENSES	013196SL		5.00	10,632.		10,632.	10,632.	0.
184	PRINT SERVER & NETWORK HUB	013196SL		5.00	831.		831.	831.	0.
185	NETWORK CABLING	013196SL		5.00	1,054.		1,054.	1,054.	0.
186	SERVER SETUP	013196SL		5.00	300.		300.	300.	0.
187	COMPUTER	032296SL		5.00	2,224.		2,224.	2,224.	0.

628103
05-01-06

(D) - Asset disposed

* IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
188	SAFE	051397SL		5.00	860.		860.	860.	0.
189	TAPE BACKUP	052797SL		5.00	1,699.		1,699.	1,699.	0.
190	XEROX COPIER	093097SL		5.00	9,060.		9,060.	9,060.	0.
191	COMPUTER	093097SL		5.00	2,258.		2,258.	2,258.	0.
192	MICROWAVE	111197SL		5.00	200.		200.	200.	0.
193	DISHWASHER	111197SL		5.00	300.		300.	300.	0.
194	REFRIGERATOR	111197SL		5.00	557.		557.	557.	0.
195	SIGNAGE (INDOOR)	111197SL		5.00	2,523.		2,523.	2,523.	0.
196	OFFICE FURNITURE	120197SL		5.00	30,483.		30,483.	30,483.	0.
197	TABLE & CHEST	120997SL		5.00	672.		672.	672.	0.
198	PHONE SYSTEM	120997SL		5.00	12,459.		12,459.	12,459.	0.

628103
05-01-06

(D) - Asset disposed

* IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
199	ALARM SYSTEM	120997SL		5.00	2,787.		2,787.	2,787.	0.
200	FIRE ALARM SYSTEM	102497SL		5.00	2,492.		2,492.	2,492.	0.
201	TABLE & CHAIRS	021098SL		5.00	1,911.		1,911.	1,911.	0.
202	TAPE BACKUP	033198SL		5.00	1,184.		1,184.	1,184.	0.
203	OFFICE FURNITURE	041498SL		5.00	17,775.		17,775.	17,775.	0.
204	CHAIR	051298SL		5.00	415.		415.	415.	0.
205	OFFICE FURNITURE	052898SL		5.00	10,116.		10,116.	10,116.	0.
206	COMPUTER	083198SL		5.00	1,817.		1,817.	1,817.	0.
207	COMPUTER	083198SL		5.00	3,348.		3,348.	3,348.	0.
208	FURNITURE FOR T&D	120898SL		5.00	7,758.		7,758.	7,758.	0.
209	FURNITURE FOR T&D	011299SL		5.00	320.		320.	320.	0.

628103
05-01-06

(D) - Asset disposed

* IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
210	COMPUTER	022899SL		5.00	2,604.		2,604.	2,604.	0.
211	COMPUTER	022899SL		5.00	1,908.		1,908.	1,908.	0.
2122	COMPUTERS	033199SL		5.00	3,228.		3,228.	3,228.	0.
2134	COMPUTERS	052699SL		5.00	6,928.		6,928.	6,928.	0.
214	TABLE & DESK	063099SL		5.00	2,780.		2,780.	2,780.	0.
215	COMPUTER	073199SL		5.00	1,355.		1,355.	1,355.	0.
216	PRINTER	013199SL		5.00	1,425.		1,425.	1,425.	0.
217	LETTER OPENER	063099SL		5.00	1,199.		1,199.	1,199.	0.
218	PUMP SOFTWARE	041399SL		5.00	7,180.		7,180.	7,180.	0.
219	DESK, TABLE, KEYBOARD	113000SL		5.00	714.		714.	714.	0.
220	DESK, CONF TABLE, BOOKCASE	123100SL		5.00	3,494.		3,494.	3,494.	0.

628103
05-01-06

(D) - Asset disposed

* IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
221	COMPUTERS	123100	SL	5.00	9,091.		9,091.	9,090.	0.
222	RACKS AMT Depreciation ACE Depreciation	041001	SL	5.00	3,853.		3,853.	3,853. 255.	0.
223	COMPUTERS AMT Depreciation ACE Depreciation	043001	SL	5.00	2,175.		2,175.	2,175. 145.	0.
224	SHELVING AMT Depreciation ACE Depreciation	111301	SL	5.00	1,645.		1,645.	1,645. 302.	0.
225	DESK FOR FRONT OFFICE AMT Depreciation ACE Depreciation	022102	SL	5.00	1,064.		1,064.	1,029. 302.	35.
226	SERVER - POWEREDGE 2500 AMT Depreciation ACE Depreciation	063002	SL	5.00	10,550.		10,550.	9,495. 9,495.	1,055.
227	APS SMART UPS 1500 TOWERS AMT Depreciation ACE Depreciation	073102	SL	5.00	1,264.		1,264.	1,117. 1,117.	1,055. 1,055.
228	COMPUTERS AMT Depreciation ACE Depreciation	073102	SL	5.00	5,069.		5,069.	4,478. 4,478.	147. 147.
229	MS SQL SERVER AMT Depreciation ACE Depreciation	073102	SL	5.00	3,993.		3,993.	3,529. 3,529.	591. 591.
230	SONICWALL PRO 100 INTERNET SECURITY AMT Depreciation ACE Depreciation	073102	SL	5.00	1,470.		1,470.	1,299. 1,299.	171. 171.
231	OPTIPLEX COMPUTERS AMT Depreciation ACE Depreciation	073102	SL	5.00	20,007.		20,007.	17,671. 17,671.	2,336. 2,336.

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
2322	15" VIEWSONIC MONITORS AMT Depreciation	073102SL	SL	5.00	826.		826.	729.	97.
	ACE Depreciation		SL	5.00				729.	97.
233HP	DESIGNJET 5500 42" PRINTER AMT Depreciation	103102SL	SL	5.00	8,186.		8,186.	6,821.	1,365.
	ACE Depreciation		SL	5.00				6,821.	1,365.
234DE	SIGHTJET 20PS PRINTER C7790B AMT Depreciation	103102SL	SL	5.00	1,740.		1,740.	1,450.	290.
	ACE Depreciation		SL	5.00				1,450.	290.
235LAN	STATION AMT Depreciation	091002SL	SL	5.00	879.		879.	763.	116.
	ACE Depreciation		SL	5.00				763.	116.
236HP	LASERJET 4100N PRINTER AMT Depreciation	101502SL	SL	5.00	1,547.		1,547.	1,313.	234.
	ACE Depreciation		SL	5.00				1,313.	234.
237SO	LOMON ACCOUNTING SOFTWARE AMT Depreciation	101502SL	SL	5.00	16,195.		16,195.	13,766.	2,429.
	ACE Depreciation		SL	5.00				13,766.	2,429.
238INH	ANCE BILLING SYSTEM SOFTWARE AMT Depreciation	061102SL	SL	5.00	17,099.		17,099.	15,675.	1,424.
	ACE Depreciation		SL	5.00				15,675.	1,424.
239MAP	SYNC MAPPING SOFTWARE AMT Depreciation	061102SL	SL	5.00	19,400.		19,400.	17,783.	1,617.
	ACE Depreciation		SL	5.00				17,783.	1,617.
345TOS	SHIBA COPIER AMT Depreciation	022003SL	SL	5.00	8,088.		8,088.	6,202.	1,618.
	ACE Depreciation		SL	5.00				6,202.	1,618.
346SO	LOMON SELECT CASH MANAGER AMT Depreciation	022803SL	SL	5.00	1,120.		1,120.	859.	224.
	ACE Depreciation		SL	5.00				859.	224.
347INH	ANCE BILLING SYSTEM SOFTWARE AMT Depreciation	042003SL	SL	5.00	5,700.		5,700.	4,180.	1,140.
	ACE Depreciation		SL	5.00				4,180.	1,140.

628103 05-01-06 (D) Asset disposed * ITC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
348	SQL SERVER AMT Depreciation ACE Depreciation	0110203	SL	5.00	2,887.		2,887.	2,308.	577.
361	DESKS & CREDENZAS AMT Depreciation ACE Depreciation	0511304	SL	5.00	4,100.		4,100.	2,308.	577.
362	FIRE KING FILE CABINET AMT Depreciation ACE Depreciation	0702204	SL	5.00	2,164.		2,164.	2,187.	820.
380	TELEPHONE SYSTEM UPGRADE AMT Depreciation ACE Depreciation	073105	SL	5.00	7,039.		7,039.	1,082.	433.
381	TAPE BACKUP AMT Depreciation ACE Depreciation	030805	SL	5.00	3,082.		3,082.	1,082.	433.
382	COMPUTERS & MONITORS - WTP AMT Depreciation ACE Depreciation	030805	SL	5.00	6,057.		6,057.	1,130.	616.
395	CONFERENCE ROOM CHAIRS & TABLE AMT Depreciation ACE Depreciation	050906	SL	5.00	2,407.		2,407.	1,130.	616.
396	DELL DIMENSION 9150 AMT Depreciation ACE Depreciation	0611306	SL	5.00	2,143.		2,143.	2,221.	1,211.
397	OFFICE CHAIRS AMT Depreciation ACE Depreciation	0611306	SL	5.00	540.		540.	2,221.	1,211.
2	FIRE KING 4 DRAWER LATERAL FILE AMT Depreciation ACE Depreciation	062706	SL	5.00	4,798.		4,798.	321.	481.
398	CABI AMT Depreciation ACE Depreciation	062706	SL	5.00	4,798.		4,798.	321.	481.

628103
05-01-06

(D) - Asset disposed

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
399	EXECUTIVE CHAIR	111406	SL	5.00	882.		882.	29.	176.
	AMT Depreciation		SL	5.00				29.	176.
	ACE Depreciation		SL	5.00				29.	176.
400	LENOVO 3000 N100	121206	SL	5.00	1,186.		1,186.	20.	237.
	AMT Depreciation		SL	5.00				20.	237.
	ACE Depreciation		SL	5.00				20.	237.
401	BILLING SERVER	033106	SL	5.00	18,394.		18,394.	2,759.	3,679.
	AMT Depreciation		SL	5.00				2,759.	3,679.
	ACE Depreciation		SL	5.00				2,759.	3,679.
	* Other Total Furniture & Fixtures				395,553.		395,553.	338,680.	26,488.
	Transportation Equipment								
101	1997 INTL SEMI TRACTOR	091189	SL	5.00	36,182.		36,182.	36,182.	0.
111	1990 CHEVY PICKUP	102396	SL	5.00	38,454.		38,454.	38,454.	0.
131	1997 FORD F150	082597	SL	5.00	15,072.		15,072.	15,072.	0.
142	2001 DODGE RAM 4WD	073197	SL	5.00	19,091.		19,091.	10,500.	0.
152	2000 FORD TAURUS	042500	SL	5.00	15,488.		15,488.	15,488.	0.
162	2000 GMC TRUCK	071400	SL	5.00	22,900.		22,900.	22,900.	0.

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
172000	CHEVY 4WD PICKUP	072000	SL	5.00	30,050.		30,050.	30,050.	0.
202001	FORD F350	032800	SL	5.00	32,049.		32,049.	30,447.	0.
212001	FORD RANGER	041001	SL	5.00	14,480.		14,480.	14,480.	0.
	AMT Depreciation		SL	5.00				965.	
	ACE Depreciation		SL	5.00				965.	
222001	FORD F250	041001	SL	5.00	28,551.		28,551.	28,551.	0.
	AMT Depreciation		SL	5.00				1,904.	
	ACE Depreciation		SL	5.00				1,904.	
232001	BL EXCAVATOR	021501	SL	10.00	115,396.		115,396.	67,316.	11,540.
	AMT Depreciation		SL	10.00				11,540.	11,540.
	ACE Depreciation		SL	10.00				11,540.	11,540.
242001	GOLF CART	091101	SL	5.00	1,825.		1,825.	1,825.	0.
	AMT Depreciation		SL	5.00				274.	
	ACE Depreciation		SL	5.00				274.	
252002	DODGE RAM 2500	040302	SL	5.00	17,495.		17,495.	16,620.	875.
	AMT Depreciation		SL	5.00				16,620.	875.
	ACE Depreciation		SL	5.00				16,620.	875.
262002	CHEVY K2500	031102	SL	5.00	28,408.		28,408.	27,463.	945.
	AMT Depreciation		SL	5.00				27,463.	945.
	ACE Depreciation		SL	5.00				27,463.	945.
272002	FORD RANGER	041202	SL	5.00	17,400.		17,400.	16,530.	870.
	AMT Depreciation		SL	5.00				16,530.	870.
	ACE Depreciation		SL	5.00				16,530.	870.
282003	FORD CROWN VICTORIA	050202	SL	5.00	21,290.		21,290.	19,871.	1,419.
	AMT Depreciation		SL	5.00				19,871.	1,419.
	ACE Depreciation		SL	5.00				19,871.	1,419.
292002	GMC DUMP TRUCK	092602	SL	5.00	49,896.		49,896.	42,411.	7,485.
	AMT Depreciation		SL	5.00				42,411.	7,485.
	ACE Depreciation		SL	5.00				42,411.	7,485.

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

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3321990	CHEVY TRUCK	091189	SL	5.00	29,279.		29,279.	29,279.	0.
3362003	DODGE DAKOTA AMT Depreciation	020303	SL	5.00	14,684.		14,684.	11,503.	2,937.
	ACE Depreciation		SL	5.00				11,503.	2,937.
3632004	FORD F250 AMT Depreciation	021904	SL	5.00	20,866.		20,866.	11,824.	4,173.
	ACE Depreciation		SL	5.00				11,824.	4,173.
3642004	CASE BACKHOE AMT Depreciation	062404	SL	10.00	89,590.		89,590.	22,398.	8,959.
	ACE Depreciation		SL	10.00				22,398.	8,959.
3652004	TRAILER AMT Depreciation	110104	SL	5.00	37,305.		37,305.	16,166.	7,461.
	ACE Depreciation		SL	5.00				16,166.	7,461.
3662005	DODGE DAKOTA AMT Depreciation	122104	SL	5.00	15,053.		15,053.	6,022.	3,011.
	ACE Depreciation		SL	5.00				6,022.	3,011.
3672005	DODGE DAKOTA AMT Depreciation	122104	SL	5.00	15,053.		15,053.	6,022.	3,011.
	ACE Depreciation		SL	5.00				6,022.	3,011.
3722005	FORD F250 AMT Depreciation	042105	SL	5.00	20,101.		20,101.	6,700.	4,020.
	ACE Depreciation		SL	5.00				6,700.	4,020.
3732005	FORD F550 AMT Depreciation	062105	SL	5.00	40,992.		40,992.	12,297.	8,198.
	ACE Depreciation		SL	5.00				12,297.	8,198.
3872006	DODGE DAKOTA AMT Depreciation	022106	SL	5.00	16,381.		16,381.	2,730.	3,276.
	ACE Depreciation		SL	5.00				2,730.	3,276.
3882006	DODGE DAKOTA AMT Depreciation	022106	SL	5.00	16,381.		16,381.	2,730.	3,276.
	ACE Depreciation		SL	5.00				2,730.	3,276.

628103
05-01-06

(D) - Asset disposed

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
3892	006 DODGE DAKOTA AMT Depreciation	030206	SL	5.00	13,426.		13,426.	2,238.	2,685.
	ACE Depreciation		SL	5.00				2,238.	2,685.
3902	006 FORD F-350 AMT Depreciation	061130	SL	5.00	30,200.		30,200.	3,523.	6,040.
	ACE Depreciation		SL	5.00				3,523.	6,040.
	* Other Total Transportation Equip				863,338.		863,338.	567,592.	80,181.
	Land								
129L	ONGVIEW TANK LOT	101117	LL		2,600.		2,600.		0.
130W	HITTE MILLS WTP (ACROSS ROAD FROM)	080576	LL		3,500.		3,500.		0.
131W	HITTE MILLS WTP (ACROSS ROAD FROM)	092476	LL		15,000.		15,000.		0.
132W	HITTE MILLS WTP (MAIN PARCEL)	072599	LL		25,354.		25,354.		0.
133F	RANKLIN CROSSROADS METER PIT LOT	052984	LL		1,272.		1,272.		0.
134E	AESTVIEW ROAD TANK LOT	082494	LL		1,200.		1,200.		0.
135V	ALLEY CREEK ROAD TANK LOT	082794	LL		2,500.		2,500.		0.

628103
05-01-06

(D) - Asset disposed

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

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13618.119	ACRES WHITE MILL WTP	072588L			25,354.		25,354.		0.
	1.201 ACRES HIGHWAY 62 WEST								
140	(CECILIA)	110190L			7,500.		7,500.		0.
14131-W	SOUTH PUMP STATION	072591L			4,500.		4,500.		0.
142	PEAR ORCHARD ROAD TANK LOT	091891L			15,000.		15,000.		0.
144.057	ACRES FEE LOT ON HWY 62	030292L			3,300.		3,300.		0.
145.609	ACRES WHITE MILLS	041195L			350.		350.		0.
1462500	SQUARE FOOT PARCEL HWY 222	060195L			2,275.		2,275.		0.
147	RING ROAD LAND	052196L			210,744.		210,744.		0.
148	SONORA WATER TANK LOT	010997L			10,000.		10,000.		0.

628103
05-01-06

(D) - Asset disposed

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

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149	LOT 3, WATER TOWER ESTATES SUBD (SPRIN	042398L			10,000.		10,000.		0.
	STOY MILLER PROPERTY @ WHITE MILLS								
150	WTP	072800L			112,690.		112,690.		0.
151	RINEYVILLE TANK SITE	110901L			23,000.		23,000.		0.
152	LONESTAR TANK/HART CO. PROJECT	082202L			5,700.		5,700.		0.
153	LONESTAR TANK/HART CO. PROJECT	082202L			1,000.		1,000.		0.
	STOY MILLER PROPERTY @ WHITE MILLS								
340	WTP	032203L			50,144.		50,144.		0.
	* Other Total Land				532,983.		532,983.	0.	0.
31	VALLEY VIEW TANK	010186SL	SL	40.00	143,100.		143,100.	71,553.	3,578.
	AMT Depreciation		SL	40.00				3,578.	3,578.
	ACE Depreciation		SL	40.00					3,578.

628103
03-01-06

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
32	EASTVIEW TANK AMT Depreciation ACE Depreciation	010186	SL	40.00	198,415.		198,415.	99,206. 4,960.	4,960. 4,960.
34	CECILIA TANK AMT Depreciation ACE Depreciation	010195	SL	40.00	968,753.		968,753.	266,408. 24,219. 24,219.	24,219. 24,219. 24,219.
35	PEAR ORCHARD TANK AMT Depreciation ACE Depreciation	010195	SL	40.00	968,753.		968,753.	266,408. 24,219. 24,219.	24,219. 24,219. 24,219.
36	SONORA TANK AMT Depreciation ACE Depreciation	010197	SL	40.00	807,000.		807,000.	181,575. 20,175. 20,175.	20,175. 20,175. 20,175.
37	LENDALE TANK AMT Depreciation ACE Depreciation	010100	SL	40.00	592,426.		592,426.	103,676. 14,811. 14,811.	14,811. 14,811. 14,811.
38	LENDALE TANK AMT Depreciation ACE Depreciation	010101	SL	40.00	43,608.		43,608.	6,540. 1,090. 1,090.	1,090. 1,090. 1,090.
39	RINEVILLE TANK AMT Depreciation ACE Depreciation	013102	SL	40.00	1671647.		1671647.	205,473. 205,473. 205,473.	41,791. 41,791. 41,791.
33	RINEVILLE TANK AMT Depreciation ACE Depreciation	021303	SL	40.00	56,550.		56,550.	5,538. 5,538. 5,538.	1,414. 1,414. 1,414.
37	VALLEY CREEK TANK RENOVATION AMT Depreciation ACE Depreciation	060105	SL	40.00	127,049.		127,049.	5,029. 5,029. 5,029.	3,176. 3,176. 3,176.
	TIDE FLEX SYSTEM (UPTON & SONORA)								
39	TANKS AMT Depreciation ACE Depreciation	061506	SL	40.00	142,253.		142,253.	2,075. 2,075. 2,075.	3,556. 3,556. 3,556.

628103
05-01-06

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
	* Other Total Other				5719554.		5719554.	1213481.	142,989.
	* Other Total -				7511428.		7511428.	2119753.	249,658.
40T&D MAINS - 1969	AMT Depreciation	010169SL	SL	50.00	1083753.		1083753.	823,652.	21,675.
	ACE Depreciation		SL	50.00				21,675.	21,675.
41T&D MAINS - 1970	AMT Depreciation	010170SL	SL	50.00	17,705.		17,705.	13,101.	354.
	ACE Depreciation		SL	50.00				354.	354.
42T&D MAINS - 1971	AMT Depreciation	010171SL	SL	50.00	39,992.		39,992.	28,795.	800.
	ACE Depreciation		SL	50.00				800.	800.
43T&D MAINS - 1972	AMT Depreciation	010172SL	SL	50.00	155,914.		155,914.	109,138.	3,118.
	ACE Depreciation		SL	50.00				3,118.	3,118.
44T&D MAINS - 1973	AMT Depreciation	010173SL	SL	50.00	572,161.		572,161.	389,068.	11,443.
	ACE Depreciation		SL	50.00				11,443.	11,443.
45T&D MAINS - 1974	AMT Depreciation	010174SL	SL	50.00	80,165.		80,165.	52,907.	1,603.
	ACE Depreciation		SL	50.00				1,603.	1,603.
46T&D MAINS - 1975	AMT Depreciation	010175SL	SL	50.00	38,581.		38,581.	24,694.	772.
	ACE Depreciation		SL	50.00				772.	772.
47T&D MAINS - 1976	AMT Depreciation	010176SL	SL	50.00	75,913.		75,913.	47,065.	1,518.
	ACE Depreciation		SL	50.00				1,518.	1,518.
48T&D MAINS - 1977	AMT Depreciation	010177SL	SL	50.00	96,907.		96,907.	58,143.	1,938.
	ACE Depreciation		SL	50.00				1,938.	1,938.

628103
05-01-06

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

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49T&D	MAINS - 1978 AMT Depreciation	010178	SL	50.00	188,698.		188,698.	109,445.	3,774.
	ACE Depreciation		SL	50.00				3,774.	3,774.
50T&D	MAINS - 1979 AMT Depreciation	010179	SL	50.00	98,566.		98,566.	55,195.	1,971.
	ACE Depreciation		SL	50.00				1,971.	1,971.
51T&D	MAINS - 1980 AMT Depreciation	010180	SL	50.00	187,894.		187,894.	101,463.	3,758.
	ACE Depreciation		SL	50.00				3,758.	3,758.
52T&D	MAINS - 1981 AMT Depreciation	010181	SL	50.00	123,867.		123,867.	64,409.	2,477.
	ACE Depreciation		SL	50.00				2,477.	2,477.
53T&D	MAINS - 1982 AMT Depreciation	010182	SL	50.00	29,957.		29,957.	14,978.	599.
	ACE Depreciation		SL	50.00				599.	599.
54T&D	MAINS - 1983 AMT Depreciation	010183	SL	50.00	64,171.		64,171.	30,800.	1,283.
	ACE Depreciation		SL	50.00				1,283.	1,283.
55T&D	MAINS - 1984 AMT Depreciation	010184	SL	50.00	54,777.		54,777.	25,200.	1,096.
	ACE Depreciation		SL	50.00				1,096.	1,096.
56T&D	MAINS - 1985 AMT Depreciation	010185	SL	50.00	110,568.		110,568.	48,648.	2,211.
	ACE Depreciation		SL	50.00				2,211.	2,211.
57T&D	MAINS - 1986 AMT Depreciation	010186	SL	50.00	53,927.		53,927.	22,652.	1,079.
	ACE Depreciation		SL	50.00				1,079.	1,079.
58T&D	MAINS - 1987 AMT Depreciation	010187	SL	50.00	143,209.		143,209.	57,283.	2,864.
	ACE Depreciation		SL	50.00				2,864.	2,864.
59T&D	MAINS - 1988 AMT Depreciation	010188	SL	50.00	123,269.		123,269.	46,840.	2,465.
	ACE Depreciation		SL	50.00				2,465.	2,465.

628103
05-01-06

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction in Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
60T&D MAINS - 1989	AMT Depreciation	010189	SL	50.00	30,119.		30,119.	10,841.	602.
	ACE Depreciation		SL	50.00				602.	602.
61T&D MAINS - 1990	AMT Depreciation	010190	SL	50.00	204,390.		204,390.	69,494.	4,088.
	ACE Depreciation		SL	50.00				4,088.	4,088.
62T&D MAINS - 1991	AMT Depreciation	010191	SL	50.00	198,612.		198,612.	63,554.	3,972.
	ACE Depreciation		SL	50.00				3,972.	3,972.
63T&D MAINS - 1992	AMT Depreciation	010192	SL	50.00	4254631.		4254631.	1276391.	85,093.
	ACE Depreciation		SL	50.00				85,093.	85,093.
64T&D MAINS - 1993	AMT Depreciation	010193	SL	50.00	1865259.		1865259.	522,272.	37,305.
	ACE Depreciation		SL	50.00				37,305.	37,305.
65T&D MAINS - 1994	AMT Depreciation	010194	SL	50.00	1222085.		1222085.	317,743.	24,442.
	ACE Depreciation		SL	50.00				24,442.	24,442.
66T&D MAINS - 1995	AMT Depreciation	010195	SL	50.00	278,790.		278,790.	66,911.	5,576.
	ACE Depreciation		SL	50.00				5,576.	5,576.
67T&D MAINS - 1996	AMT Depreciation	010196	SL	50.00	1150755.		1150755.	253,165.	23,015.
	ACE Depreciation		SL	50.00				23,015.	23,015.
68T&D MAINS - 1997	AMT Depreciation	010197	SL	50.00	391,840.		391,840.	78,369.	7,837.
	ACE Depreciation		SL	50.00				7,837.	7,837.
69T&D MAINS - 1998	AMT Depreciation	010198	SL	50.00	102,618.		102,618.	18,469.	2,052.
	ACE Depreciation		SL	50.00				2,052.	2,052.
70T&D MAINS - 1999	AMT Depreciation	010199	SL	50.00	507,683.		507,683.	71,077.	10,154.
	ACE Depreciation		SL	50.00				10,154.	10,154.

629103
05-01-06

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
	* Other Total -				25922032.		25922032.	5165313.	409,418.
74	SUPPLY MAINS - 1993 AMT Depreciation	010193	SL	40.00	1740718.		1740718.	609,252.	43,518.
	ACE Depreciation		SL	40.00				43,518.	43,518.
75	SUPPLY MAINS - 1994 AMT Depreciation	010194	SL	40.00	23,247.		23,247.	7,554.	581.
	ACE Depreciation		SL	40.00				581.	581.
	* Other Total Other				1763965.		1763965.	616,806.	44,099.
	* Other Total -				1763965.		1763965.	616,806.	44,099.
76	SERVICE LINES - 1969 AMT Depreciation	010169	SL	40.00	159,424.		159,424.	151,455.	3,986.
	ACE Depreciation		SL	40.00				3,986.	3,986.
77	SERVICE LINES - 1970 AMT Depreciation	010170	SL	40.00	42,171.		42,171.	39,007.	1,054.
	ACE Depreciation		SL	40.00				1,054.	1,054.
78	SERVICE LINES - 1971 AMT Depreciation	010171	SL	40.00	21,444.		21,444.	19,299.	536.
	ACE Depreciation		SL	40.00				536.	536.
79	SERVICE LINES - 1972 AMT Depreciation	010172	SL	40.00	39,551.		39,551.	34,608.	989.
	ACE Depreciation		SL	40.00				989.	989.
80	SERVICE LINES - 1973 AMT Depreciation	010173	SL	40.00	107,389.		107,389.	91,282.	2,685.
	ACE Depreciation		SL	40.00				2,685.	2,685.
81	SERVICE LINES - 1974 AMT Depreciation	010174	SL	40.00	29,383.		29,383.	24,243.	735.
	ACE Depreciation		SL	40.00				735.	735.

828103
05-01-06

(D) - Asset disposed

* IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
82	SERVICE LINES - 1975 AMT Depreciation	010175	SL	40.00	29,717.		29,717.	23,774.	743.
	ACE Depreciation		SL	40.00				743.	743.
83	SERVICE LINES - 1976 AMT Depreciation	010176	SL	40.00	20,276.		20,276.	15,714.	507.
	ACE Depreciation		SL	40.00				507.	507.
84	SERVICE LINES - 1977 AMT Depreciation	010177	SL	40.00	25,048.		25,048.	18,785.	626.
	ACE Depreciation		SL	40.00				626.	626.
85	SERVICE LINES - 1978 AMT Depreciation	010178	SL	40.00	65,500.		65,500.	47,490.	1,638.
	ACE Depreciation		SL	40.00				1,638.	1,638.
86	SERVICE LINES - 1979 AMT Depreciation	010179	SL	40.00	79,447.		79,447.	55,612.	1,986.
	ACE Depreciation		SL	40.00				1,986.	1,986.
87	SERVICE LINES - 1980 AMT Depreciation	010180	SL	40.00	34,698.		34,698.	23,419.	867.
	ACE Depreciation		SL	40.00				867.	867.
88	SERVICE LINES - 1981 AMT Depreciation	010181	SL	40.00	68,978.		68,978.	44,833.	1,724.
	ACE Depreciation		SL	40.00				1,724.	1,724.
89	SERVICE LINES - 1982 AMT Depreciation	010182	SL	40.00	26,475.		26,475.	16,548.	662.
	ACE Depreciation		SL	40.00				662.	662.
90	SERVICE LINES - 1983 AMT Depreciation	010183	SL	40.00	18,056.		18,056.	10,832.	451.
	ACE Depreciation		SL	40.00				451.	451.
91	SERVICE LINES - 1984 AMT Depreciation	010184	SL	40.00	18,964.		18,964.	10,903.	474.
	ACE Depreciation		SL	40.00				474.	474.
92	SERVICE LINES - 1985 AMT Depreciation	010185	SL	40.00	35,672.		35,672.	19,621.	892.
	ACE Depreciation		SL	40.00				892.	892.

628103
05-01-06

(D) - Asset disposed

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
93	SERVICE LINES - 1986 AMT Depreciation	010186	SL	40.00	32,460.		32,460.	17,044.	812.
	ACE Depreciation		SL	40.00				812.	812.
94	SERVICE LINES - 1987 AMT Depreciation	010187	SL	40.00	44,597.		44,597.	22,299.	1,115.
	ACE Depreciation		SL	40.00				1,115.	1,115.
95	SERVICE LINES - 1988 AMT Depreciation	010188	SL	40.00	46,432.		46,432.	22,056.	1,161.
	ACE Depreciation		SL	40.00				1,161.	1,161.
96	SERVICE LINES - 1989 AMT Depreciation	010189	SL	40.00	12,909.		12,909.	5,810.	323.
	ACE Depreciation		SL	40.00				323.	323.
97	SERVICE LINES - 1990 AMT Depreciation	010190	SL	40.00	87,596.		87,596.	37,229.	2,190.
	ACE Depreciation		SL	40.00				2,190.	2,190.
98	SERVICE LINES - 1991 AMT Depreciation	010191	SL	40.00	46,456.		46,456.	18,580.	1,161.
	ACE Depreciation		SL	40.00				1,161.	1,161.
99	SERVICE LINES - 1992 AMT Depreciation	010192	SL	40.00	80,740.		80,740.	30,280.	2,019.
	ACE Depreciation		SL	40.00				2,019.	2,019.
100	SERVICE LINES - 1993 AMT Depreciation	010193	SL	40.00	113,000.		113,000.	39,550.	2,825.
	ACE Depreciation		SL	40.00				2,825.	2,825.
101	SERVICE LINES - 1994 AMT Depreciation	010194	SL	40.00	83,805.		83,805.	27,236.	2,095.
	ACE Depreciation		SL	40.00				2,095.	2,095.
102	SERVICE LINES - 1995 AMT Depreciation	010195	SL	40.00	101,688.		101,688.	30,505.	2,542.
	ACE Depreciation		SL	40.00				2,542.	2,542.
103	SERVICE LINES - 1996 AMT Depreciation	010196	SL	40.00	103,230.		103,230.	28,389.	2,581.
	ACE Depreciation		SL	40.00				2,581.	2,581.

628103
05-01-06

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	Reduction In Basis *	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
104	SERVICE LINES - 1997 AMT Depreciation	010197	SL	40.00	64,181.		64,181.	16,047.	1,605.
	ACE Depreciation		SL	40.00				1,605.	1,605.
105	SERVICE LINES - 1998 AMT Depreciation	010198	SL	40.00	107,409.		107,409.	24,166.	2,685.
	ACE Depreciation		SL	40.00				2,685.	2,685.
106	SERVICE LINES - 1999 AMT Depreciation	010199	SL	40.00	75,595.		75,595.	15,120.	1,890.
	ACE Depreciation		SL	40.00				1,890.	1,890.
107	SERVICE LINES - 2000 AMT Depreciation	010100	SL	40.00	184,006.		184,006.	32,200.	4,600.
	ACE Depreciation		SL	40.00				4,600.	4,600.
108	SERVICE LINES - 2001 AMT Depreciation	010101	SL	40.00	172,859.		172,859.	25,926.	4,321.
	ACE Depreciation		SL	40.00				4,321.	4,321.
109	SERVICE LINES - 2002 AMT Depreciation	063002	SL	40.00	178,770.		178,770.	20,111.	4,469.
	ACE Depreciation		SL	40.00				20,111.	4,469.
339	SERVICE LINES - 2003 AMT Depreciation	063003	SL	40.00	150,007.		150,007.	13,125.	3,750.
	ACE Depreciation		SL	40.00				13,125.	3,750.
359	SERVICE LINES - 2004 AMT Depreciation	063004	SL	40.00	415,008.		415,008.	25,938.	10,375.
	ACE Depreciation		SL	40.00				25,938.	10,375.
378	SERVICE LINES - 2005 AMT Depreciation	063005	SL	40.00	869,473.		869,473.	32,605.	21,737.
	ACE Depreciation		SL	40.00				32,605.	21,737.
393	SERVICE LINES - 2006 AMT Depreciation	063006	SL	40.00	466,495.		466,495.	5,831.	11,662.
	ACE Depreciation		SL	40.00				5,831.	11,662.
	* Other Total		SL	40.00	4258909.		4258909.	1137472.	106,473.

628103
05-01-06

(D) - Asset disposed

* IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	Reduction In Basis *	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
* Other Total -					4258909.		4258909.	1137472.	106,473.
110HYDRANTS - 1970		010170SL		10.00	2,180.		2,180.	2,180.	0.
111HYDRANTS - 1973		010173SL		10.00	5,009.		5,009.	5,009.	0.
112HYDRANTS - 1974		010174SL		10.00	1,776.		1,776.	1,776.	0.
113HYDRANTS - 1979		010179SL		10.00	8,036.		8,036.	8,036.	0.
114HYDRANTS - 1980		010180SL		10.00	2,846.		2,846.	2,846.	0.
115HYDRANTS - 1981		010181SL		10.00	2,043.		2,043.	2,043.	0.
116HYDRANTS - 1982		010182SL		10.00	2,168.		2,168.	2,168.	0.
117HYDRANTS - 1984		010184SL		10.00	3,019.		3,019.	3,019.	0.
118HYDRANTS - 1985		010185SL		10.00	10,104.		10,104.	10,104.	0.
119HYDRANTS - 1987		010197SL		10.00	20,870.		20,870.	20,870.	0.

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05-01-06

(D) - Asset disposed

* ITC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	Reduction In Basis *	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
120	HYDRANTS - 1988	010188	SL	10.00	4,850.		4,850.	4,850.	0.
121	HYDRANTS - 1990	010190	SL	10.00	13,359.		13,359.	13,359.	0.
122	HYDRANTS - 1991	010191	SL	10.00	24,000.		24,000.	24,000.	0.
123	HYDRANTS - 1992	010192	SL	10.00	18,000.		18,000.	18,000.	0.
124	HYDRANTS - 1993	010193	SL	10.00	5,400.		5,400.	5,400.	0.
125	HYDRANTS - 2000	010100	SL	10.00	39,809.		39,809.	27,867.	3,981.
	ACE Depreciation		SL	10.00				3,981.	3,981.
126	HYDRANTS - 2001	010101	SL	10.00	7,437.		7,437.	3,782.	744.
	AMT Depreciation		SL	10.00				744.	744.
	ACE Depreciation		SL	10.00				1,089.	242.
127	HYDRANTS - 2002	063002	SL	10.00	2,422.		2,422.	1,089.	242.
	AMT Depreciation		SL	10.00				1,089.	242.
	ACE Depreciation		SL	10.00				1,089.	242.
360	HYDRANTS - 2004	063004	SL	10.00	15,088.		15,088.	3,772.	1,509.
	AMT Depreciation		SL	10.00				3,772.	1,509.
	ACE Depreciation		SL	10.00				3,772.	1,509.
379	HYDRANTS - 2005	063005	SL	10.00	15,475.		15,475.	2,322.	1,548.
	AMT Depreciation		SL	10.00				2,322.	1,548.
	ACE Depreciation		SL	10.00				2,322.	1,548.
394	PUMPS @ WTP	110106	SL	10.00	64,458.		64,458.	1,074.	6,446.
	AMT Depreciation		SL	10.00				1,074.	6,446.
	ACE Depreciation		SL	10.00				1,074.	6,446.

628103
05-01-06

(D) - Asset disposed

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
	* Other Total Other				268,349.		268,349.	163,566.	14,470.
	* Other Total -				268,349.		268,349.	163,566.	14,470.
154	TREATMENT PLANT - 1990 AMT Depreciation	010190	SL	50.00	3509084.		3509084.	1193090.	70,182.
	ACE Depreciation		SL	50.00				70,182.	70,182.
155	TREATMENT PLANT - 1991 AMT Depreciation	010191	SL	50.00	205,503.		205,503.	65,761.	4,110.
	ACE Depreciation		SL	50.00				4,110.	4,110.
156	TREATMENT PLANT - 1992 AMT Depreciation	010192	SL	50.00	19,382.		19,382.	5,816.	388.
	ACE Depreciation		SL	50.00				388.	388.
157	TREATMENT PLANT - 1993 AMT Depreciation	010193	SL	50.00	10,032.		10,032.	2,811.	201.
	ACE Depreciation		SL	50.00				201.	201.
158	TREATMENT PLANT - 1994 AMT Depreciation	010194	SL	50.00	512.		512.	132.	10.
	ACE Depreciation		SL	50.00				10.	10.
159	TREATMENT PLANT - 1995 AMT Depreciation	010195	SL	50.00	10,201.		10,201.	2,448.	204.
	ACE Depreciation		SL	50.00				204.	204.
160	TREATMENT PLANT - 1996 AMT Depreciation	010196	SL	50.00	697.		697.	154.	14.
	ACE Depreciation		SL	50.00				14.	14.
161	TREATMENT PLANT - 1997 AMT Depreciation	010197	SL	50.00	3,822.		3,822.	762.	76.
	ACE Depreciation		SL	50.00				76.	76.
162	TREATMENT PLANT - 1998 AMT Depreciation	010198	SL	50.00	6,982.		6,982.	1,290.	140.
	ACE Depreciation		SL	50.00				140.	140.

629103
05-01-06
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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
164	WHITE MILLS WTP - 2000 AMT Depreciation	010100	SL	50.00	645,916.1		645,916.1	904,250.0	129,183.3
	ACE Depreciation		SL	50.00				129,183.3	129,183.3
165	WHITE MILLS WTP - 2001 AMT Depreciation	010101	SL	50.00	482,720.0		482,720.0	57,924.4	9,654.4
	ACE Depreciation		SL	50.00				9,654.4	9,654.4
166	WHITE MILLS WTP - 2002 AMT Depreciation	063002	SL	50.00	245,508.0		245,508.0	22,095.0	4,910.0
	ACE Depreciation		SL	50.00				22,095.0	4,910.0
341	PUMP AMT Depreciation	112603	SL	10.00	3,454.0		3,454.0	1,064.0	345.0
	ACE Depreciation		SL	10.00				1,064.0	345.0
342	THREE PHASE CONTROL PANEL AMT Depreciation	112603	SL	10.00	4,149.0		4,149.0	1,280.0	415.0
	ACE Depreciation		SL	10.00				1,280.0	415.0
343	8 CL17 CHLORINE MONITORS AMT Depreciation	093003	SL	10.00	19,101.0		19,101.0	6,208.0	1,910.0
	ACE Depreciation		SL	10.00				6,208.0	1,910.0
344	MYERS PUMP 1.5HP AMT Depreciation	123103	SL	10.00	2,882.0		2,882.0	864.0	288.0
	ACE Depreciation		SL	10.00				864.0	288.0
	* Other Total				109,831.90		109,831.90	226,594.9	222,030.0
	* Other Total				109,831.90		109,831.90	226,594.9	222,030.0
240	PRESSURE WASHER	021397	SL	5.00	3,408.0		3,408.0	3,295.0	0.0
241	PRESSURE WASHER	102698	SL	5.00	3,550.0		3,550.0	3,550.0	0.0

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
242	PRESSURE RELIEF VALVE	022899SL		5.00	940.		940.	940.	0.
243	WORKBENCH	030999SL		5.00	771.		771.	771.	0.
244	TREES	041299SL		5.00	2,290.		2,290.	2,290.	0.
245	TRANSDUCERS	092799SL		5.00	1,750.		1,750.	1,750.	0.
246	GLASS DOOR FOR BACKHOE	102799SL		5.00	902.		902.	902.	0.
247	TREES	121499SL		5.00	1,128.		1,128.	1,128.	0.
248	LOCKERS	083195SL		5.00	3,204.		3,204.	3,204.	0.
249	INDUSTRIAL EQUIPMENT	053194SL		5.00	3,100.		3,100.	3,100.	0.
250	ICE MACHINE	061494SL		5.00	200.		200.	200.	0.
251	TEETH	063094SL		5.00	5,859.		5,859.	5,859.	0.
252	CUTTING SAW	073194SL		5.00	806.		806.	806.	0.

628103
05-01-06

(D) - Asset disposed

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
253	AUGER	113000	SL	5.00	5,234.		5,234.	5,234.	0.
254	GATE OPENER AMT Depreciation ACE Depreciation	021301	SL SL	5.00 5.00	3,160.		3,160.	3,160. 105.	0.
255	RAMTEQ PRESSURE WASHER AMT Depreciation ACE Depreciation	022802	SL SL	5.00 5.00	4,500.		4,500.	4,350. 4,350.	150. 150.
	* Other Total Other			5.00	40,802.		40,802.	40,539.	150.
	* Other Total -				40,802.		40,802.	40,539.	150.
256	SHORING	083194	SL	5.00	12,289.		12,289.	12,289.	0.
257	SAFETY EQUIPMENT	113095	SL	5.00	5,431.		5,431.	5,431.	0.
258	ULTRALIGHT SCBA	113095	SL	5.00	5,053.		5,053.	5,053.	0.
259	VENTILATOR BLOWER	123195	SL	5.00	901.		901.	901.	0.
260	CONFINED SPACE RESCUE SYSTEM	123195	SL	5.00	2,471.		2,471.	2,471.	0.
261	WHEELER TEST PUMP	113097	SL	5.00	2,329.		2,329.	2,329.	0.

628103
05-01-06

(D) - Asset disposed

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
262	VALVE REPAIR KIT	0228198SL		5.00	1,152.		1,152.	1,152.	0.
263	VALVE	0228198SL		5.00	273.		273.	273.	0.
264	LEAK DETECTOR	0331198SL		5.00	2,568.		2,568.	2,568.	0.
265	SET OF BACKHOE FORKS	0331198SL		5.00	1,050.		1,050.	1,050.	0.
266	VALVE TURNER, SOCKETS	0831198SL		5.00	4,297.		4,297.	4,297.	0.
267	IMPELLERS	0930198SL		5.00	853.		853.	853.	0.
268	AUTOMATIC WATER SALESMAN	1208198SL		5.00	4,270.		4,270.	4,270.	0.
269	FIBER OPTIC CABLE	0331199SL		5.00	2,190.		2,190.	2,190.	0.
270	FLOWMATE WADING ROD	0531199SL		5.00	3,510.		3,510.	3,510.	0.
271	EQUIPMENT	0608199SL		5.00	1,039.		1,039.	1,039.	0.
272	HATCH	0630199SL		5.00	4,265.		4,265.	4,265.	0.

628103
05-01-06

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2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
273	GENERATOR	0713199	SL	5.00	799.		799.	799.	0.
274	IMPELLERS	0731199	SL	5.00	1,272.		1,272.	1,272.	0.
275	BUCKET & SIDE CUTTER	0927999	SL	5.00	3,710.		3,710.	3,710.	0.
276	HANDHELD UPGRADE AMT Depreciation	033101	SL	5.00	4,888.		4,888.	4,888.	0.
	ACE Depreciation		SL	5.00				161.	
277	TRENCH BOX AMT Depreciation	033101	SL	5.00	7,681.		7,681.	7,681.	0.
	ACE Depreciation		SL	5.00				257.	
278	ALUMINUM HATCH AMT Depreciation	053101	SL	5.00	1,296.		1,296.	1,296.	0.
	ACE Depreciation		SL	5.00				109.	
279	SPECTROPHOTOMETER AMT Depreciation	050801	SL	5.00	5,818.		5,818.	5,818.	0.
	ACE Depreciation		SL	5.00				483.	
3492	" WATER PUMP FOR TRUCK AMT Depreciation	031203	SL	5.00	635.		635.	487.	127.
	ACE Depreciation		SL	5.00				487.	127.
350	METROTECH TRACER MODEL 810 AMT Depreciation	073103	SL	5.00	2,405.		2,405.	1,643.	481.
	ACE Depreciation		SL	5.00				1,643.	481.
351	RAE MULTI GAS MONITOR AMT Depreciation	113003	SL	5.00	1,395.		1,395.	860.	279.
	ACE Depreciation		SL	5.00				860.	279.
352	S3000 RTU W/SOFTWARE MODULES AMT Depreciation	123103	SL	5.00	3,250.		3,250.	1,950.	650.
	ACE Depreciation		SL	5.00				1,950.	650.

628103
05-01-06

(D) - Asset disposed

* ITC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
353	METER TRANSCIEVER UNIT	050303	SL	5.00	142,100.		142,100.	104,207.	28,420.
	AMT Depreciation		SL	5.00				104,207.	28,420.
	ACE Depreciation		SL	5.00				104,207.	28,420.
383	CONFINED SPACE RESCUE SYSTEM	101805	SL	5.00	6,696.		6,696.	1,562.	1,339.
	AMT Depreciation		SL	5.00				1,562.	1,339.
	ACE Depreciation		SL	5.00				1,562.	1,339.
	* Other Total				235,886.		235,886.	190,114.	31,296.
	* Other Total				235,886.		235,886.	190,114.	31,296.
280	180 MITSUBISHI EXCAVATOR	113093	SL	5.00	8,312.		8,312.	8,312.	0.
281	TEETH	083194	SL	5.00	6,215.		6,215.	6,215.	0.
282	STRIKE FORCE HAMMER	111494	SL	5.00	3,627.		3,627.	3,627.	0.
283	2" AIR INLET	111494	SL	5.00	3,565.		3,565.	3,565.	0.
284	EARTH AUGER	113094	SL	5.00	3,712.		3,712.	3,712.	0.
285	DRILL ROD	113094	SL	5.00	3,620.		3,620.	3,620.	0.
286	PUSH MACHINE	111695	SL	5.00	6,174.		6,174.	6,174.	0.

628103
05-01-06

(D) - Asset disposed

* IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
287	BACKHOE	113099SL	SL	5.00	46,147.		46,147.	46,146.	0.
288	SKID LOADER	032098SL	SL	5.00	21,995.		21,995.	21,995.	0.
289	FLOOR MACHINE AMT Depreciation ACE Depreciation	061201SL	SL	5.00	944.		944.	944. 94.	0.
290	SAW AMT Depreciation ACE Depreciation	081401SL	SL	5.00	887.		887.	887. 120.	0.
291	CHOP SAW AMT Depreciation ACE Depreciation	091101SL	SL	5.00	890.		890.	890. 133.	0.
292	FLOOR BURNISHER AMT Depreciation ACE Depreciation	041001SL	SL	5.00	1,302.		1,302.	1,302. 88.	0.
	* Other Total			5.00	107,390.		107,390.	107,389. 88.	0.
	* Other Total				107,390.		107,390.	107,389.	0.
293	CUTLER HAMMER DRILL	043000SL	SL	5.00	795.		795.	795.	0.
294	AQUATREND DIGITAL DISPLAY	063000SL	SL	5.00	4,138.		4,138.	4,138.	0.
295	CHLORIMETER	083000SL	SL	5.00	649.		649.	649.	0.

628103
05-01-06

(D) - Asset disposed

* IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
	* Other Total Other				5,582.		5,582.	5,582.	0.
	* Other Total -				5,582.		5,582.	5,582.	0.
296	RADIOS	022394SL		5.00	2,154.		2,154.	2,154.	0.
297	RADIOS	051894SL		5.00	1,538.		1,538.	1,538.	0.
298	RADIOS	073194SL		5.00	1,685.		1,685.	1,685.	0.
299	RADIOS	092394SL		5.00	841.		841.	841.	0.
300	RADIOS	093094SL		5.00	422.		422.	422.	0.
301	RADIOS	113095SL		5.00	2,959.		2,959.	2,959.	0.
302	RADIO & 2 BATTERIES	083000SL		5.00	972.		972.	972.	0.
303	12 MOBILE UNITS	041192SL		5.00	20,000.		20,000.	20,000.	0.
304	6 PORTS	041192SL		5.00	5,000.		5,000.	5,000.	0.

628103
05-01-06
(D) - Asset disposed * IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO.2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
305	REPATER	041192	SL	5.00	3,500.		3,500.	3,500.	0.
306	RADIOS	041192	SL	5.00	13,013.		13,013.	13,013.	0.
307	DUPLIX CIRCULATOR	041192	SL	5.00	1,287.		1,287.	1,287.	0.
308	MOTOROLA MARATRAC RADIOS	043002	SL	5.00	5,591.		5,591.	5,217.	374.
	AMT Depreciation		SL	5.00				5,217.	374.
	ACE Depreciation		SL	5.00				5,217.	374.
	* Other Total Other				58,962.		58,962.	58,588.	374.
	* Other Total -				58,962.		58,962.	58,588.	374.
309	KENVIRONS	111993	SL	40.00	9,861.		9,861.	3,454.	247.
	AMT Depreciation		SL	40.00				247.	247.
	ACE Depreciation		SL	40.00				778.	247.
310	WESTERN WATER MGMT	012194	SL	40.00	2,392.		2,392.	60.	60.
	AMT Depreciation		SL	40.00				60.	60.
	ACE Depreciation		SL	40.00				60.	60.
311	SURVEY	021098	SL	40.00	3,700.		3,700.	835.	93.
	AMT Depreciation		SL	40.00				93.	93.
	ACE Depreciation		SL	40.00				93.	93.
312	SEWAGE SYSTEM AFFADAVIT	060998	SL	40.00	15.		15.	2.	0.
313	DESIGN & CONSTRUCTION FEES	021199	SL	40.00	155,272.		155,272.	31,055.	3,882.
	AMT Depreciation		SL	40.00				3,882.	3,882.
	ACE Depreciation		SL	40.00				3,882.	3,882.

(D) - Asset disposed

* ITC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
314	KENVIRONS AMT Depreciation ACE Depreciation	031199	SL	40.00	9,838.		9,838.	1,968. 246. 246.	246. 246. 246.
315	BLDG CONSTRUCTION AMT Depreciation ACE Depreciation	031199	SL	40.00	223,808.		223,808.	44,761. 5,595. 5,595.	5,595. 5,595. 5,595.
316	TELEPHONE SYSTEM AMT Depreciation ACE Depreciation	041399	SL	40.00	5,804.		5,804.	1,160. 145. 145.	145. 145. 145.
317	CONCRETE CYLINDER TEST AMT Depreciation ACE Depreciation	041399	SL	40.00	26.		26.	7. 1. 1.	1. 1. 1.
318	KENVIRONS AMT Depreciation ACE Depreciation	041399	SL	40.00	4,254.		4,254.	849. 106. 106.	106. 106. 106.
319	BLDG CONSTRUCTION AMT Depreciation ACE Depreciation	041399	SL	40.00	108,270.		108,270.	21,655. 2,707. 2,707.	2,707. 2,707. 2,707.
320	CONCRETE CYLINDER TEST AMT Depreciation ACE Depreciation	051199	SL	40.00	247.		247.	48. 6. 6.	6. 6. 6.
321	PARKING LOT LIGHT AMT Depreciation ACE Depreciation	123199	SL	40.00	2,581.		2,581.	519. 65. 65.	65. 65. 65.
322	HVAC UNITS AMT Depreciation ACE Depreciation	053101	SL	40.00	2,973.		2,973.	543. 74. 74.	74. 74. 74.
354	CECILIA PUMP STATION AMT Depreciation ACE Depreciation	121803	SL	40.00	219,753.		219,753.	16,482. 16,482. 16,482.	5,494. 5,494. 5,494.
357	FENCE AT WATER TREATMENT PLANT AMT Depreciation ACE Depreciation	052504	SL	40.00	47,000.		47,000.	3,035. 3,035. 3,035.	1,175. 1,175. 1,175.

628103
05-01-06

(D) - Asset disposed

* TIC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
	* Other Total Other				795,794.		795,794.	127,151.	19,896.
	* Other Total -				795,794.		795,794.	127,151.	19,896.
323	CURRENTS #2								
	AMT Depreciation	061099	SL	40.00	42,818.		42,818.	8,561.	1,070.
	ACE Depreciation		SL	40.00				1,070.	1,070.
324	INSPECTION OF EASTVIEW TANK								
	AMT Depreciation	061099	SL	40.00	10,095.		10,095.	2,017.	252.
	ACE Depreciation		SL	40.00				252.	252.
325	CURRENTS #2								
	AMT Depreciation	061099	SL	40.00	408.		408.	81.	10.
	ACE Depreciation		SL	40.00				10.	10.
	* Other Total Other				53,321.		53,321.	10,659.	1,332.
	* Other Total -				53,321.		53,321.	10,659.	1,332.
326	RING ROAD BUILDING - OFFICE								
	AMT Depreciation	082299	SL	40.00	34,415.		34,415.	9,462.	860.
	ACE Depreciation		SL	40.00				860.	860.
327	RING ROAD BUILDING - OFFICE								
	AMT Depreciation	082197	SL	40.00	898,321.		898,321.	224,580.	22,458.
	ACE Depreciation		SL	40.00				22,458.	22,458.
328	RING ROAD BUILDING - OFFICE								
	AMT Depreciation	031298	SL	40.00	19,454.		19,454.	3,066.	486.
	ACE Depreciation		SL	40.00				486.	486.
329	RING ROAD BUILDING - SHOP								
	AMT Depreciation	123197	SL	40.00	985,155.		985,155.	197,032.	24,629.
	ACE Depreciation		SL	40.00				24,629.	24,629.

(D) - Asset disposed * IRC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
330	RING ROAD BUILDING - SHOP AMT Depreciation ACE Depreciation	0501199	SL SL	40.00 40.00	353,783.		353,783.	70,759. 8,845. 8,845.	8,845. 8,845.
331	REPLACEMENT DOORS RING ROAD BLDG AMT Depreciation ACE Depreciation	081302	SL SL	40.00 40.00	12,647.		12,647.	1,396. 1,396. 1,396.	316. 316. 316.
355	REPLACEMENT DOORS RING ROAD BLDG AMT Depreciation ACE Depreciation	040303	SL SL	40.00 40.00	4,880.		4,880.	458. 458. 458.	122. 122. 122.
356	.057 ACRES FEE LOT ON HWY 62 AMT Depreciation ACE Depreciation	012703	SL SL	10.00 10.00	4,620.		4,620.	1,810. 1,810. 458.	462. 462. 122.
384	FRONT OFFICE CABINETS AMT Depreciation ACE Depreciation	040105	SL SL	10.00 10.00	5,102.		5,102.	893. 893. 893.	510. 510. 510.
	* Other Total		SL	10.00	2318377.		2318377.	509,456.	58,688.
	* Other Total				2318377.		2318377.	509,456.	58,688.
	CONSTRUCTION IN PROGRESS - E-TOWN								
335	LOOP AMT Depreciation ACE Depreciation	123106	DB DB	200 200	205,502.		205,502.		82,201. 61,651. 61,651.
371	CONSTRUCTION IN PROGRESS - PHASE IV AMT Depreciation ACE Depreciation	123106	DB DB	200 200	14,500.		14,500.		5,800. 4,350. 4,350.

628103
05-01-06

(D) - Asset disposed

* IRC, Section 179; Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

2007 DEPRECIATION AND AMORTIZATION REPORT

- NEXT YEAR FEDERAL - HARDIN COUNTY WATER DISTRICT NO. 2

Asset No.	Description	Date Acquired	Method	Life	Unadjusted Cost Or Basis	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Amount Of Depreciation
	CONSTRUCTION IN PROGRESS - REGIONAL								
386FA	AMT Depreciation	123106200	DD5.00	00	105,000.		105,000.		42,000.
	ACE Depreciation		DD5.00	00					31,500.
	* Other Total Other		DD5.00	00	325,002.		325,002.	0.	130,001.
	* Other Total -				325,002.		325,002.	0.	130,001.
	* Grand Total Other Depreciation				54648989.		54648989.	12518337.	1287885.
	AMT Depreciation				47839522.		47839522.	1853085.	1255385.
	ACE Depreciation				47760127.		47760127.	1490487.	1255385.

628103
05-01-06

(D) - Asset disposed

* ITC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction, GO Zone

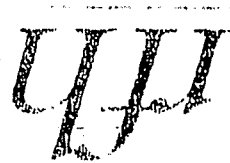
Boone County Depreciation Study – Case No. 2006-00410

KAWC Depreciation Study – Case No. 2007-00143

Appendix B

KAWC Depreciation Study – Case No. 2007-00143

Boone County Depreciation Study – Case No. 2006-00410


Ray, Foley, Hensley & Company, PLLC
Certified Public Accountants and Consultants

Dennis H. England, CPA
Michael D. Foley, CPA
Lyman Hager, Jr., CPA
Jerry W. Hensley, CPA
Chris A. Humphrey, CPA
J. Carroll Luby, CPA
Marc T. Ray, CPA-ABV
David L. Lowe, CPA

Jim Bruce, Chairman
Hardin County Water District No. 1
1400 Rogersville Road
Radcliff, Kentucky 40160

October 30, 2006

We are providing you with a reconciliation of depreciation expense, accumulated depreciation, and fixed assets as they relate to each other and a detailed depreciation schedule. All beginning balances on the reconciliation were obtained from the 2004 audited financial statements. Reconciling items on the schedule include current year additions, current year disposals, and audit adjustments.

Current year additions include \$5,062,333 of assets that were acquired through current year purchases or addition of projects that were completed during the year and \$510,400 in estimated current year depreciation expense.

Current year disposals include \$133,144 in assets that were removed from the books during the year.

A net audit adjustment of \$98,192 was made to the book amounts for depreciation and accumulated depreciation to agree the accumulated depreciation to actual per the schedule. This amount is the combination of two separate amounts as shown on the explanatory schedule attached. An amount of \$73,913 was added to depreciation expense to adjust the estimated \$510,400 recorded depreciation expense to the actual depreciation expense of \$584,313 as detailed in the accompanying depreciation schedule. The second amount of \$172,105 reduced depreciation expense and accumulated depreciation to actual accumulated depreciation of \$8,195,708 as detailed in the accompanying depreciation schedule. The second amount was the cumulative effect of prior year errors in the depreciation schedule. The accompanying depreciation schedule shows the individual items that generated the prior year errors. The net amount of \$98,192 was adjusted through current operations because depreciation expense is an estimate and as such does not require a restatement of prior reported amounts.

Please let us know if we can provide any additional information or assistance concerning this matter.

Sincerely,

David L. Lowe
Ray, Foley, Hensley & Company, PLLC

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Members American Institute of Certified Public Accountants and Kentucky Society of Certified Public Accountants

**Hardin County Water District No.1
 Analysis of Depreciation Expense
 December 31, 2005**

Depreciation Expense	Accumulated Depreciation	Fixed Assets	Balances per 2004 audited financial statements
\$ 612,524	\$ (7,916,644)	\$ 24,080,398	Balances per 2004 audited financial statements
		5,062,333	Assets acquired during 2005
	133,144	(133,144)	Assets disposed of during 2005
\$ 510,400	(510,400)		Recorded 2005 depreciation expense
73,913	(73,913)		Adjustment for additional depreciation per schedule
(172,105)	172,105		Adjustment for prior period errors
(98,192)	98,192		Net adjustment
\$ 412,208	\$ (8,185,708)	\$ 29,009,687	Balances per 2005 audited financial statements

584,313

12	11	10	9	8	7	6	5	4	3	2	1
Amount	Depreciation	Accumulated	Depreciation	Depreciation	YTD	Cost	Acc'd	Acc'd	Year	Acquired	Description
\$105,051	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48
\$112,755	\$112,755	\$112,755	\$112,755	\$112,755	\$112,755	\$112,755	\$112,755	\$112,755	\$112,755	\$112,755	\$112,755
\$106,784	\$106,784	\$106,784	\$106,784	\$106,784	\$106,784	\$106,784	\$106,784	\$106,784	\$106,784	\$106,784	\$106,784
\$5,971	\$5,971	\$5,971	\$5,971	\$5,971	\$5,971	\$5,971	\$5,971	\$5,971	\$5,971	\$5,971	\$5,971
\$17,135.37	\$17,135.37	\$17,135.37	\$17,135.37	\$17,135.37	\$17,135.37	\$17,135.37	\$17,135.37	\$17,135.37	\$17,135.37	\$17,135.37	\$17,135.37
\$228,023,418.11	\$228,023,418.11	\$228,023,418.11	\$228,023,418.11	\$228,023,418.11	\$228,023,418.11	\$228,023,418.11	\$228,023,418.11	\$228,023,418.11	\$228,023,418.11	\$228,023,418.11	\$228,023,418.11
\$694,313	\$694,313	\$694,313	\$694,313	\$694,313	\$694,313	\$694,313	\$694,313	\$694,313	\$694,313	\$694,313	\$694,313
\$106,707	\$106,707	\$106,707	\$106,707	\$106,707	\$106,707	\$106,707	\$106,707	\$106,707	\$106,707	\$106,707	\$106,707
\$105,051	\$105,051	\$105,051	\$105,051	\$105,051	\$105,051	\$105,051	\$105,051	\$105,051	\$105,051	\$105,051	\$105,051

PAPUC guidelines (1979 NARUC guidelines)

MOPSC guidelines

**FLPSC guidelines recommended by the Chairman for the NARUC
Subcommittee on Accounting and Finance**

Appendix C

FLPSC Guidelines

Winslow, Kim

From: Marshall Willis [MWillis@PSC.STATE.FL.US]
Sent: Wednesday, September 05, 2007 3:34 PM
To: Winslow, Kim
Subject: RE: Recommended average service lives for water utilities

Yes, You have represented our conversation accurately.

From: Winslow, Kim [mailto:Winslowk@bv.com]
Sent: Wednesday, September 05, 2007 4:28 PM
To: Marshall Willis
Subject: FW: Recommended average service lives for water utilities

Marshall,
I talked with you a couple of months ago regarding NARUC guidelines for average service lives for water assets. As you may recall, I am working on a depreciation study to be filed with the Kentucky PSC and I am gathering information that might be used in that case. I explained to you that I had spoken with Judy Koch Carlson from the Pennsylvania Public Utility Commission, who is a member of the water subgroup for NARUC. She provided me with standard average service lives and salvages recommended by NARUC for small water utilities. She explained that it was developed in the 1970s and that that the PAPUC typically relies on these rates for the smaller utilities. The documentation that she faxed me had no indication that it was developed by NARUC. Based on the type set used in the document, it appears that it was developed some time ago.

I talked with you a couple of months after I spoke with Ms. Carlson. I recall that you informed me that to the best of your knowledge, as the NARUC Chairman of Finance and Accounting, that NARUC did not sponsor any guidelines for average service lives for water assets. You mentioned that if there were any sponsored average service lives, they would be posted on the NARUC website, which they are not. You suggested that I consult the Florida PSC website for average service lives and salvage allowances that it relies upon in its cases. My notes from our conversation indicate that these lives were determined through a workshop with water industry experts. I understand that the average service lives and salvage (as applicable) can be found by referring to the link below.

Have I represented our conversation accurately? I want to confirm that I understand that there are no NARUC guidelines. I further want to confirm my understanding of how the FL PSC ASLs and salvage were determined and that you recommend those as a reasonable proxy on which to develop depreciation rates.

I appreciate your time. If you have any questions, please do not hesitate to contact me.

Thank you,
Kymberly J. Winslow
Enterprise Management Solutions
Black & Veatch Corporation
11401 Lamar
Overland Park, Kansas 66211
Phone: (913) 458-3276
Fax: (913) 458-3817

From: James Ramsay [mailto:jramsay@naruc.org]
Sent: Thursday, May 31, 2007 2:36 PM
To: Winslow, Kim

Subject: FW: Recommended average service lives for water utilities

-----Original Message-----

From: Marshall Willis [mailto:MWillis@PSC.STATE.FL.US]

Sent: Thursday, May 31, 2007 3:19 PM

To: James Ramsay

Subject: RE: Recommended average service lives for water utilities

Brad, The subcommittee has not done anything with average service lives for water. You could refer him to the Florida website which is what I do when people call me. I just tell them they can use it however they wish. Here is the link.
<https://www.flrules.org/gateway/ruleNo.asp?ID=25-30.140>

Marshall

From: James Ramsay [mailto:jramsay@naruc.org]

Sent: Thursday, May 31, 2007 2:13 PM

To: Marshall Willis

Subject: FW: Recommended average service lives for water utilities

Marshall - do we have (or are there) standard plant depreciation schedules for water - that I can refer kim to?

brad

-----Original Message-----

From: Doug Willier

Sent: Wednesday, May 30, 2007 11:11 AM

To: James Ramsay

Subject: FW: Recommended average service lives for water utilities

Does NARUC recommend average service lives for water utility plant? If so, where can I find that information?

From: Winslow, Kim [mailto:WinslowK@bv.com]

Sent: Thursday, March 29, 2007 5:13 PM


To: Admin

Subject: Recommended average service lives for water utilities

Florida Department of State: State Library and Archives of Florida

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Rule: 25-30.140

Rule Title: Depreciation

Department: PUBLIC SERVICE COMMISSION

Chapter: WATER AND WASTEWATER UTILITY RULES

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Latest version of the final adopted rule presented in Florida Administrative Code (FAC):

Effective Date: 12/4/2003

Specific Authority 350.127(2), 367.121(1) FS, Law Implemented 350.115, 367.081(2), 367.121(1) FS, History-New 3-22-84, Formerly 25-10.32, 25-10.032, Amended 11-10-86, 5-8-88, 11-21-95, 12-4-03.

Rulemaking notices presented in Florida Administrative Weekly (FAW) since Jan 6, 2006 and Rule versions presented in Florida Administrative Code (FAC)

Notice ID	Section / Rule No.	Summary / Purpose / Subject / Rule Title	Notice / Adopted Date	Publish Date
1496242	Final 25-30.140	Depreciation	Effective: 12/04/2003	
4529335	25-30.032	Development of the rule amendments is to reduce the number of paper copies of the documents required by the rules that water and wastewater companies must file with the Commission. Undocketed.	9/7/2007	Vol. 33/36


Legend	FAW Section	Description
Final	Final	Final Adopted Version in F.A.C.
Development	Development	Notice of Development of Rulemaking
Proposed	Proposed	Notice of Proposed Rule
Change	Correction	Notice of Change
Correction	Correction	Notice of Correction
Withdrawal	Correction	Notice of Withdrawal
Continuation	Correction	Notice of Continuation
Hearing	Correction	Notice of Public Hearing
Emergency	Emergency	Notice of Emergency Rule
Variances	Variances	Notice of Variances and Waivers
Public Meeting	Meeting	Notice of Public Meeting
Public Hearing	Meeting	Notice of Public Hearing
Workshop	Meeting	Notice of Workshop
Conference	Meeting	Notice of Conference Call
Petition	Declaratory	Notice of Petition
Disposition	Declaratory	Notice of Disposition
Declaration	Declaratory	Notice of Declaration
Validity	Validity	Notice of Petitions/Dispositions Regarding Rule Validity
Policy	Policy	Notice of Petitions Regarding Policy Challenges
JAPC	JAPC	Notice of Joint Administrative Procedures Committee
Bid	Bid	Notice of Bid/Request for Proposal
Misc	Misc	Miscellaneous

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Notice: 1496242

Final Adopted Version in F.A.C.

Department: PUBLIC SERVICE COMMISSION

Chapter: WATER AND WASTEWATER UTILITY RULES

RULE: 25-30.140 Depreciation

RULE EFFECTIVE DATE: 12/4/2003

HISTORY NOTES: Specific Authority 350.127(2), 367.121(1) FS, Law Implemented 350.115, 367.081(2), 367.121(1) FS, History-New 3-22-84, Formerly 25-10.32, 25-10.032, Amended 11-10-86, 5-8-88, 11-21-95, 12-4-03.



FINAL ADOPTED RULE:

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25-30.140 Depreciation.

(1) For the purpose of the rule, the following definitions apply:
(a) Account – Water and wastewater plant accounts are defined in the NARUC Uniform System of Accounts adopted by Rule 25-30.115, F.A.C.

(b) Amortization – The gradual extinguishment of an amount in an account by distributing such amount over a fixed period.

(c) Asset – Any owned physical object (tangible) or right (intangible) having economic value to its owner.

(d) Average Remaining Life – The future expected service in years of the surviving plant at a given age.

(e) Average Service Life – The period of service that can be reasonably expected from the plant type in question. It is measured by the period of time the subject plant and its associated investment is included on the company's books as in service to the public.

The average service life will typically be less than the potential physical life due to factors such as governmental requirements, growth or adverse operating conditions.

(f) Average Service Life Depreciation Rate - The depreciation rate based on the expected average service to be experienced by the investment or account in question.

$$\text{A.S.L. Rate} = 100\% - \text{Average Net Salvage \%}$$

Average Service Life

(g) Capitalization – Measures of the property of capitalization versus expensing as follows:

1. The addition of any retirement unit, or

2. Any replacement with a retirement unit that materially enhances the value, use, life expectancy, strength or capacity of the asset prior to replacement shall be capitalized.

3. The cost of incidental repairs that neither materially add to the value of the property nor appreciably prolong its life and that were made to keep the property in an ordinary efficient operating condition shall be accounted for as a maintenance expense.

(h) Cost of removal – The cost of demolishing, dismantling, tearing down or otherwise removing utility plant, including the cost of transportation and handling incidental thereto.

(i) Continuing Property Record (CPR) – A perpetual collection of records required by the NARUC Uniform System of Accounts showing the detailed original costs, quantities, and locations of plant in service. Generally, a CPR should contain 1) an inventory of property record units which can be readily checked for proof of physical existence, 2) the association of costs with such property record units to ensure accurate accounting for retirements, and 3) the dates of installation and removal of plant to provide data for use in connection with depreciation studies.

(j) Depreciation – As applied to depreciable utility plant, the loss in service value not restored by current maintenance incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes that are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and requirements of public authorities. The intent of depreciation per this rule is to provide for recovery of invested capital and to match this recovery as nearly as possible to the useful life of the depreciable investment.

(k) Depreciation Accounting – The process of charging the book cost of depreciable property, adjusted for net salvage, to operations over the associated useful life.

(l) Depreciation Expense – The periodic charge to expense to allocate the original cost of a depreciable group of assets over the life of those assets.

(m) Depreciable Group – A homogeneous grouping of assets expected to experience similar life and salvage patterns. Unless otherwise ordered by the Commission, depreciable groups are the accounts defined in the NARUC Uniform System of Accounts adopted by Rule 25-30.115, F.A.C.

(n) Function – defined as follows:

Water	Wastewater
Source of Supply	Collection Plant
(Accounts 304 to 311 and 339)	(Accounts 354, 355 and 360 to 367)
	Pumping Plant
	(Accounts 354, 355, 370, 371)
Water Treatment Plant	Treatment & Disposal Plant

(Accounts 304, 310, 311, 320, and 339) Reclaimed Water Treatment Plant (Accounts 354 and 380 to 389)
 Transmission & Distribution Plant (Accounts 354, 355, 371, 374, 380, 381, 389)
 Reclaimed Water Distribution Plant (Accounts 354, 355, 366, 367, 371, 375, 389)
 General Plant (Accounts 304 and 340 to 348)
 General Plant (Accounts 354 and 390 to 398)

(o) Group Depreciation – An accounting procedure under which depreciation charges are accrued on the basis of the original cost of all property included in each depreciable group. Under the group concept, no attempt is made to keep track of the accumulated provision for depreciation applicable to individual assets of property, in view of the many items making up a utility system. The group approach recognizes that some assets within the group may live longer or shorter than the average life of the group but the group is expected to live the average service life. Every item in the group is assumed to be fully depreciated at retirement.

(p) Mortality Data – See plant activity data.
 (q) Net Salvage Value – The salvage value of property retired less the cost of removal. This is expressed as a percent of retirements in the depreciation rate formula.

(r) Original Cost – The cost of acquiring an asset and placing it into service for first utility use. This includes the direct costs of acquiring the asset and the cost of labor, materials, and associated costs of installation to prepare the asset for first utility use. The cost is used in the computation of depreciation expense. In the event that an asset is acquired that is already in public service, the original historic cost of the asset should be recorded in plant in service, and the historic accumulated depreciation should be charged to the accumulated depreciation account. In the event the historic cost of an asset that is already in utility service cannot be determined, an independent engineer's evaluation based on an original cost study may be used.
 (s) Plant Activity Data – Annual additions, retirements, adjustments or transfers, sales or purchases, and investment balances at end of year.

(t) Property Retired – As applied to utility plant, property that has been removed, sold, abandoned, destroyed or which has been withdrawn from service for any cause.
 (u) Remaining Life Depreciation Rate – The depreciation rate based on the average remaining portion of the service life expected to be experienced by the investment or account in question and on the net unrecovered capital for that investment or account.

$$R.L. \text{ Rate} = 100\% - \frac{\text{Accumulated Reserve \%} - \text{Future Net Salvage \%}}{\text{Average Remaining Life}}$$

The average remaining life for an account or sub-account is a function of known planned retirement or of the average age of that account and its appropriate mortality table.

(v) Replacing or Replacement – The construction or installation of utility plant in place of property retired, together with the removal of the property retired.
 (w) Reserve – The accumulated provision for depreciation. The accumulated depreciation reserve is the net of depreciation accruals (expenses) and retired investment with related gross salvage and cost of removal as well as any appropriate adjustments or transfers.

(x) Reserve Activity Data – Annual depreciation expense, retirements, transfers or adjustments, gross salvage realized, cost of removal, and end of year balance for the accumulated provision for depreciation.
 (y) Retirement Units – Those items of utility plant which, when retired with or without replacement, are accounted for by crediting the book cost to the utility plant account in which it is included.

(z) Salvage Value – The amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale or, if retained, the amount at which the material recoverable is chargeable to materials and supplies or other appropriate account.

(aa) Straight-Line Method – A depreciation method by which the service value of a depreciable group is charged to depreciation expense (or a clearing account) and credited to the accumulated provision for depreciation account through equal annual charges

- over the service life of the group.
- (b) Unit Depreciation – An accounting procedure under which the original cost, depreciation expense, and accumulated provision for depreciation, and all associated activity are maintained for each individual asset. Service life and salvage parameters are estimated for each individual asset with a depreciation rate designed to recover each asset's original cost over its related life. If the asset lives longer than its expected life, depreciation expense stops accruing when the asset is fully recovered. If the asset retires earlier than its expected service life, the associated unrecovered amount is immediately written-off as a loss.
- (c) Unrecovered Amount – Original cost less the accumulated provision for depreciation less expected net salvage.
- (2) The average service life and salvage components for each class of utility are as follows:
- (a) Water System Guideline Average Service Lives.

Account	Description	Utility (Class A&B)	Utility (Class C)	Utility Function Composite ³	Net Salvage % ⁴
1. Intangible Plant		Large	Small	Small	
351	Organization				
352	Franchise Cost				
2. Source of Supply					28
304	Structures & Improvements	32 ¹	27 ¹		
	Wood	28	25		
	Masonry	30	27		
	Reinforced Concrete	40	37		
	Steel Building	40	35		
	Tanks or Sheds	25	20		
	Fiberglass	20	18		
305	Collecting and Impounding	50	40		
	Reservoirs				
306	Lake, River and Other Intakes	40	40		
307	Wells and Springs				
	Drilled & Cased Well	30	27		
	(Floridan or Non-Corrosive)				
	Shallow Well (Sand	20	18		
	Aquifer or Corrosive				
	Water)				
308	Infiltration Galleries	40	N/A		
	and Tunnels				
309	Supply Mains	35	32		
310	Power Generation Equipment	20	17		
311	Pumping Equipment	20 ¹	17 ¹		
	Pumping Equipment Electric	20	15		
	Pumping Equipment Chemical	8	6		
320	Water Treatment Equipment	22 ¹	17 ¹		
	Chlorination Equipment	10	7		
	Membrane Elements	5	5		
	Other Mechanical Equipment	25	20		
	Other Miscellaneous Equipment	18	15		
4.					36
Transmission					
339					
3. Water Treatment Plant					21
304	Structures and				
	Improvements (see				
	"Source of Supply"				
	for subcategory lives)	32 ¹	27 ¹		
310	Power Generation Equipment	20	17		
311	Pumping Equipment	20 ¹	17 ¹		
	Pumping Equipment-Electric	20	15		
	Pumping Equipment-Chemical	8	6		
320	Water Treatment Equipment	22 ¹	17 ¹		
	Chlorination Equipment	10	7		
	Membrane Elements	5	5		
	Other Mechanical Equipment	25	20		
	Other Miscellaneous Equipment	18	15		

304	Structures & Improvements (See "Source of Supply" for subcategory lives)	32'	27'	
310	Power Generation Equipment	20	17	
311	Pumping Equipment	20'	17'	
	Pumping Equipment – Electric	20	15	
	Pumping Equipment – Chemical	8	6	
330	Distribution Reservoirs & Stand Pipes	37'	33'	
	Steel Pneumatic Tank	35	30	
	Concrete Ground Storage Reservoir	40	37	
331	Mains Transmission & Distribution	43'	38'	
	Galvanized Steel pipe & Fittings	35	33	
	Black Steel Pipe	20	18	
	Plastic Pipe ²	45	40	
	Asbestos – Cement	40	35	
	Cast Iron or Ductile Iron	40	35	
	Valves & Valve Boxes	25	20	
	Fire Mains	33	30	
333	Services ²	40	35	
334	Meters and Meter Installations	20	17	
335	Hydrants	45	40	
336	Backflow Prevention Devices	15	10	
339	Other Plant and Miscellaneous Equipment	25	20	
304	Structures & Improvements	40'	35'	
	Wood Building	35	30	
	Masonry Building	40	35	
	Reinforced Concrete Building	40	37	
	Steel Building	40	35	
	Tanks or Sheds	25	20	
340	Office Furniture & Equipment	15	15	
	Computers	6	6	
341	Transportation Equipment	6	6	
342	Stores Equipment	18	N/A	14 (composite of 342-348)
343	Tools, Shop & Garage Equipment	16	15	
344	Laboratory Equipment	15	N/A	
345	Power Operated Equipment	12	10	5
346	Communication Equipment	10	N/A	10
347	Miscellaneous Equipment	15	N/A	
348	Other Tangible Plant	10	10	

(b) Wastewater System Guideline Average Services Lives.

Account	Description	Utility (Class A&B)	Utility (Class C)	Utility Function Composite ³	Net Salvage % ⁴
1. Intangible Plant		Large	Small	Small	
351	Organization	40	40	40	
352	Franchise Cost	40 ⁵	40 ⁵	40 ⁵	
2. Collection System				35	
354	Structures & Improvements Above Grade	32 ¹	27 ¹		
	Wood	28	25		
	Masonry	30	27		
	Reinforced Concrete	38	35		
	Steel Below Grade	25	22		
	Concrete	35	32		
	Steel	22	20		
	Lift Stations	25	22		
355	Power Generation Equipment	20	17		
360	Collection Sewers-Force ²	30 ¹	27 ¹		
361	Collection Sewers-Gravity ²	45	40		
	Manholes	30	27		
362	Special Collecting Structures	40	37		
363	Services to Customers ²	38	35		
364	Flow Measuring Devices	5	5		
365	Flow Measuring Installations	38	35		
389	Other Miscellaneous Equipment	18	15		
3. Pumping Plant			18		
354	Structures & Improvements	32 ¹	27 ¹		
355	Power Generating Equipment	20	17		
370	Receiving Wells	30	25		
371	Pumping Equipment	18	15		
	Pumping Equipment – Electric	18	15		
	Pumping Equipment – Chemical	7	5		
389	Other Miscellaneous Equipment	18	15		
4. Treatment and Disposal Plant			18		
354	Structures & Improvements (see “Collection System” for subcategory lives)	32 ¹	27 ¹		
355	Power Generating Equipment	20	17		
371	Pumping Equipment – Electric	18	15		
	Pumping Equipment	18 ¹	15 ¹		

389	18	Other Plant and Miscellaneous	15
	33	Fire Mains	30
	25	Valves & Valve Boxes	20
	45	Plastic Pipe ²	40
		Distribution System	
375	43'	Reuse Transmission &	38'
	7	Pumping Equipment – Chemical	5
	18'	Pumping Equipment – Electric	15
371	18'	Pumping Equipment	15'
367	20	Reuse Meters and Meter Installation	17
366	40	Reuse Services	35
355	20	Power Generating Equipment	17
		subcategory lives)	
		“Collection System” for	
354	32'	Structures & Improvements (see	27'
		Distribution Plant	
6.		Reclaimed	
		Water	36
		Equipment	
389	18	Other Plant and Miscellaneous	15
381	35	Plant Sewers	32
	23	Other Mechanical Equipment	18
	10	Chlorination Equipment	7
		Controls	
	15	Blowers, Motors, Pumps, Electric	12
380	18'	Treatment & Disposal Equipment	15'
	40	Concrete Ground Storage Reservoir	37
	35	Steel Pneumatic Tank	30
	37'	Reservoirs	33'
		Reuse Distribution	
374	7	Pumping Equipment – Chemical	5
	18	Pumping Equipment – Electric	15
371	18'	Pumping Equipment	15'
355	20	Power Generating Equipment	17
		subcategory lives)	
		“Collection System” for	
354	32'	Structures & Improvements (see	27'
		Treatment Plant	
5.		Reclaimed	
		Water	21
		Equipment	
389	18	Other Plant and Miscellaneous	15
382	30	Outfall Sewer Lines	30
381	35	Plant Sewers	32
	23	Other Mechanical Equipment	18
	10	Chlorination Equipment	7
	15	Controls	12
		Pumps Electric	
		Blowers, Motors,	
380	18'	Treatment & Disposal Equipment	15'
	7	Pumping Equipment – Chemical	5

7. General Plant

354	Structures & Improvements	40 ¹	35 ¹
	Reinforced Concrete Building	45	40
	Masonry Building	40	35
	Wood Building	35	30
	Steel Building	40	35
	Tanks or Sheds	25	20
390	Office Furniture & Equipment	15	15
	Computers	6	6
391	Transportation Equipment	6	6
392	Stores Equipment	18	N/A
			14 (composite of 392-398)
393	Tools, Shop & Garage Equipment	16	15
394	Laboratory Equipment	15	N/A
395	Power Operated Equipment	12	10
396	Communication Equipment	10	N/A
397	Miscellaneous Equipment	15	N/A
398	Other Tangible Plant	10	10

(c) For the purposes of paragraphs (2)(a) and (b), the following apply:

1. ¹ Denotes composite life.
2. ² Plastic pipe footnote – assumes use of AWWA standard pipe only. Assumes AWWA DR18 used for all mains of 6" or more.
3. ³ To be used only when acceptable company plant balances are not available for developing composites using account lives.
4. ⁴ Net Salvage zero except as indicated.
5. ⁵ Franchise costs shall be amortized over a period of 40 years unless a specific time period is designated in the utility franchise agreement.

(3)(a) Average service life depreciation rates based on guideline lives and salvages shall be used in any Commission proceeding in which depreciation rates are addressed, except for those utilities using depreciation rates in accordance with the requirements listed in subsections (6) and (7) of this rule. A utility shall also implement the applicable guideline rates for any new plant to be placed in service.

(b) A utility may implement applicable guideline rates without specific approval by the Commission. Guideline rates, if implemented for any account, must be implemented for all accounts. If a utility implements applicable guideline rates outside of a rate proceeding, the utility shall provide written notification to the Director of Economic Regulation within 30 days of such implementation.

(c) If guideline depreciation rates have been implemented, the rates shall not be changed unless approved by the Commission.

(4)(a) All Class A and B utilities shall maintain depreciation rates and reserve activity data by account as prescribed by this Commission.

(b) All Class C utilities shall maintain depreciation rates and reserve activity data by total depreciable plant, function or account as prescribed by this Commission.

(5) Computation of depreciation expense. Regulatory book depreciation expense shall be computed on a monthly basis in conformity with group depreciation accounting procedures.

(6)(a) At the time a utility applies for a change in its revenue rates and charges, it may also petition for average service life depreciation rates different from those in the above schedule if it can justify the service lives that the utility is proposing in lieu of the guideline lives. That justification should be in the form of historic data, technical information or utility planning for the affected accounts or sub-accounts. Common causes of need for different depreciation rates include composition of account, adverse environmental conditions, high growth or regulatory changes.

(b) A utility filing for such a revision of depreciation rates shall submit ten copies of the filing to the office of the Director of the

Commission Clerk and Administrative Services.

(c) For each account or function of depreciable plant addressed in the filing, the following shall be included:

1. A comparison of current and proposed depreciation rates and service lives. The proposed effective date of the new rates shall be identified.

2. A comparison of depreciation expenses resulting from current rates with those produced by the proposed rates. Plant balances used in this calculation shall be those as of the effective date of the proposed rates.

3. A general narrative defining the service environment of the applicant utility and the factors (e.g., composition of account, growth, environmental conditions, regulatory changes) leading to the present application for a revision in rates in the affected accounts.

4. Any statistics, data, analyses or calculations used in the development of the proposed average service lives.

- (7)(a) A Class A, B, or C utility may apply for guidelines for implementation of remaining life depreciation rates if the utility has maintained both plant activity data by account and accumulated provision for depreciation (reserve) data by account, function or total depreciable plant generally in accord with the Uniform System of Accounts for either at least ten years or since the inception of the utility, whichever is less.

- (b) To provide time for study development, any application for remaining life guidelines should be submitted at least six months before the filing for a test year in connection with a request for a revenue rate increase.

- (8) Prior to the date of retirement of major installations, the Commission may approve capital recovery schedules to correct associated calculated deficiencies in recovery where a utility demonstrates that retirement of the installation or group of installations is prudent and the associated investment will not be recovered by the time of retirement through the normal depreciation process.

- (9)(a) Beginning with the year ending December 31, 2003, all Class A and B utilities shall maintain separate sub-accounts for: (1) each type of Contributions-in-Aid-of-Construction (CIAC) charge collected including, but not limited to, plant capacity, meter installation, main extension or system capacity; (2) contributed plant; (3) contributed lines; and (4) other contributed plant not mentioned previously. Establishing balances for each new sub-account may require an allocation based upon historical balances. Each CIAC sub-account shall be amortized in the same manner that the related contributed plant is depreciated. Separate sub-accounts for accumulated amortization of CIAC shall be maintained to correspond to each sub-account for CIAC.

- (b) Beginning with the year ending December 31, 2003, for Class C utilities, where adequate CIAC records are maintained in sub-accounts, by type of charge or contributed plant, CIAC amortization rates shall be applied separately to each sub-account. Where CIAC records are not kept by sub-account, a composite depreciation rate for total plant, excluding general plant, shall be applied to the entire CIAC account.

- (c) Any composite rate used shall be recalculated each year based on the applicable plant balances and depreciation rates.

Specific Authority 350.127(2), 367.121(1) FS. Law Implemented 350.115, 367.081(2), 367.121(1) FS. History—New 3-22-84, Formerly 25-10.32, 25-10.032, Amended 11-10-86, 5-8-88, 11-21-95, 12-4-03.

MOPSC Guidelines

Winslow, Kim

From: Schad, Rosella [rosella.schad@psc.mo.gov]
Sent: Thursday, March 29, 2007 4:32 PM
To: Winslow, Kim
Subject: RE: Depreciation rates for water utilities

Attachments: 2005 Standard Water Depreciation Rates (A).xls; 2005 Standard Sewer Depreciation Rates (A).xls

m,
 I have attached two schedules that provide generic ASL, net salvage %, and depreciation rates for regulated small water and wastewater (sewer) systems in Missouri. If you have questions let me know.

From: Winslow, Kim [mailto:Winslowk@bv.com]
Sent: Thursday, March 29, 2007 9:41 AM
To: Schad, Rosella
Subject: Depreciation rates for water utilities

Rosella,
 A couple of months ago we discussed the general depreciation rates that the MO PSC Staff relies upon for water utilities. You are very generous with your time helping me to understand how the Staff develops the rates. I have misplaced the schedule that you sent me showing those depreciation rates and average service lives, which is the baseline for your recommendations. Would you mind sending me those again? It would be greatly appreciated. We are still working with the Kentucky PSC Staff to establish depreciation rates for our client and we would like to show them what the MO PSC Staff is using as a basis. As we discussed in our telephone conversation, the average service lives are only used as a guideline and you alter them to the specific water system given their characteristics.

If you have any questions, please do not hesitate to call me. Please let me know if you can respond to my request. You can fax or email the schedule to me. I appreciate your help.

Thanks,
 Kimberly J. Winslow
 Enterprise Management Solutions
 Rick & Veatch Corporation
 1401 Lamar
 Overland Park, Kansas 66211
 Phone: (913) 458-3276
 Fax: (913) 458-3817

X WATER COMPANY
DEPRECIATION RATES
(WATER)
QW-200X-XXXX

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEPRECIATION RATE	AVERAGE SERVICE LIFE (YEARS)	NET SALVAGE
311	Structures & Improvements	2.5%	40	
314	Wells & Springs	2.0%	50	
316	Supply Mains	2.0%	50	
321	Structures & Improvements	2.5%	40	
325	Electric Pumping Equipment	10.0%	10	
325.1	Submersible Pumping Equipment	10.0%	10	
325.2	High Service or Booster Pumping Equip.	6.7%	15	
325.3	Shaft-driven Pumping Equipment	5.0%	20	
326	Diesel Pumping Equipment	2.7%	35	5%
328	Other Pumping Equipment	4.0%	25	
328.1	Gas Pumping Equipment	3.3%	30	
331	Structures & Improvements	2.5%	40	
332	Water Treatment Equipment	2.9%	35	
341	Structures & Improvements	2.5%	40	
342	Distribution Reservoirs & Standpipes	2.5%	40	
343	Transmission & Distribution Mains	2.0%	50	
345	Services	2.5%	40	
346	Meters	10%;5%;3.3%	10;20;30	
347	Meter Installations	2.5%	40	
348	Hydrants	2.0%	50	
390	Structures & Improvements	2.5%	40	
391	Office Furniture & Equipment	5.0%	20	
391.1	Office Computer Equipment	20.0%	5	
392	Transportation Equipment	13.0%	7	9%
393	Stores Equipment	4.0%	25	
394	Tools, Shop, Garage Equipment	5.0%	20	
395	Laboratory Equipment	5.0%	20	
396	Power Operated Equipment	6.7%	15	
397	Communication Equipment	6.7%	15	

PAPUC Guidelines

PENNSYLVANIA PUBLIC UTILITY COMMISSION
BUREAU OF FIXED UTILITY SERVICES
COMMONWEALTH KEYSTONE BUILDING
HARRISBURG, PA 17105-3265
(717) 783-5242 - Phone
(717) 787-4750 - Fax

FAX TRANSMITTAL

DATE: 4/13/07

TO: Kim Winstow

FROM: Judy Koch Carson

DELIVERY: Rush (1 Hour)

Routine (Same Day)

COMMENTS:

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FIGURE 1

Typical Average Service Lives, Salvage Rates, and Depreciation Rates
Small Water Utilities

Depreciation Rate	Net Salvage Percent	Class of Plant	
		Average Service Life a/ Years	Percent

2.9-2.5	2.0-1.3	35-40	2.9-2.5
2.9-2.5	2.0-1.3	50-75	2.9-2.5
2.9-2.5	2.9-2.2	35-45	2.9-2.5
4.0-2.9	4.0-2.9	25-35	4.0-2.9
4.0-2.0	4.0-2.0	25-50	4.0-2.0
2.0-1.3	2.0-1.3	50-75	2.0-1.3
3.3-2.5	3.3-2.5	30-40	3.3-2.5
<u>Source of Supply Plant</u>			
2.9-2.5	2.0-1.3	35-40	2.9-2.5
5.0	5.0	20	5.0
4.0	4.0	25	4.0
<u>Pumping Plant</u>			
2.9-2.5	2.9-2.5	35-40	2.9-2.5
5.0	5.0	20	5.0
2.9-2.5	2.9-2.5	35-40	2.9-2.5
<u>Water Treatment Plant</u>			
2.9-2.5	2.9-2.5	35-40	2.9-2.5
5.0-2.9	5.0-2.9	20-35	5.0-2.9
<u>Transmission and Distribution Plant</u>			
2.9-2.5	3.3-1.7	35-40	2.9-2.5
2.9-2.5	2.0-1.3	30-60	2.9-2.5
2.9-2.5	2.0-1.3	50-75	2.9-2.5
2.9-2.5	2.0-1.3	50-75	2.9-2.5
3.3-2.0	3.3-2.0	30-50	3.3-2.0
2.6-2.0	2.6-2.0	35-45	2.6-2.0
2.5-2.0	2.5-2.0	40-50	2.5-2.0
2.4-1.6	2.4-1.6	40-60	2.4-1.6
<u>General Plant</u>			
2.9-2.5	4.8-3.8	35-40	2.9-2.5
12.9	12.9	20-25	12.9
5.0	5.0	7	5.0
6.3-4.8	6.3-4.8	15-20	6.3-4.8
6.7-5.0	6.7-5.0	15-20	6.7-5.0
9.0-6.0	9.0-6.0	10-15	9.0-6.0
9.0	9.0	10	9.0

a/ These lives are intended as a guide; longer or shorter lives should be used where conditions warrant.

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Typical Average Service Lives, Salvage Rates, and Depreciation Rates
 for
 Small Water Utilities

NARUC Account Number	Class of Plant	Average Service Life (yrs)	Net Salvage (%)	Depreciation Rate (%)
311	<u>Source of Supply Plant</u> Structures and Improvements	35-40		2.9-2.5
312	Collecting & Impounding Reservoirs	50-75		2.0-1.3
313	Lake, River and Other Intakes	35-45		2.9-2.2
314	Wells and Springs	25-35		4.0-2.9
315	Galleries and Tunnels	25-50		4.0-2.0
316	Supply Mains	50-75		2.0-1.3
317	Other Source of Water Supply Plant	30-40		3.3-2.5
321	<u>Pumping Plant</u> Structures and Improvements	35-40		2.9-2.5
324-7	Pumping Equipment	20		5.0
328	Other Pumping Plant	25		4.0
331	<u>Water Treatment Plant</u> Structures and Improvements	35-40		2.9-2.5
332	Water Treatment Equipment	20-35		5.0-2.9
341	<u>Transmission and Distribution Plant</u> Structures and Improvements	35-40		2.9-2.5
342	Reservoirs and Tanks	30-60		3.3-1.7
343	Transmission and Distribution Mains	50-75		2.0-1.3
344	Fire Mains	50-75		2.0-1.3
345	Services	30-50		3.3-2.0
346	Meters	35-45	10	2.6-2.0
347	Meter Installations	40-50		2.5-2.0
348	Hydrants	40-60	5	2.4-1.6
390	<u>General Plant</u> Structures and Improvements	35-40		2.9-2.5
391	Office Furniture and Equipment	20-25	5	4.8-3.8
392	Transportation Equipment	7	10	12.9
393	Stores Equipment	20		5.0
394	Tools, Shop & Garage Equipment	15-20	5	6.3-4.0
395	Laboratory Equipment	15-20		6.7-5.0
396	Power Operated Equipment	10-15	10	9.0-6.0
397	Communication Equipment	10	10	9.0

Note: These lives are intended as a guide; longer or shorter lives should be used where conditions warrant.

Source: NATIONAL ASSOCIATION OF REGULATORY COMMISSIONERS
 Depreciation Practices for Small Water Utilities, Figure 1, p. 11, 1979

