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November 20, 2014

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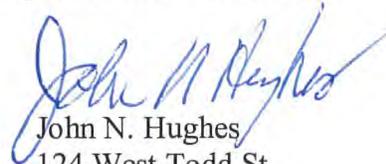
PUBLIC SERVICE
COMMISSION

Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Case No. 2014-00342

Dear Mr. Derouen:

Mountain Water District submits its application for an adjustment of water and sewer rates consisting of an original and ten copies of two volumes each.



John N. Hughes
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Attorney for Mountain Water District

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF MOUNTAIN)
WATER DISTRICT FOR) Case No. 2014-00342
AN ADJUSTMENT OF WATER AND)
SEWER RATES)

PETITION

Mountain Water District (MWD), by counsel, petitions the Commission for an order authorizing an adjustment in water and sewer rates effective December 20, 2014 or on the date approved by the Commission. The following information is filed in accordance with the Commission's regulations:

1. MWD's principal contact and address is:

Roy Sawyers, District Administrator
6332 Zebulon Highway
P. O. Box 3157
Pikeville, KY 41502-3157
rsawyers@mtwater.org
(606) 631-4000 Phone
(606) 631-3087 Fax
www.mountainwaterdistrictky.com

Its principal officers are listed in its current Annual Report, which is filed with the Commission as are its prior years Reports;

2. MWD is a non-profit water district organized under Chapter 74 and has no separate articles of incorporation. MWD was created by the merger of Pond Creek Water District, Marrowbone Water District and Shelby Valley Water District on July 1, 1986. The District is administrated by a five (5) member board of commissioners. It has no affiliates and no accounts charged to or allocated to an affiliate;

3. A description of MWD's water system and its property stated at original cost by accounts is

contained in its Annual Report, which is incorporated by reference and referred to as Exhibit A.

4. MWD serves approximately 17,300 retail water and 2,400 sewer customers in Pike County and sells water at wholesale to four non-affiliated water distribution systems: City of Elkhorn, City of Jenkins, Mingo County Public Service District and Martin Co. Water District. MWD also operates two sewage treatment plants, eight package sewage plants and has two wholesale agreements for sewage treatment.

5. It proposes to adjust rates for retail and wholesale water and sewer services. Water rates were last increased in 2008. Sewer rates were last increased in 2006. These increases were pursuant to loan agreements with Rural Development (RD). Its last general water rate case was in 1997.

6. Rates are being proposed to provide additional revenue for operating expenses, debt service, depreciation and pro forma adjustments. A cost of service study supporting the rate adjustments is included with Exhibit B. Updated schedules reflecting current adjustments are provided with that exhibit.

7. The following information is supplied pursuant to 807 KAR 5:001(16) applicable to water and sewer rate adjustment:

a. The rate adjustments are needed to provide the District with sufficient operating funds to maintain its current level of water and sewer services to its customers, to continue to improve its service and to meet the continuing demand for the reliable collection, transmission and treatment of water and sewer services. Rates are also being adjusted to reflect pro forma changes in operating expenses and revenues and to provide money to renew and replace its existing sewer services facilities. The revenue is necessary to allow the continued funding of current operations and to provide stable income for future operations. Water and sewer rates are being requested in a unified application because of the consolidations operations and financial records, which support the combined utility functions. Furthermore, the increase in the cost of services has not been off-set by the revenue produced by current rates. An increase in the rates for water and sewer services is essential for MWD to maintain a reasonable level of service for existing customers, to adequately provide for renewal and replacement of its facilities and to adequately service its current debt. The reasons for the rate

adjustments are more fully explained in the testimony, Exhibit G.

b. New and revised tariff sheets are included in Exhibit D.

c. Notice of the application has been given and a copy of the notice is attached as Exhibit E.

d. A notice of intent to file an application using an historical test period was filed on September 25, 2014 and was served on the Attorney General.

e. A description of the proposed pro forma adjustments is attached as Exhibits F and B;

f. Testimony of the District's witnesses is attached as Exhibit G;

g. An estimate of the impact of the rate adjustment is attached as Exhibit B;

h. The effect on the average customer bill is contained in Exhibits B and E;

i. A bills analysis is included in Exhibit B;

j. A summary of the revenue requirement determination is included in Exhibits B and F;

k. A reconciliation of rate base is not included because there is no rate base calculation;

l. A current chart of accounts is attached as Exhibit H;

m. The independent auditor's report is attached as Exhibit I;

n. A summary of the latest depreciation schedule is attached as Exhibit J. MWD requests a deviation from the requirement to file a depreciation study. It has not performed such a study and asserts that the attached schedule accurately reflects its plant;

o. A list of software used by the District is attached as Exhibit K;

p. There is no prospectus of bonds or annual report to shareholders;

q. Monthly managerial reports are attached as Exhibit L;

r. A cost of service study is attached as Exhibit B;

s. A detailed income statement and balance sheet is attached as Exhibit M;

t. The most recent capital construction budget –The District does not prepare a separate capital budget. The current operating budget is provided in Exhibit N;

u. Operating budget for the test period with pro forma adjustments is attached as Exhibit N;

v. The number of customers to be added for water and sewer is zero as reflected in Exhibit B;

w. The proposed effective date of the rates is December 20, 2014; the rates will apply to all retail water and sewer customers and the amount of change and percentage change for each rate and the effect on the average bill is reflected in Exhibits B and E;

28. There are no affiliated transactions or allocated revenues or expenses among affiliates.

SEWER FILING REQUIREMENTS

1. The following information is provided pursuant to 807 KAR 5:001(16) for an adjustment of sewer rates:

- a. A complete description and quantified explanation for all proposed adjustments, with proper support for changes in price or activity levels, is attached as Exhibit B;
- b. The prepared testimony of each witness is attached as Exhibit G.
- c. An estimate of the effect that each new rate will have upon the revenues and the percentage of the increase is as set forth in attached Exhibit B.
- d. The effect upon the average bill for each customer classification to which the proposed rate change will apply is attached as Exhibit B.
- e. A detailed analysis of customers' bills is attached as Exhibit B.
- f. A summary of the determination of the revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules is attached as Exhibit B.
- g. A reconciliation of the rate base and capital used to determine its revenue requirements is not applicable as rate base and capitalization are not used for revenue calculations.
- h. A current chart of accounts, compliant with the Uniform System of Accounts, is attached as Exhibit H;
- i. The independent auditor's annual opinion report with written communication

from the independent auditor is attached as I.

j. A summary of the latest depreciation study with schedules by major plant accounts is attached as Exhibit J. MWD requests a deviation from the requirement to file a depreciation study. It has not performed such a study and asserts that the attached schedule accurately reflects its plant.

k. A list of all commercially available or in-house developed computer software, programs and models used in the development of the schedules and work papers is attached as Exhibit K.

l. MWD has no stock or bond offerings, no shareholders, and no filings with the Securities and Exchange Commission;

m. The monthly managerial reports providing financial results of operations for the twelve months in the test period are attached as Exhibit L.

n. To the extent MWD allocates any general and administrative or home office expenses, they are described in Exhibit B.

o. The cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period is attached as Exhibit B.

p. Detailed income statement and balance sheet is attached as Exhibit M.

q. The operating budget for each month of the period encompassing the pro forma adjustment is attached as Exhibit N.

r. MWD does not anticipate adding any customers to the test period ending number of customers. There is no related revenue requirements impact for the additional customers.

s. MWD requests a deviation 807 KAR 5:0713(2)(a) requiring a third party beneficiary agreement or other evidence of financial integrity. It is a political subdivision of the Commonwealth, which has the financial resources sufficient to ensure the continuity of sewage services, the basis for the deviation granted in Case

No. 2013-00050, "Application of Hardin County Water District", Order dated July 3, 2013.

t. A comparative income statement showing test period, per books, revenues and expenses, pro forma adjustments to those figures, and explanations for each adjusted entry is attached as Exhibit F.

u. A detailed analysis of any expenses contained in the comparative income statement which represent an allocation is reflected in Exhibit B;

v. A detailed depreciation schedule of all treatment plant properties and facilities is attached as Exhibit J.

w. A copy of all service contracts, including amendments, for outside services pertaining to operation and maintenance are attached as Exhibit O.

x. A description of the applicant's property and facilities, including a statement of the net original cost and facilities is included in the Annual Report to the PSC incorporated by reference and designated as Exhibit A.

y. A detailed customer listing showing number of customers in each customer class and average water consumption for each class of customers is attached as Exhibit P;

z. MWD has no billing or collection services provided by the Louisville Water Company.

aa. MWD does not file a state or federal tax return.

bb. MWD has no corporate or business relationships as described in 807 KAR 5:0713(2)(j).

cc. Notice of the rate change has been published in the local newspaper pursuant to a waiver granted by Order dated October 16, 2014.

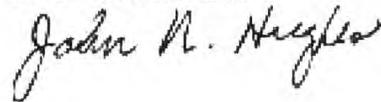
REQUEST FOR RELIEF

MWD requests that it be granted a deviation under 807 KAR 5:001(22), if necessary to

accommodate any situation where inflexible compliance with a regulation would be impracticable, onerous or which would hinder the District's daily operations and to allow the use of June 30, 2014 financial data, which is sufficiently current to accurately reflect the financial condition of the District. Because the test year is June 30, 2014, that information is adequate for use in the determination of the appropriateness of the proposed rates. There have been no extraordinary events that would distort the year end statements. Using the same period for both the test period and financing allows for comparable analysis of the data and avoids unnecessary revision of certain schedules and inconsistent data for essentially the same purpose.

For these reasons, MWD requests that it be granted an order authorizing an adjustment of water and sewer rates and any other approval necessary.

SUBMITTED BY:



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and

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Attorneys for Mountain
Water District

AFFIDAVIT

Affiant, Roy Sawyers after being sworn, states that he is the District Administrator for Mountain Water District and that he is authorized by the Board of Commissioners' to file this application. The information contained in the application is true and correct to the best of his knowledge and belief.

Sworn and acknowledged before me the day of November, 2014 by Roy Sawyers.

Roy B. Sawyers
Roy Sawyers

Daniel P. Stubbs
Notary Public
Registration Number: 403718

My Commission expires: 8/28/2017

Annual Report incorporated by reference.

MOUNTAIN WATER DISTRICT
PIKE COUNTY, KENTUCKY

COST OF SERVICE ALLOCATION STUDY
AS OF JUNE 30, 2014
AND
PROPOSED CUSTOMER RATES

SUMMIT ENGINEERING, INC.
Lexington, Kentucky

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MOUNTAIN WATER DISTRICT COST OF SERVICE ALLOCATION STUDY HISTORIC TEST YEAR 6/30/13 TO 7/1/14

PLAN OF REPORT

This report sets forth the results of the cost of service allocation study for the historic test year for both the water and sewer systems of the Mountain Water District. Materials for the water study, and for the sewer study, are organized and presented in three components: an 'Introduction', a 'Cost of Service Analysis', and a 'Rate Proposal'. The introduction will provide background information with respect to the basis of the study and the procedures employed. The introduction will also provide a summary of the study results. The cost of service analysis will present the pro forma revenue requirement and the detailed schedules for the allocations of costs. The rate proposal will provide two alternate tariffs and demonstrate their sufficiency.

BASIS OF THE STUDY – WATER SYSTEM

The purpose of the study was to allocate costs to several customer classifications based on considerations of quantity of water consumed, variability of flow rate, and costs associated with the metering, billing, and customer accounting. The allocation study was based on recognized procedures for allocating the several categories of costs to customer classifications in proportion to each classification's use of the facilities, commodities, and services which entail the total cost of providing water service.

ALLOCATION PROCEDURES – WATER SYSTEM

The allocation study was based on the Base-Extra Capacity Method for allocating costs to customer classifications. The method is described in the sixth edition of the Water Rates Manual, published by the American Water Works Association. The four basic categories of cost responsibility are base, extra capacity, customer, and fire protection costs. The following discussions present a brief description of these costs and the manner in which they were allocated.

Base Costs are costs that tend to vary with the quantity of water used, plus costs associated with supplying, treating, pumping, and distributing water to customers under average load conditions, without the elements necessary to meet peak demands. Base costs were allocated to customer classifications on the basis of average daily usage.

Extra Capacity Costs are costs associated with meeting usage requirements in excess of the average. They include operating and capital costs for additional plant and system capacity beyond that required for average use. The extra capacity costs in this study are subdivided into costs necessary to meet maximum day extra demand and costs to meet maximum hour extra demand. The extra capacity costs were allocated to customer classifications on the basis of each classification's maximum day and hour usage in excess of average usage.

Customer Costs are costs associated with serving customers regardless of their usage demand or characteristics. Customer costs include the operating and capital costs related to meters and services, meter reading costs, and billing and collecting costs. The customer costs were allocated on the basis of the relative cost of meters and services, the number of meter readings and number of bills.

Fire Protection Costs are costs associated with providing the facilities to meet the potential peak demand of fire protection service. Fire protection is a negligible component of the District's system and was not addressed in the functional allocation.

RESULTS OF STUDY – WATER SYSTEM

The revenue requirement for the pro-forma year is derived in Table 1 of Schedule W-B. This table applies adjustments to the "financials" for the historic test year (6/30/13 to 7/1/14). The adjustments are limited to:

1. A one percent increase in the UMG contract operations cost (and UMG contract R&M overage).
2. An anticipated escalation of power costs based on communications with AEP.
3. A water tank maintenance repair contract with Southern Corrosion.

The data summarized in Table 1 of Schedule W-A, "Summary of Pro Forma Revenues Under Present and Proposed Rates" constitute the principal results of the allocation study.

The cost of service by customer classification, shown in column 2 of Schedule W-A is developed in Schedule W-C (Page 5 of 15), "Cost of Service for the Pro Forma Year, Allocated to Customer Classifications." The allocation of the total cost of service to the several customer classifications was performed by applying the allocation factors to the cost of service by account. The basis of the allocation factors are presented in Schedule W-D. Schedule W-D sets forth the experienced average day and maximum day and system send out maximum day ratios.

DESIGN OF PROPOSED RATES – WATER SYSTEM

Two alternate rate concepts were developed. Alternate 1 raises the rates in the existing tariff uniformly across all customer classes (actually meters --- the rate tariff establishes rates by meter class not customer class). The existing tariff is a three tier system that relies on a base rate to establish a 'minimum' bill. Alternate 1 preserves this system.

Alternate 2 brings the cost of service concept to the rate tariff. This alternate proposes a service fee and a single tier volumetric rate that is uniform across the customer classes.

The alternate rate structures are presented and prepared in Part III. These alternates were discussed with the District in order that it be afforded the opportunity of performing its role in the oversight of the rate design. The District opted for rate Alternate 1.

Table 1
Summary of Pro Forma Revenues Under Present and Proposed Rates for the Test Year
July 1, 2013 through June 30, 2014

Customer Classification	Revenue Required, Per Cost of Service Analysis	Bill Analysis Revenues, Present Rates	Proposed Rates, Alt 1 - Across the Board		Proposed Rates, Alt 2 - Cost of Service	
			Revenue	Percentage Change	Revenue	Percentage Change
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Residential	\$ 8,182,985	\$ 6,556,195	\$ 8,216,859	25%	\$ 8,236,718	26%
Commercial	\$ 926,645	\$ 678,195	\$ 849,980	25%	\$ 862,188	27%
Multi-Family	\$ 282,432	\$ 381,904	\$ 478,639	25%	\$ 349,182	-9%
Industrial	\$ 65,714	\$ 43,927	\$ 55,054	25%	\$ 61,092	39%
Public Authority	\$ 315,421	\$ 242,209	\$ 303,559	25%	\$ 306,541	27%
Wholesale	\$ 355,123	\$ 179,081	\$ 224,234	25%	\$ 355,250	98%
Total Sales of Water	\$ 10,128,321	\$ 8,081,510	\$ 10,128,324		\$ 10,170,972	
Other Operating Revenues	\$ 563,634	\$ 563,634	\$ 563,634		\$ 563,634	
TOTAL	\$ 10,691,955	\$ 8,645,144	\$ 10,691,958		\$ 10,734,606	

PART II. COST OF SERVICE ANALYSIS (WATER)

Table 1
Mountain Water District
Balance Sheet - Water System
Pro Forma Adjustments to Historic Test Year
July 1, 2013 through June 31, 2014

		Historic Test Year 7/1/13 to 6/30/14	Adjustments to Historic Year	Pro Forma
Basic Data				
1	New Customers Added	0	0	0
2	Active Water Accounts (not incl wholesale)	17,131	17,131	17,131
Revenue				
R.1	Sales			
R.1.1	Metered Sales - Residential	\$ 6,396,413		\$ 6,396,413
R.1.2	Metered Sales - Commercial	\$ 676,112		\$ 676,112
R.1.3	Metered Sales - Industrial	\$ 44,366		\$ 44,366
R.1.4	Metered Sales - Public Auth.	\$ 239,040		\$ 239,040
R.1.5	Metered Sales - Multi Family	\$ 264,966		\$ 264,966
R.2	Wholesale	Incl. in Public Auth.		Incl. in Public Auth.
Total Water Sales		\$ 7,620,897		\$ 7,620,897
Expenses				
Operating Expenses				
	Depreciation Expense		\$ -	\$ -
	Compensation - Commissioners	\$ 30,000	\$ -	\$ 30,000
	Compensation - Administration	\$ 124,224	\$ -	\$ 124,224
	Materials and Supplies Used	\$ 20,077	\$ -	\$ 20,077
	Contract Service - Accounting and Audit	\$ 72,550	\$ -	\$ 72,550
	Contract Service - Legal	\$ 39,034	\$ -	\$ 39,034
601.8	Contract Services - UMG Management	\$ 5,812,426	\$ -	\$ 5,870,550
601.8	Annual 1% adjustment (Note 1)		\$ 58,124.26	
620.7	Power Cost (Note 2)		\$ 29,762	\$ 29,762
635.7	Contract Services - R&M	\$ 465,864		\$ 470,523
635.7	Ant. Adj in UMG Contract			
	Annual 1% adjustment (Note 1)		\$ 4,658.64	
667.0	PSC Rate Case Expense (Note 4)	\$ -	\$ 41,500.00	\$ 41,500.00
	Contract Services - (Assumed Expenses by UMG) (Note 3)	\$ (350,460)	\$ 99,229	\$ (251,231)
	Rental Expense	\$ 100		\$ 100
	Advertising	\$ 3,963		\$ 3,963
	Other Legal PSC Expense	\$ 4,918		\$ 4,918
	Education and Meetings	\$ 31,397		\$ 31,397
	Settlement Expenses	\$ 3,010		\$ 3,010
642.6	Service Fee Expense	\$ 3,730		\$ 3,730
660.0	Bank Service Fees	\$ 23,857		\$ 23,857
667.0	Retirement Expense	\$ 20,760		\$ 20,760
675.0	R&M Overage	\$ (40,054)		\$ (40,054)
601.7	Tank Painting/Repair	\$ -	\$ 334,231	\$ 334,231
604.0	Total Operating Expenses	\$ 6,265,396		\$ 6,832,901
	Amortization Expense	\$ 3,444	\$ -	\$ 3,444
635.6	Payroll Taxes	\$ 11,816	\$ -	\$ 11,816
	Total Amortization and Payroll Taxes	\$ 15,260		\$ 15,260
Debt Service				
	Debt Service - Principal (Note 3)	\$ 682,544	\$ (99,229)	\$ 583,315
	Debt Service - Interest	\$ 375,237		\$ 375,237
	Debt Service Coverage at 20%	\$ 211,556		\$ 211,556
	Total Debt Service	\$ 1,269,337		\$ 1,170,108

		Historic Test Year 7/1/13 to 6/30/14	Adjustments to Historic Year	Pro Forma
Depreciation Expenses				
304.5	Structures and Improvements	\$ 5,017		\$ 5,017
304.5	Structures and Improvements	\$ 1,903		\$ 1,903
304.5	Structures and Improvements	\$ 10,862		\$ 10,862
311.1	Pumping Equipment	\$ 85,107		\$ 85,107
304.2	Water Treatment Plant	\$ 227,544		\$ 227,544
330.1	Distribution Reservoir/Stands	\$ 207,724		\$ 207,724
331.1	Transmission/Distribution Mains			
	Mains Less than 10" Diameter	\$ 1,585,471		\$ 1,585,471
	Mains 10" and Larger	\$ 50,216		\$ 50,216
333.1	New Taps/Services	\$ 150,289		\$ 150,289
334.1	New Taps/Meters & Services	\$ 99,964		\$ 99,964
335.1	Hydrants	\$ 30,867		\$ 30,867
340.1	Office Furniture & Equipment	\$ 4,305		\$ 4,305
341.1	Transportation Equipment	\$ 80,481		\$ 80,481
343.1	Tools, Shop, & Garage Equipment	\$ 6,012		\$ 6,012
344.1	Lab Equipment	\$ 254		\$ 254
345.1	Power Operated Equipment	\$ 7,526		\$ 7,526
346.1	Communication Equipment	\$ 120,144		\$ 120,144
Total Depreciation Expenses		\$ 2,673,686		\$ 2,673,686
Other Income (Expense)				
O.1	Interest Income	\$ 3,040		\$ 3,040
O.2	Gain (Loss) on Sale Fixed Assets	\$ 2,800		\$ 2,800
O.3	Interest Exp (Included in Debt Service)	Incl. in Debt Serv.		
O.4	Fire Protection Revenue	\$ 1,200		\$ 1,200
O.5	Customer Late Payment Charges	\$ 165,153		\$ 165,153
O.6	Other Water Service Revenue	\$ 244,741		\$ 244,741
O.7	Service Connection Fees for Water	\$ 146,700		\$ 146,700
Subtotal Other Income		\$ 563,634		\$ 563,634
Total Expenses		\$ 10,223,680	\$ 468,276	\$ 10,691,955

Notes:

- 1 Per UMG Contract signed March 2014
- 2 Estimated 3% increase in AEP rate
- 3 Final forgiveness of \$500,000 debt from UMG
- 4 PSC Rate Case Expense shown in Appendix D

Table 2
Checking and Proofs

Sales minus Expenses	\$ (2,039,149)
Debt Service - Principal (Note 3)	\$ 682,544
Debt Service Coverage at 20% of P&I	\$ 211,556
Net Loss	\$ (1,145,048)

Table 3
UMG Contract Management Expenses Excluding R&M

Account No.	Account	Historic Test	Adjustments	Pro Forma
635.5	Contractual Services - UMG - Labor (Transmission and Distribution)	\$ 1,422,899	\$ 14,229	\$ 1,437,128
635.5	Contractual Services - UMG - Purchased Water	\$ 1,149,635	\$ 11,496	\$ 1,161,131
635.3	Contractual Services - UMG - Labor (Water Treatment)	\$ 182,299	\$ 1,823	\$ 184,122
635.3	Contractual Services - UMG - Materials and Supplies	\$ 113,410	\$ 1,134	\$ 114,544
635.3	Contractual Services - UMG - Materials and Supplies	\$ (3,609)	\$ (36)	\$ (3,645)
635.8	Contractual Services - UMG - Retirement	\$ 12,126	\$ 121	\$ 12,247
635.8	Contractual Services - UMG - Labor (Administrative and General)	\$ 599,613	\$ 5,996	\$ 605,609
635.8	Contractual Services - UMG - General Overhead	\$ 136,000	\$ 1,360	\$ 137,360
635.8	Contractual Services - UMG - General Overhead	\$ 634,308	\$ 6,343	\$ 640,651
635.7	Contractual Services - UMG - Account Service	\$ 428,601	\$ 4,286	\$ 432,887
635.7	Contractual Services - UMG - Meter Reading	\$ 1,176	\$ 12	\$ 1,188
635.5	Contractual Services - UMG - Purchased Power	\$ 992,059	\$ 9,921	\$ 1,001,980
	Subtotal UMG Expenses	\$ 5,668,517	\$ 56,685	\$ 5,725,202
675.0	Other Contract Costs	\$ 143,909		\$ 145,348
	Total UMG Expenses	\$ 5,812,426		\$ 5,870,550

Notes:

1. UMG Expenses shown in Appendix C1

Table 1
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Customer Classifications

Account No.	Account	Factor Ref.	Cost of Service	Residential	Commercial	Multi-Family	Industrial	Public Authority	Wholesale
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
OPERATION AND MAINTENANCE EXPENSES									
Source of Supply									
Operations									
615.1	Purchased Power	1	0	-	-	-	-	-	-
620.1	General Expense	2	0	-	-	-	-	-	-
635.1	Contractual Service	2	0	0	0	0	0	0	0
	Total Operations		0	0	0	0	0	0	0
Maintenance									
620.2	Materials and Supplies	2	0	-	-	-	-	-	-
635.2	Contractual Service	2	0	-	-	-	-	-	-
	Total Maintenance		0	0	0	0	0	0	0
	Total Source of Supply		0	0	0	0	0	0	0
Water Treatment									
Operations									
601.3	Labor	2	0	-	-	-	-	-	-
601.3	Labor - Lab	2	0	-	-	-	-	-	-
615.3	Purchased Power	1	0	-	-	-	-	-	-
616.3	Gas	1	0	-	-	-	-	-	-
618.3	Chemicals	1	0	-	-	-	-	-	-
620.3	Materials and Supplies	2	0	-	-	-	-	-	-
631.3	Contractual Services - Engineering	2	0	-	-	-	-	-	-
633.3	Contractual Services	2	0	-	-	-	-	-	-
635.3	Contractual Services - UMG - Labor ²	2	184,122	138,497	17,823	5,450	1,344	6,150	14,859
635.3	Contractual Services - UMG - Materials and Supplies ²	2	110,899	83,418	10,735	3,283	810	3,704	8,950
635.3	Contractual Services - Other	2	0	-	-	-	-	-	-
650.3	Transportation Expense	2	0	-	-	-	-	-	-
	Total Operations		295,021	221,915	28,558	8,733	2,154	9,854	23,808
Maintenance									
601.4	Labor	2	0	-	-	-	-	-	-
620.4	Materials and Supplies	2	0	-	-	-	-	-	-
635.4	Contractual Services - Other	2	0	-	-	-	-	-	-
650.4	Transportation Expense	2	0	-	-	-	-	-	-
	Total Maintenance		0	0	0	0	0	0	0
	Total Water Treatment		295,021	221,915	28,558	8,733	2,154	9,854	23,808
Transmission and Distribution									
Operations									
601.5	Labor - see 635.5	6	0	-	-	-	-	-	-
610.0	Power Cost - Estimated 3% increase in AEP rate	1	29,762	22,399	2,878	878	214	994	2,399
615.5	Purchased Power - see 635.5	1	0	-	-	-	-	-	-
620.5	Materials and Supplies	6	0	-	-	-	-	-	-

Table 1
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Customer Classifications

Account No.	Account	Factor Ref	Cost of Service	Residential	Commercial	Multi-Family	Industrial	Public Authority	Wholesale
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
631.5	Contractual Services - Engineering	6	0	-	-	-	-	-	-
635.5	Contractual Services - UMG - Labor ²	6	1,437,128	1,174,134	150,467	45,844	11,497	51,593	3,593
635.5	Contractual Services - UMG - Purchased Water ²	1	1,161,131	873,867	112,281	34,253	8,360	38,782	93,587
635.5	Contractual Services - UMG - Purchased Power ²	1	1,001,980	754,090	96,891	29,558	7,214	33,466	80,760
	Total Operations		3,630,001	2,824,490	362,518	110,534	27,286	124,835	180,338
	Maintenance								
601.6	Labor	11	-	-	-	-	-	-	-
601.6	Labor - Mains	6	0	-	-	-	-	-	-
601.6	Contractual Services - UMG - Repair and Maintenance ¹	9	470,523	433,540	22,632	5,787	329	7,717	518
601.6	Labor - Hydrants	7	0	-	-	-	-	-	-
620.6	Materials and Supplies - Mains	6	0	-	-	-	-	-	-
620.6	Materials and Supplies - Services	9	0	-	-	-	-	-	-
620.6	Materials and Supplies - Meters	8	0	-	-	-	-	-	-
620.6	Materials and Supplies - Hydrants	7	0	-	-	-	-	-	-
620.6	Materials and Supplies	11	0	-	-	-	-	-	-
631.6	Contractual Services - Engineering	11	0	-	-	-	-	-	-
635.6	Contractual Services - UMG - R&M Overage ¹	11	(40,054)	(35,207)	(2,872)	(821)	(148)	(981)	(24)
635.6	Water Tank Painting ¹	5	334,231	273,769	35,061	10,695	2,674	12,032	-
635.6	Contractual Services - Water Towers	5	0	-	-	-	-	-	-
635.6	Contractual Services - Mains	6	0	-	-	-	-	-	-
635.6	Contractual Services - Services	3	0	-	-	-	-	-	-
642.6	Rental ¹	11	100	88	7	2	0	2	0
650.6	Transportation Expense	11	0	-	-	-	-	-	-
	Total Maintenance		764,800	672,189	54,828	15,664	2,855	18,770	494
	Total Transmission and Distribution		4,394,800	3,496,678	417,346	126,198	30,141	143,605	180,832
	Customer Accounting								
601.7	Labor	12	0	-	-	-	-	-	-
601.7	Labor - Meter Shop	8	0	-	-	-	-	-	-
601.7	Service Fee Expenses ¹	8	3,730	3,440	168	46	3	65	7
601.7	Labor - Account Service	12	0	-	-	-	-	-	-
601.7	Labor - Couter	12	0	-	-	-	-	-	-
620.7	Materials and Supplies ¹	12	20,077	18,962	703	254	3	151	3
620.7	Postage	12	0	-	-	-	-	-	-
633.7	Contractual Services - Customer Service	12	0	-	-	-	-	-	-
633.7	Legal Fees	12	0	-	-	-	-	-	-
635.7	Contractual Services - UMG - Meter Reading ²	12	1,188	1,122	42	15	0	9	0
635.7	Contractual Services - UMG - Account Service ²	12	432,887	408,844	15,160	5,485	74	3,251	74
635.7	Contractual Services - Collections	1	0	-	-	-	-	-	-
635.7	Contractual Services - Credit Card Processing	12	0	-	-	-	-	-	-
635.7	Contractual Services - Legal ¹	12	39,034	36,866	1,367	495	7	293	7
635.7	Contractual Services - Accounting and Audit ¹	12	72,550	68,521	2,541	919	12	545	12
650.7	Transportation Expense	12	0	-	-	-	-	-	-
	Total Customer Accounting		569,466	537,755	19,980	7,214	100	4,314	104

Table 1
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Customer Classifications

<u>Account No.</u>	<u>Account</u>	<u>Factor Ref.</u>	<u>Cost of Service</u>	<u>Residential</u>	<u>Commercial</u>	<u>Multi-Family</u>	<u>Industrial</u>	<u>Public Authority</u>	<u>Wholesale</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
	Administrative and General								
601.8	Labor (Commissioners and Administrators) ¹	14	154,224	125,184	13,603	4,149	941	4,611	5,737
604.0	Employee Benefits ¹	16	20,760	18,570	1,202	330	42	409	208
615.8	Utilities	14	0	-	-	-	-	-	-
620.8	Materials and Supplies	14	0	-	-	-	-	-	-
631.8	Contractual Services - Engineering	14	0	-	-	-	-	-	-
632.8	Contract Services Acct/Audit	14	0	-	-	-	-	-	-
633.8	Legal Fees	14	0	-	-	-	-	-	-
635.8	Contractual Services - UMG - Retirement ²	16	12,247	10,955	709	195	24	241	122
635.8	Contractual Services - UMG - Labor ²	14	605,609	491,573	53,415	16,291	3,694	18,108	22,529
635.8	Contractual Services - UMG - General Overhead ²	14	778,011	631,511	68,621	20,928	4,746	23,263	28,942
650.8	Transportation Expense	14	0	-	-	-	-	-	-
656.0	Vehicle Insurance	14	0	-	-	-	-	-	-
657.0	General Liability Insurance	14	0	-	-	-	-	-	-
658.0	Workers Comp Insurance	16	0	-	-	-	-	-	-
660.0	Advertising Expense ¹	14	3,963	3,217	350	107	24	118	147
667.0	PSC Expense- Rate Case Expense ⁵	19	41,500	33,603	3,768	1,145	266	1,282	1,436
667.0	PSC Expenses ¹	19	4,918	3,982	447	136	31	152	170
675.0	Contractual Services - UMG - Assumed Expenses by UMG ¹	14	(251,231)	(203,924)	(22,159)	(6,758)	(1,533)	(7,512)	(9,346)
675.0	Contractual Services - UMG - Other Contract Costs ²	14	145,348	117,979	12,820	3,910	887	4,346	5,407
675.0	Miscellaneous Expense (Bank Service Fees, Education and Meetings, Settlement Expenses) ¹	14	58,264	47,293	5,139	1,567	355	1,742	2,167
	Total Administrative and General		<u>1,573,613</u>	<u>1,279,942</u>	<u>137,913</u>	<u>42,000</u>	<u>9,478</u>	<u>46,761</u>	<u>57,520</u>
	Total Operation & Maintenance Expenses		<u>6,832,901</u>	<u>5,536,290</u>	<u>603,798</u>	<u>184,144</u>	<u>41,872</u>	<u>204,533</u>	<u>262,264</u>

Table 1
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Customer Classifications

Account No.	Account	Factor Ref.	Cost of Service	Residential	Commercial	Multi-Family	Industrial	Public Authority	Wholesale
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(9)
DEPRECIATION EXPENSE									
304.1	Power and Pumping Structures - Intake	2	0	-	-	-	-	-	-
304.2	Water Treatment Plant ³	2	227,544	171,159	22,026	6,735	1,661	7,600	18,363
304.3	Pumping Structures	3	0	-	-	-	-	-	-
304.4	Office Buildings	14	0	-	-	-	-	-	-
304.5	Other Structures ³	14	17,782	14,434	1,568	478	108	532	662
304.6	Structures - Water Treatment	2	0	-	-	-	-	-	-
306.0	Lake, River and Other Intakes	2	0	-	-	-	-	-	-
309.0	Supply Mains	2	0	-	-	-	-	-	-
310.0	Power Generation Equipment	3	0	-	-	-	-	-	-
311.1	Pumping Equipment ³	3	85,107	64,017	8,230	2,528	621	2,843	6,868
311.2	Pumping Equipment	3	0	-	-	-	-	-	-
311.3	Pumping Equipment	3	0	-	-	-	-	-	-
320.1	Purification System	2	0	-	-	-	-	-	-
320.2	Purification System - Equipment	2	0	-	-	-	-	-	-
330.1	Distribution Reservoirs and Standpipes ³	5	207,724	170,146	21,790	6,647	1,662	7,478	-
330.3	Distribution Reservoirs and Standpipes	5	0	-	-	-	-	-	-
331.1	Mains and Accessories - 10" and larger ³	3	50,216	37,772	4,856	1,491	367	1,677	4,052
331.1	Mains and Accessories - Less than 10" ³	4	1,585,471	1,298,659	166,316	50,735	12,684	57,077	-
331.2	Mains and Accessories - 10" and larger	3	0	-	-	-	-	-	-
331.2	Mains and Accessories - Less than 10"	4	0	-	-	-	-	-	-
331.3	Mains and Accessories - 10" and larger	3	0	-	-	-	-	-	-
331.3	Mains and Accessories - Less than 10"	4	0	-	-	-	-	-	-
333.1	New Taps/Water Services ³	9	150,289	138,476	7,229	1,849	105	2,465	165
333.2	New Taps/Water Services	9	0	-	-	-	-	-	-
334.1	Meters ³	8	99,964	92,197	4,498	1,240	90	1,739	200
334.2	Meters	8	0	-	-	-	-	-	-
335.1	Fire Hydrants ³	12	30,867	29,153	1,081	391	5	232	5
335.3	Fire Hydrants	7	0	-	-	-	-	-	-
339.1	Miscellaneous Equipment	14	0	-	-	-	-	-	-
339.2	Miscellaneous Equipment	14	0	-	-	-	-	-	-
340.1	Office Furniture and Equipment ³	14	4,305	3,494	380	116	26	129	160
340.2	Office Furniture and Equipment	14	0	-	-	-	-	-	-
341.1	Transportation Equipment ³	14	80,481	65,327	7,098	2,165	491	2,406	2,994
341.2	Transportation Equipment	14	0	-	-	-	-	-	-
342.1	Stores Equipment	14	0	-	-	-	-	-	-
343.1	Tools, Shop, and Garage Equipment ³	14	6,012	4,880	530	162	37	180	224
344.1	Laboratory Equipment ³	2	254	191	25	8	2	8	21
345.1	Power Operated Equipment ³	14	7,526	6,109	664	202	46	225	280
346.1	Communication Equipment ³	14	120,144	97,521	10,597	3,232	733	3,592	4,469
346.2	Communication Equipment	14	0	-	-	-	-	-	-
347.1	Miscellaneous Equipment	14	0	-	-	-	-	-	-
Total Depreciation Expense			2,673,686	2,193,536	256,888	77,978	18,638	88,183	38,463

Table 1
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Customer Classifications

Account No.	Account	Factor Ref.	Cost of Service	Residential	Commercial	Multi-Family	Industrial	Public Authority	Wholesale
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Amort of Acq. Adj.	18	3,444	2,687	322	98	23	111	203
	Debt Service	18	583,315	455,044	54,540	16,624	3,967	18,841	34,299
	Debt Service Coverage	18	211,556	165,035	19,781	6,029	1,439	6,833	12,440
	Debt Service - Interest	18	375,237	292,722	35,085	10,694	2,552	12,120	22,064
	Total Debt Service Requirements		1,170,108	912,801	109,405	33,348	7,957	37,794	68,802
	Taxes Other Than Income								
	Utility Reg Assessment Fee	19	0	-	-	-	-	-	-
	Employment Taxes	16	11,816	10,569	684	188	24	233	118
	Total Taxes, Other Than Income		11,816	10,569	684	188	24	233	118
	Total Cost of Service		10,691,955	8,655,884	971,097	295,757	68,514	330,855	369,850
	Less: Other Water Revenues								
	Penalties ¹	19	165,153	133,724	14,996	4,558	1,057	5,103	5,714
	Turn On Fees ¹	8	146,700	135,301	6,602	1,819	132	2,553	293
	Fire Protection Revenue ¹	19	1,200	972	109	33	8	37	42
	Lab Test Fees	2	0	-	-	-	-	-	-
	Material Sold ¹	14	2,800	2,273	247	75	17	84	104
	Sub-District Surcharge	18	-	-	-	-	-	-	-
	Bulk Sales	19	0	-	-	-	-	-	-
	Interest Earnings ¹	19	3,040	2,461	276	84	19	94	105
	Other Water Service Revenue ¹	19	244,741	198,167	22,222	6,755	1,566	7,562	8,468
	Total Other Water Revenues		563,634	472,898	44,452	13,324	2,800	15,433	14,727
	Total Cost of Service Related to Sales of Water		\$ 10,128,321	\$ 8,182,985	\$ 926,645	\$ 282,432	\$ 65,714	\$ 315,421	\$ 355,123

Notes/Key:

- 1 From Mountain Water District Income Statement
- 2 From Utility Management Group (UMG). See Appendix C1
- 3 From Mountain Water District Depreciation Schedule. See Appendix E.
- 4 All cost of service quantities are from pro forma test year. See Schedule W-B.
- 5 See Appendix D for PSC Rate Case Expenses.

Table 1
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Customer Classifications

Account No.	Account	Factor Ref	Cost of Service	Residential	Commercial	Multi-Family	Industrial	Public Authority	Wholesale
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
RATE BASE									
301.0	Organization	17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
303.1	Land - Intake	2	0	0	0	0	0	0	0
303.2	Land - Treatment Plant	2	0	0	0	0	0	0	0
303.3	Land - Pump Station and Transmission	3	64,276.997	48,349.157	6,215.586	1,909.027	469,222	2,146.852	5,187.154
303.4	Land - CC	2	0	0	0	0	0	0	0
304.1	Power and Pumping Structures - Intake	2	0	0	0	0	0	0	0
304.2	Water Treatment Plant	2	5,213.911	3,921.904	504,707	154,332	38,062	174,145	420,763
304.3	Pumping Structures	3	0	0	0	0	0	0	0
304.4	Office Buildings	2	0	0	0	0	0	0	0
304.5	Other Structures	6	0	0	0	0	0	0	0
304.6	Structures - Water Treatment	6	9,114.961	7,446.923	954,336	290,767	72,920	327,227	22,787
306.0	Lake, River and Other Intakes	2	0	0	0	0	0	0	0
309.0	Supply Mains	2	0	0	0	0	0	0	0
310.3	Power Generation Equipment	3	0	0	0	0	0	0	0
311.1	Pumping Equipment	3	3,105.266	2,335.781	300,279	92,226	22,668	103,716	250,595
311.2	Pumping Equipment	3	0	0	0	0	0	0	0
311.3	Pumping Equipment	3	0	0	0	0	0	0	0
320.1	Purification System	2	0	0	0	0	0	0	0
320.2	Purification System - Equipment	2	0	0	0	0	0	0	0
330.1	Distribution Reservoirs and Standpipes	5	7,875.173	6,450.554	826,106	252,006	63,001	283,506	0
330.3	Distribution Reservoirs and Standpipes	5	0	0	0	0	0	0	0
331.1	Mains and Accessories - 10" and larger	3	0	0	0	0	0	0	0
331.1	Mains and Accessories - Less than 10"	4	0	0	0	0	0	0	0
331.2	Mains and Accessories - 10" and larger	3	0	0	0	0	0	0	0
331.2	Mains and Accessories - Less than 10"	4	0	0	0	0	0	0	0
331.3	Mains and Accessories - 10" and larger	3	0	0	0	0	0	0	0
331.3	Mains and Accessories - Less than 10"	4	0	0	0	0	0	0	0
333.1	Services	9	5,500.897	5,068.526	264,593	67,661	3,851	90,215	6,051
333.2	Services	9	0	0	0	0	0	0	0
334.1	Meters	8	3,910,047	3,606,236	175,952	48,485	3,519	68,035	7,820
334.2	Meters	8	0	0	0	0	0	0	0
335.1	Fire Hydrants	4	1,211.605	992,426	127,097	38,771	9,693	43,618	0
335.3	Fire Hydrants	7	0	0	0	0	0	0	0
339.1	Miscellaneous Equipment	14	0	0	0	0	0	0	0
339.2	Miscellaneous Equipment	14	0	0	0	0	0	0	0
340.1	Office Furniture and Equipment	14	0	0	0	0	0	0	0
340.2	Office Furniture and Equipment	14	0	0	0	0	0	0	0
341.1	Transportation Equipment	14	0	0	0	0	0	0	0
341.2	Transportation Equipment	14	0	0	0	0	0	0	0
342.1	Stores Equipment	14	0	0	0	0	0	0	0
343.1	Tools Shop and Garage Equipment	14	0	0	0	0	0	0	0
344.1	Laboratory Equipment	2	0	0	0	0	0	0	0
345.1	Power Operated Equipment	14	0	0	0	0	0	0	0
346.1	Communication Equipment	14	0	0	0	0	0	0	0
346.2	Communication Equipment	14	0	0	0	0	0	0	0
347.1	Miscellaneous Equipment	14	0	0	0	0	0	0	0
Total Utility Plant in Service			100,208,857	78,171,508	9,368,656	2,853,275	682,936	3,237,313	5,895,170

Table 1
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Customer Classifications

<u>Account No.</u>	<u>Account</u>	<u>Factor Ref</u>	<u>Cost of Service</u>	<u>Residential</u>	<u>Commercial</u>	<u>Multi-Family</u>	<u>Industrial</u>	<u>Public Authority</u>	<u>Wholesale</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
	Construction Work In Progress								
	Mains and Accessories - 10" and larger	3		0	0	0	0	0	0
	Mains and Accessories - Less than 10"	4	0	0	0	0	0	0	0
	Pumping Equipment	3	0	0	0	0	0	0	0
	Water Treatment Plant	2	0	0	0	0	0	0	0
	Distribution Reservoirs and Standpipes	5	0	0	0	0	0	0	0
	Meters	8	0	0	0	0	0	0	0
	General	14	0	0	0	0	0	0	0
	Total Construction Work in Progress		0	0	0	0	0	0	0
	Contributions in Aid of Construction	4	0	0	0	0	0	0	0
	Other Rate Base Items								
	Add:								
	Other Utility Plant Acquisitions/Adjustments	17	0	0	0	0	0	0	0
	Materials and Supplies	14	0	0	0	0	0	0	0
	Prepayments	14	0	0	0	0	0	0	0
	Prepayments - Tank Cleaning/Painting	5	0	0	0	0	0	0	0
	Prepayments - Reservoir Cleaning	5	0	0	0	0	0	0	0
	Unamortized Debt Discount and Expense	17	0	0	0	0	0	0	0
	Deferred Credits	17	0	0	0	0	0	0	0
	Regulatory Deferrals	19	0	0	0	0	0	0	0
	Total Other Rate Base Elements		0	0	0	0	0	0	0
	Total Original Cost Measure of Value		\$ 100,208,857	\$ 78,171,508	\$ 9,368,656	\$ 2,853,275	\$ 682,936	\$ 3,237,313	\$ 5,895,170

Table 2
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Cost Function

Account No.	Account	Factor Ref	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Protection
OPERATION AND MAINTENANCE EXPENSES										
Source of Supply										
Operations										
615.1	Purchased Power	1	-	0	0	0	0	0	0	0
620.1	General Expense	2	-	0	0	0	0	0	0	0
635.1	Contractual Service	2	-	0	0	0	0	0	0	0
	Total Operations		0	0	0	0	0	0	0	0
Maintenance										
620.2	Materials and Supplies	2	-	0	0	0	0	0	0	0
635.2	Contractual Service	2	-	0	0	0	0	0	0	0
	Total Maintenance		0	0	0	0	0	0	0	0
	Total Source of Supply		0	0	0	0	0	0	0	0
Water Treatment										
Operations										
601.3	Labor	2	-	0	0	0	0	0	0	0
601.3	Labor - Lab	2	-	0	0	0	0	0	0	0
615.3	Purchased Power	1	-	0	0	0	0	0	0	0
616.3	Gas	1	-	0	0	0	0	0	0	0
618.3	Chemicals	1	-	0	0	0	0	0	0	0
620.3	Materials and Supplies	2	-	0	0	0	0	0	0	0
631.3	Contractual Services - Engineering	2	-	0	0	0	0	0	0	0
633.3	Contractual Services	2	-	0	0	0	0	0	0	0
635.3	Contractual Services - UMG - Labor ²	2	184,122	148,494	35,628	0	0	0	0	0
635.3	Contractual Services - UMG - Materials and Supplies ²	2	110,899	89,440	21,459	0	0	0	0	0
635.3	Contractual Services - Other	2	-	0	0	0	0	0	0	0
650.3	Transportation Expense	2	-	0	0	0	0	0	0	0
	Total Operations		295,021	237,935	57,087	0	0	0	0	0
Maintenance										
601.4	Labor	2	-	0	0	0	0	0	0	0
620.4	Materials and Supplies	2	-	0	0	0	0	0	0	0
635.4	Contractual Services - Other	2	-	0	0	0	0	0	0	0
650.4	Transportation Expense	2	-	0	0	0	0	0	0	0
	Total Maintenance		0	0	0	0	0	0	0	0
	Total Water Treatment		295,021	237,935	57,087	0	0	0	0	0
Transmission and Distribution										
Operations										
601.5	Labor - see 635.5	6	-	0	0	0	0	0	0	0
610.0	Power Cost - Estimated 3% increase in AEP rate	1	29,762	29,762	0	0	0	0	0	0
615.5	Purchased Power - see 635.5	1	-	0	0	0	0	0	0	0
620.5	Materials and Supplies	6	-	0	0	0	0	0	0	0
631.5	Contractual Services - Engineering	6	-	0	0	0	0	0	0	0
633.5	Contractual Services - UMG - Labor ²	6	1,437,128	464,192	8,623	964,313	0	0	0	0

Table 2
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Cost Function

Account No.	Account	Factor Ref	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Protection
635.5	Contractual Services - UMG - Purchased Water ²	1	1,161,131	1,161,131	0	0	0	0	0	0
635.5	Contractual Services - UMG - Purchased Power ²	1	1,001,980	1,001,980	0	0	0	0	0	0
	Total Operations		<u>3,630,001</u>	<u>2,657,065</u>	<u>8,623</u>	<u>964,313</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Table 2
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Cost Function

Account No.	Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Protection
Maintenance										
601.6	Labor	11	-	0	0	0	0	0	0	0
601.6	Labor - Mains	6	-	0	0	0	0	0	0	0
601.6	Contractual Services - UMG - Repair and Maintenance ¹	9	470,523	0	0	0	0	470,523	0	0
601.6	Labor - Hydrants	7	-	0	0	0	0	0	0	0
620.6	Materials and Supplies - Mains	6	-	0	0	0	0	0	0	0
620.6	Materials and Supplies - Services	9	-	0	0	0	0	0	0	0
620.6	Materials and Supplies - Meters	8	-	0	0	0	0	0	0	0
620.6	Materials and Supplies - Hydrants	7	-	0	0	0	0	0	0	0
620.6	Materials and Supplies	11	-	0	0	0	0	0	0	0
631.6	Contractual Services - Engineering	11	-	0	0	0	0	0	0	0
635.6	Contractual Services - UMG - R&M Overage ¹	11	(40,054)	(5,119)	0	(11,516)	0	(23,420)	0	0
635.6	Water Tank Painting ¹	5	334,231	102,843	0	231,388	0	0	0	0
635.6	Contractual Services - Water Towers	5	-	0	0	0	0	0	0	0
635.6	Contractual Services - Mains	6	-	0	0	0	0	0	0	0
635.6	Contractual Services - Services	3	-	0	0	0	0	0	0	0
642.6	Rental ¹	11	100	13	0	29	0	58	0	0
650.6	Transportation Expense	11	-	0	0	0	0	0	0	0
	Total Maintenance		764,800	97,737	0	219,901	0	447,162	0	0
	Total Transmission and Distribution		4,394,800	2,754,802	8,623	1,184,214	0	447,162	0	0
Customer Accounting										
601.7	Labor	12	-	0	0	0	0	0	0	0
601.7	Labor - Meter Shop	8	-	0	0	0	0	0	0	0
601.7	Service Fee Expenses ¹	8	3,730	0	0	0	3,730	0	0	0
601.7	Labor - Account Service	12	-	0	0	0	0	0	0	0
601.7	Labor - Courier	12	-	0	0	0	0	0	0	0
620.7	Materials and Supplies ¹	12	20,077	0	0	0	0	0	20,077	0
620.7	Postage	12	-	0	0	0	0	0	0	0
633.7	Contractual Services - Customer Service	12	-	0	0	0	0	0	0	0
633.7	Legal Fees	12	-	0	0	0	0	0	0	0
635.7	Contractual Services - UMG - Meter Reading ²	12	1,188	0	0	0	0	0	1,188	0
635.7	Contractual Services - UMG - Account Service ²	12	432,887	0	0	0	0	0	432,887	0
635.7	Contractual Services - Collections	1	-	0	0	0	0	0	0	0
635.7	Contractual Services - Credit Card Processing	12	-	0	0	0	0	0	0	0
635.7	Contractual Services - Legal ¹	12	39,034	0	0	0	0	0	39,034	0
635.7	Contractual Services - Accounting and Audit ¹	12	72,550	0	0	0	0	0	72,550	0
650.7	Transportation Expense	12	-	0	0	0	0	0	0	0
	Total Customer Accounting		569,466	0	0	0	3,730	0	565,736	0

Table 2
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Cost Function

Account No	Account	Factor Ref	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Protection
Administrative and General										
601.8	Labor (Commissioners and Administrators) ¹	14	154,224	86,042	925	36,196	108	13,664	17,289	0
604.0	Employee Benefits ¹	16	20,760	2,842	31	1,196	127	15,994	571	0
615.8	Utilities	14	-	0	0	0	0	0	0	0
620.8	Materials and Supplies	14	-	0	0	0	0	0	0	0
631.8	Contractual Services - Engineering	14	-	0	0	0	0	0	0	0
632.8	Contract Services Acct/Audit	14	-	0	0	0	0	0	0	0
633.8	Legal Fees	14	-	0	0	0	0	0	0	0
634.8	Contractual Services - UMG - Retirement ²	16	12,247	1,677	18	705	75	9,435	337	0
635.8	Contractual Services - UMG - Labor ²	14	605,609	337,869	3,634	142,137	424	53,657	67,889	0
635.8	Contractual Services - UMG - General Overhead ²	Arb	778,011	0	0	0	0	778,011	0	0
650.8	Transportation Expense	14	-	0	0	0	0	0	0	0
656.0	Vehicle Insurance	14	-	0	0	0	0	0	0	0
657.0	General Liability Insurance	14	-	0	0	0	0	0	0	0
658.0	Workers Comp Insurance	16	-	0	0	0	0	0	0	0
660.0	Advertising Expense ¹	14	3,963	2,211	24	930	3	351	444	0
667.0	PSC Expense- Rate Case Expense ⁵	19	41,500	20,157	1,199	10,877	573	6,022	2,673	0
667.0	PSC Expense- Rate Case Expense ¹	19	4,918	2,389	142	1,289	68	714	317	0
670.0	Contractual Services - UMG - Assumed Expenses by UMG ¹	14	(251,231)	(140,162)	(1,507)	(58,964)	(176)	(22,259)	(28,163)	0
670.0	Contractual Services - UMG - Unknown Contract Costs ²	14	145,348	81,090	872	34,113	102	12,878	16,294	0
675.0	Miscellaneous Expense (Bank Service Fees, Education and Meetings, Settlement Expenses) ¹	14	58,264	32,505	350	13,675	41	5,162	6,531	0
Total Administrative and General			1,573,613	426,619	5,688	182,154	1,343	873,628	84,181	0
Total Operation & Maintenance Expenses			6,832,901	3,419,356	71,397	1,366,368	5,073	1,320,790	649,916	0

Table 2
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Cost Function

Account No	Account	Factor Ref	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Protection
DEPRECIATION EXPENSE										
304.1	Power and Pumping Structures - Intake	2	-	0	0	0	0	0	0	0
304.2	Water Treatment Plant ³	2	227,544	183,514	44,030	0	0	0	0	0
304.3	Pumping Structures	3	-	0	0	0	0	0	0	0
304.4	Office Buildings	14	-	0	0	0	0	0	0	0
304.5	Other Structures ³	14	17,782	9,921	107	4,174	12	1,576	1,993	0
304.6	Structures - Water Treatment	2	-	0	0	0	0	0	0	0
306	Lake, River and Other Intakes	2	-	0	0	0	0	0	0	0
309	Supply Mains	2	-	0	0	0	0	0	0	0
310.3	Power Generation Equipment	3	-	0	0	0	0	0	0	0
311.1	Pumping Equipment ³	3	85,107	68,571	16,536	0	0	0	0	0
311.2	Pumping Equipment	3	-	0	0	0	0	0	0	0
311.3	Pumping Equipment	3	-	0	0	0	0	0	0	0
320.1	Purification System	2	-	0	0	0	0	0	0	0
320.2	Purification System - Equipment	2	-	0	0	0	0	0	0	0
330.1	Distribution Reservoirs and Standpipes ³	5	207,724	63,917	0	143,807	0	0	0	0
330.3	Distribution Reservoirs and Standpipes	5	-	0	0	0	0	0	0	0
331.1	Mains and Accessories - 10" and larger ³	3	50,216	40,459	9,757	0	0	0	0	0
331.1	Mains and Accessories - Less than 10" ³	4	1,585,471	487,849	0	1,097,621	0	0	0	0
331.2	Mains and Accessories - 10" and larger	3	-	0	0	0	0	0	0	0
331.2	Mains and Accessories - Less than 10"	4	-	0	0	0	0	0	0	0
331.3	Mains and Accessories - 10" and larger	3	-	0	0	0	0	0	0	0
331.3	Mains and Accessories - Less than 10"	4	-	0	0	0	0	0	0	0
333.1	New Taps/Water Services ³	9	150,289	0	0	0	0	150,289	0	0
333.2	New Taps/Water Services	9	-	0	0	0	0	0	0	0
334.1	Meters ³	8	99,964	0	0	0	99,964	0	0	0
334.2	Meters	8	-	0	0	0	0	0	0	0
335.1	Fire Hydrants ³	3	30,867	24,870	5,998	0	0	0	0	0
335.3	Fire Hydrants	7	-	0	0	0	0	0	0	0
339.1	Miscellaneous Equipment	14	-	0	0	0	0	0	0	0
339.2	Miscellaneous Equipment	14	-	0	0	0	0	0	0	0
340.1	Office Furniture and Equipment ³	14	4,305	2,402	26	1,010	3	381	483	0
340.2	Office Furniture and Equipment	14	-	0	0	0	0	0	0	0
341.1	Transportation Equipment ³	14	80,481	44,901	483	18,889	56	7,131	9,022	0
341.2	Transportation Equipment	14	-	0	0	0	0	0	0	0
342.1	Stores Equipment	14	-	0	0	0	0	0	0	0
343.1	Tools, Shop, and Garage Equipment ³	14	6,012	3,354	36	1,411	4	533	674	0
344.1	Laboratory Equipment ³	2	254	205	49	0	0	0	0	0
345.1	Power Operated Equipment ³	14	7,526	4,199	45	1,766	5	667	844	0
346.1	Communication Equipment ³	14	120,144	67,028	721	28,198	84	10,645	13,468	0
346.2	Communication Equipment	14	-	0	0	0	0	0	0	0
347.1	Miscellaneous Equipment	14	-	0	0	0	0	0	0	0
Total Depreciation Expense			2,673,686	1,001,189	77,787	1,296,876	100,129	171,221	26,484	0

Table 2
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Cost Function

Account No.	Account	Factor Ref.	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Protection
	Amort-Other UP	18	3,444	2,208	487	426	134	189	0	0
	Debt Service	18	583,315	373,905	82,422	72,214	22,749	32,024	0	0
	Debt Service Coverage	18	211,556	135,608	29,893	26,191	8,251	11,614	0	0
	Debt Service - Interest	18	375,237	240,527	53,021	46,454	14,634	20,601	0	0
	Total Debt Service Requirements		1,170,108	750,039	165,336	144,859	45,634	64,239	0	0
	Taxes Other Than Income									
	Utility Reg Assessment Fee	19	0	0	0	0	0	0	0	0
	Employment Taxes	16	11,816	1,618	18	681	72	9,103	325	0
	Total Taxes, Other Than Income		11,816	1,618	18	681	72	9,103	325	0
	Total Cost of Service		10,691,955	5,174,409	315,025	2,809,211	151,043	1,565,541	676,725	0
	Less: Other Water Revenues									
	Penalties ¹	19	165,153	80,215	4,773	43,287	2,279	23,964	10,636	0
	Turn On Fees ¹	8	146,700	0	0	0	146,700	0	0	0
	Fire Protection Revenue ¹	19	1,200	583	35	315	17	174	77	0
	Lab Test Fees	2	0	0	0	0	0	0	0	0
	Material Sold ¹	14	2,800	1,562	17	657	2	248	314	0
	Sub-District Surcharge	18	0	0	0	0	0	0	0	0
	Bulk Sales	19	0	0	0	0	0	0	0	0
	Interest Earnings ¹	19	3,040	1,477	88	797	42	441	196	0
	Other Water Service Revenue ¹	19	244,741	118,871	7,073	64,147	3,377	35,512	15,761	0
	Total Other Water Revenues		563,634	202,707	11,985	109,202	152,417	60,339	26,984	0
	Total Cost of Service Related to Sales of Water		10,128,321	4,971,702	303,040	2,700,010	(1,374)	1,505,202	649,741	0

Table 2
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Cost Function

Account No.	Account	Factor Ref	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Protection
RATE BASE										
	Organization	17	-	0	0	0	0	0	0	0
	Land - Intake	2	-	0	0	0	0	0	0	0
	Land - Treatment Plant	2	-	0	0	0	0	0	0	0
	Land - Pump Station and Transmission	3	64,276,997	51,787,976	12,489,021	0	0	0	0	0
	Land - CC	2	-	0	0	0	0	0	0	0
	Power and Pumping Structures - Intake	2	-	0	0	0	0	0	0	0
	Water Treatment Plant	2	5,213,911	4,205,019	1,008,892	0	0	0	0	0
	Pumping Structures	3	-	0	0	0	0	0	0	0
	Office Buildings	2	-	0	0	0	0	0	0	0
	Other Structures	6	-	0	0	0	0	0	0	0
	Structures - Water Treatment	6	9,114,961	2,944,132	54,690	6,116,139	0	0	0	0
	Lake, River and Other Intakes	2	-	0	0	0	0	0	0	0
	Supply Mains	2	-	0	0	0	0	0	0	0
	Power Generation Equipment	3	-	0	0	0	0	0	0	0
	Pumping Equipment	3	3,105,266	2,501,913	603,353	0	0	0	0	0
	Pumping Equipment	3	-	0	0	0	0	0	0	0
	Pumping Equipment	3	-	0	0	0	0	0	0	0
	Purification System	2	-	0	0	0	0	0	0	0
	Purification System - Equipment	2	-	0	0	0	0	0	0	0
	Distribution Reservoirs and Standpipes	5	7,875,173	2,423,191	0	5,451,982	0	0	0	0
	Distribution Reservoirs and Standpipes	5	-	0	0	0	0	0	0	0
	Mains and Accessories - Transmission	3	-	0	0	0	0	0	0	0
	Mains and Accessories - Distribution	4	-	0	0	0	0	0	0	0
	Mains and Accessories - Transmission	3	-	0	0	0	0	0	0	0
	Mains and Accessories - Distribution	4	-	0	0	0	0	0	0	0
	Mains and Accessories - Transmission	3	-	0	0	0	0	0	0	0
	Mains and Accessories - Distribution	4	-	0	0	0	0	0	0	0
	Services	9	5,500,897	0	0	0	0	5,500,897	0	0
	Services	9	-	0	0	0	0	0	0	0
	Meters	8	3,910,047	0	0	0	3,910,047	0	0	0
	Meters	8	-	0	0	0	0	0	0	0
	Fire Hydrants	4	1,211,605	372,811	0	838,794	0	0	0	0
	Fire Hydrants	7	-	0	0	0	0	0	0	0
	Miscellaneous Equipment	14	-	0	0	0	0	0	0	0
	Miscellaneous Equipment	14	-	0	0	0	0	0	0	0
	Office Furniture and Equipment	14	-	0	0	0	0	0	0	0
	Office Furniture and Equipment	14	-	0	0	0	0	0	0	0
	Transportation Equipment	14	-	0	0	0	0	0	0	0
	Transportation Equipment	14	-	0	0	0	0	0	0	0
	Stores Equipment	14	-	0	0	0	0	0	0	0
	Tools, Shop and Garage Equipment	14	-	0	0	0	0	0	0	0
	Laboratory Equipment	2	-	0	0	0	0	0	0	0
	Power Operated Equipment	14	-	0	0	0	0	0	0	0
	Communication Equipment	14	-	0	0	0	0	0	0	0
	Communication Equipment	14	-	0	0	0	0	0	0	0
	Miscellaneous Equipment	14	-	0	0	0	0	0	0	0
	Total Utility Plant in Service		100,208,857	64,235,043	14,155,955	12,406,915	3,910,047	5,500,897	0	0

Table 2
Mountain Water District
Cost of Service for Pro Forma Year July 1, 2013 through June 30, 2014, Allocated to Cost Function

Account No	Account	Factor Ref	Cost of Service	Base	Max Day	Max Hour	Meters	Services	Billing & Collecting	Fire Protection
	Construction Work In Progress									
	Mains and Accessories - 10" and larger	3	-	0	0	0	0	0	0	0
	Mains and Accessories - Less than 10"	4	-	0	0	0	0	0	0	0
	Pumps	3	-	0	0	0	0	0	0	0
	Water Treatment	2	-	0	0	0	0	0	0	0
	Storage	5	-	0	0	0	0	0	0	0
	Metering	8	-	0	0	0	0	0	0	0
	General	14	-	0	0	0	0	0	0	0
	Total Construction Work in Progress		-	-	-	-	-	-	-	-
	Contributions in Aid of Construction	4	-	0	0	0	0	0	0	0
	Other Rate Base Items									
	Add:									
	Other Utility Plant Acquisitions/Adjustments	17	0	0	0	0	0	0	0	0
	Materials and Supplies	14	0	0	0	0	0	0	0	0
	Prepayments	14	0	0	0	0	0	0	0	0
	Prepayments - Tank Cleaning/Painting	5	0	0	0	0	0	0	0	0
	Prepayments - Reservoir Cleaning	5	0	0	0	0	0	0	0	0
	Unamortized Debt Discount and Expense	17	0	0	0	0	0	0	0	0
	Deferred Credits	17	0	0	0	0	0	0	0	0
	Regulatory Deferrals	19	0	0	0	0	0	0	0	0
	Total Other Rate Base Elements		0	0	0	0	0	0	0	0
	Total Original Cost Measure of Value		<u>\$ 100,208,857</u>	<u>\$ 64,235,043</u>	<u>\$ 14,155,955</u>	<u>\$ 12,406,915</u>	<u>\$ 3,910,047</u>	<u>\$ 5,500,897</u>	<u>\$ -</u>	<u>\$ -</u>

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification. See Table 23 of Schedule App-A-2 in Appendix A.

Customer Classification	Average Daily Consumption, 1,000 Gallons	Allocation Factor
(1)	(2)	(3)
Residential	1,967	0.7526
Commercial	253	0.0967
Multi-Family	77	0.0295
Industrial	19	0.0072
Public Authority	87	0.0334
Wholesale	211	0.0806
Total	<u>2,614</u>	<u>1.0000</u>

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.8065	(4)	(5)=(4)x 0.1935	(6)=(3)+(5)
Residential	0.7526	0.6070	0.7504	0.1452	0.7522
Commercial	0.0967	0.0780	0.0970	0.0188	0.0968
Multi-Family	0.0295	0.0238	0.0302	0.0058	0.0296
Industrial	0.0072	0.0058	0.0079	0.0015	0.0073
Public Authority	0.0334	0.0269	0.0334	0.0065	0.0334
Wholesale	0.0806	0.0650	0.0811	0.0157	0.0807
Total	<u>1.0000</u>	<u>0.8065</u>	<u>1.0000</u>	<u>0.1935</u>	<u>1.0000</u>

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

Customer Classification	Average Daily Consumption, 1,000 Gallons	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, 1,000 Gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	1,967	0.24	472	0.7504
Commercial	253	0.24	61	0.0970
Multi-Family	77	0.24	19	0.0302
Industrial	19	0.24	5	0.0079
Public Authority	87	0.24	21	0.0334
Wholesale	211	0.24	51	0.0811
Total	2,614		629	1.0000

The weighting of the factors is based on the maximum day ratio of 1.24 based on water production records from the test year. Maximum day: 3,188,826 gallons (January 2014). Average day: 2,568,897 gallons.

	Maximum Day Ratio	Weight
Average Day	1.00	0.8065
Maximum Day Extra Capacity	0.24	0.1935
Total	1.24	1.0000

* Ratio of maximum day to average day minus 1.0.

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption and the maximum day extra capacity demand for each customer classification. Fire protection is not used - hydrants are used for flushing, not fire protection.

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.8057	(4)	(5)=(4) X 0.1943	(6)	(7)=(6) X 0.0000	(8)=(3)+(5)+(7)
Residential	0.7526	0.6064	0.7504	0.1458			0.7522
Commercial	0.0967	0.0779	0.0970	0.0188			0.0967
Multi-Family	0.0295	0.0238	0.0302	0.0059			0.0297
Industrial	0.0072	0.0058	0.0079	0.0015			0.0073
Public Authority	0.0334	0.0269	0.0334	0.0065			0.0334
Wholesale	0.0806	0.0649	0.0811	0.0158			0.0807
Total	1.0000	0.8057	1.0000	0.1943	0.0000	0.0000	1.0000

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average daily consumption and the maximum day extra capacity demand for each customer classification. Fire protection is not used - hydrants are used for flushing, not fire protection.

Customer Classification (1)	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor (9)=(4)+(6)+(8)
	1,000 Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.3077	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.6923	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.0000	
Residential	82.0	0.8191	0.2520	0.8192	0.5671			0.8191
Commercial	10.5	0.1049	0.0323	0.1048	0.0726			0.1049
Multi-Family	3.2	0.0320	0.0098	0.0320	0.0222			0.0320
Industrial	0.8	0.0080	0.0025	0.0080	0.0055			0.0080
Public Authority	3.6	0.0360	0.0111	0.0360	0.0249			0.0360
Wholesale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Total	100.1	1.0000	0.3077	1.0000	0.6923	0.0000	0.0000	1.0000

The maximum hour extra capacity factors in column 5 are determined on the next page.

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.24 and the average daily system sendout for the test year of 2.569 MGD (see Schedule App-A-4 of Appendix A).

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	2,568,897	0.8057
Maximum Day Extra Capacity	<u>0.24</u>	<u>619,929</u>	<u>0.1943</u>
Subtotal	<u><u>1.24</u></u>	<u><u>3,188,826</u></u>	<u><u>1.0000</u></u>
Fire Protection		<u>0</u>	<u>0.0000</u>
Total		<u><u>3,188,826</u></u>	<u><u>1.0000</u></u>

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 3.25** and the average daily system sendout for the historic test year of 2.569 MGD (see Schedule App-A-4 of Appendix A).

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,784	0.3077
Maximum Hour Extra Capacity	2.25	4,014	0.6923
Subtotal	<u>3.25</u>	5,798	1.0000
Fire Protection		0	0.0000
Total		<u>5,798</u>	<u>1.0000</u>

The maximum hour extra capacity factors in column 5 of the previous page are determined as follows:

Customer Classification	Average Hourly Consumption 1,000 Gallons	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	82.0	2.25	184.5	0.8192
Commercial	10.5	2.25	23.6	0.1048
Multi-Family	3.2	2.25	7.2	0.0320
Industrial	0.8	2.25	1.8	0.0080
Public Authority	3.6	2.25	8.1	0.0360
Wholesale	0.0	2.25	0.0	0.0000
Total	<u>100.1</u>		<u>225.2</u>	<u>1.0000</u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

** Chin, 2000, Table 3.6

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	1,000 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3077	(5)	(6)=(5) X 0.6923	(7)	(8)=(7) X 0.0000	(9)=(4)+(6)+(8)
Residential	82.0	0.8191	0.2520	0.8192	0.5671			0.8191
Commercial	10.5	0.1049	0.0323	0.1048	0.0726			0.1049
Multi-Family	3.2	0.0320	0.0098	0.0320	0.0222			0.0320
Industrial	0.8	0.0080	0.0025	0.0080	0.0055			0.0080
Public Authority	3.6	0.0360	0.0111	0.0360	0.0249			0.0360
Wholesale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Total	100.1	1.0000	0.3077	1.0000	0.6923	0.0000	0.0000	1.0000

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES, cont.

Hydrants are used for flushing, not fire protection. Fire protection flow assumed to be zero.

$$\text{Fire Protection Weight} = \frac{0 \text{ GPM} \times 60 \text{ Min.} \times 10 \text{ Hrs.}}{7,551,500 \text{ Gallons}} = 0.0000$$

$$\text{General Service Weight} = 1.0000 - 0.0000 = 1.0000$$

The weighting of the average hourly consumption and maximum hour extra demand for general service is based on the maximum hour ratio, as follows:

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	30.77	0.3077
Extra Capacity Maximum Hour	2.25	69.23	0.6923
Total	3.25	100.00	1.0000

Customer Classification	Average Hourly Consumption 1,000 Gallons	Maximum Hour Extra Capacity		
		Factor*	CCF Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	82.0	2.25	184.5	0.8192
Commercial	10.5	2.25	23.6	0.1048
Multi-Family	3.2	2.25	7.2	0.0320
Industrial	0.8	2.25	1.8	0.0080
Public Authority	3.6	2.25	8.1	0.0360
Wholesale	0.0	2.25	0.0	0.0000
Total	100.1		225.2	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0307	(4)	(5)=(4)X 0.9693	(6)=(3)+(5)
Residential	0.7522	0.0231	0.8191	0.7939	0.8170
Commercial	0.0967	0.0030	0.1049	0.1017	0.1047
Multi-Family	0.0297	0.0009	0.0320	0.0310	0.0319
Industrial	0.0073	0.0002	0.0080	0.0078	0.0080
Public Authority	0.0334	0.0010	0.0360	0.0349	0.0359
Wholesale	0.0807	0.0025	0.0000	0.0000	0.0025
Total	1.0000	0.0307	1.0000	0.9693	1.0000

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Mains 10" and Larger	163,680	0.0307
Mains Smaller than 10"	5,168,143	0.9693
Total	5,331,823	1.0000

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

<u>Customer Classification</u> (1)	<u>Allocation Factor</u> (3)
Fire Protection	<u>1.0000</u>
Total	<u><u>1.0000</u></u>

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

Factors are based on the relative cost of meters by size and customer classification, as developed on the following page and summarized below.

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	17,817	0.9223
Commercial	872	0.0450
Multi-Family	239	0.0124
Industrial	17	0.0009
Public Authority	336	0.0174
Wholesale	<u>38</u>	<u>0.0020</u>
Total	<u><u>19,319</u></u>	<u><u>1.0000</u></u>

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

Factors are based on the relative cost of services by size and customer classification, as developed on the following page and summarized below.

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	16,201	0.9214
Commercial	846	0.0481
Multi-Family	217	0.0123
Industrial	13	0.0007
Public Authority	289	0.0164
Wholesale	<u>19</u>	<u>0.0011</u>
Total	<u><u>17,585</u></u>	<u><u>1.0000</u></u>

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 10. NOT USED IN THE ALLOCATION.

FACTOR 11. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPERVISION AND ENGINEERING, STRUCTURES AND IMPROVEMENTS, AND OTHER EXPENSES.

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

<u>Customer Classification</u> (1)	<u>Transmission & Distribution Maintenance Expenses</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$ 707,302	0.8790
Commercial	57,692	0.0717
Multi-Family	16,483	0.0205
Industrial	3,003	0.0037
Public Authority	19,749	0.0245
Wholesale	<u>518</u>	<u>0.0006</u>
Total	<u><u>\$ 804,747</u></u>	<u><u>1.0000</u></u>

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 12. ALLOCATION OF BILLING AND COLLECTING COSTS AND METER READING

Factors are based on the total number of customers.

<u>Customer Classification</u> (1)	<u>Total Customers</u> (2)	<u>Allocation Factor</u> (3)
Residential	16,192	0.94446
Commercial	600	0.03502
Multi-Family	217	0.01267
Industrial	3	0.00017
Public Authority	129	0.00751
Wholesale	<u>3</u>	<u>0.00017</u>
Total	<u><u>17,144</u></u>	<u><u>1.0000</u></u>

FACTOR 13. NOT USED IN THE ALLOCATION

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

<u>Customer Classification</u> (1)	<u>Operation & Maintenance Expenses</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$ 4,095,447	0.8117
Commercial	445,183	0.0882
Multi-Family	135,816	0.0269
Industrial	30,836	0.0061
Public Authority	150,628	0.0299
Wholesale	<u>187,486</u>	<u>0.0372</u>
Total	<u>\$ 5,045,396</u>	<u>1.0000</u>

FACTOR 15. NOT USED IN THE ALLOCATION

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

<u>Customer Classification</u> (1)	<u>Direct Labor Expense</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$ 562,163	0.8945
Commercial	36,403	0.0579
Multi-Family	9,982	0.0159
Industrial	1,273	0.0020
Public Authority	12,393	0.0197
Wholesale	<u>6,262</u>	<u>0.0100</u>
Total	<u>\$ 628,477</u>	<u>1.0000</u>

FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

<u>Customer Classification</u> (1)	<u>Original Cost Less Depreciation</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$ 78,171,508	0.7801
Commercial	9,368,656	0.0935
Multi-Family	2,853,275	0.0285
Industrial	682,936	0.0068
Public Authority	3,237,313	0.0323
Wholesale	<u>5,895,170</u>	<u>0.0588</u>
Total	<u>\$ 100,208,857</u>	<u>1.0000</u>

MOUNTAIN WATER DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 18. ALLOCATION OF DEBT SERVICE AND ACQUISITION ADJUSTMENT

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

<u>Customer Classification</u> (1)	<u>Original Cost Measure of Value</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$ 78,171,508	0.7801
Commercial	9,368,656	0.0935
Multi-Family	2,853,275	0.0285
Industrial	682,936	0.0068
Public Authority	3,237,313	0.0323
Wholesale	<u>5,895,170</u>	<u>0.0588</u>
Total	<u>\$ 100,208,857</u>	<u>1.0000</u>

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

<u>Customer Classification</u> (1)	<u>Total Cost of Service</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$ 8,819,531	0.8097
Commercial	988,718	0.0908
Multi-Family	301,135	0.0276
Industrial	69,726	0.0064
Public Authority	336,821	0.0309
Wholesale	<u>377,387</u>	<u>0.0346</u>
Total	<u>\$ 10,893,317</u>	<u>1.0000</u>

Table 1
Basis for Allocating Meter Costs to Customer Classifications

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Multi-Family		Industrial		Public Authority		Wholesale		Total	
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(13)	(19)	(20)
5/8 x 3/4	1.1	16,185	17,803	516	568	217	239	1	1	82	90	0	0	17,001	18,701
1	1.7	6	10	34	58	0	0	0	0	14	24	0	0	54	92
1-1/2	3.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	3.7	1	4	42	156	0	0	1	4	24	88	0	0	68	252
3	8.2	0	0	4	33	0	0	0	0	3	25	2	16	9	74
4	11.6	0	0	3	35	0	0	1	12	2	23	0	0	6	70
6	21.6	0	0	1	22	0	0	0	0	4	86	1	22	6	130
Total		<u>16,192</u>	<u>17,817</u>	<u>600</u>	<u>872</u>	<u>217</u>	<u>239</u>	<u>3</u>	<u>17</u>	<u>129</u>	<u>336</u>	<u>3</u>	<u>38</u>	<u>17,144</u>	<u>19,319</u>

Table 2
Basis for Allocating Service Costs to Customer Classifications

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Multi-Family		Industrial		Public Authority		Wholesale		Total	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(13)	(19)	(20)
5/8 x 3/4	1.00	16,185	16,185	516	516	217	217	1	1	82	82	0	0	17,001	17,001
1	1.88	6	11	34	64	0	0	0	0	14	26	0	0	54	101
1-1/2	4.04	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	5.13	1	5	42	216	0	0	1	5	24	121	0	0	68	347
3	5.54	0	0	4	22	0	0	0	0	3	17	2	11	9	50
4	6.57	0	0	3	20	0	0	1	7	2	13	0	0	6	40
6	7.51	0	0	1	8	0	0	0	0	4	30	1	8	6	46
Total		<u>16,192</u>	<u>16,201</u>	<u>600</u>	<u>846</u>	<u>217</u>	<u>217</u>	<u>3</u>	<u>13</u>	<u>129</u>	<u>289</u>	<u>3</u>	<u>19</u>	<u>17,144</u>	<u>17,585</u>

Table 1
Calculation of Customer Service Fee

		<u>Monthly</u>	<u>Quarterly</u>
(1) Cost Related to Meters	\$ (1,374)		
(2) Meter Equivalents X 12	231,828		
(3) Cost per Bill - Meter related		\$ (0.01)	(0.03)
(4) Cost Related to Services	\$ 1,505,202		
(5) Service Equivalents X 12	211,020		
(6) Cost per Bill - Services related		\$ 7.13	21.39
(7) Cost Related to Billing and Collecting	\$ 649,741		
(8) Number of Bills	206,911		
(9) Cost per Bill - Billing and Collecting		<u>\$ 3.14</u>	<u>3.14</u>
(10) Total Customer Charge (3)+(6)+(9)		\$ 10.26	\$ 24.50
	\$ 2,153,569		

PART III. PROPOSED RATES (WATER)

Table 1
Rate Alternate 1 - Across the Board
Summary

Total Revenue Required	\$ 10,128,321
Present Revenue	\$ 8,081,343
Dollar Increase	\$ 2,046,979
% Increase Required	25.33%

Table 2
Rate Alternate 1 - Across the Board
Minimum Bill Determination

Meter Size	Present Minimum Bill	% Increase	Dollar Increase	Proposed Minimum Bill	
5/8" x 3/4"	\$ 20.02	25.33%	\$ 5.07	\$ 25.09	First 2,000
1"	\$ 42.00	25.33%	\$ 10.64	\$ 52.64	First 5,000
2"	\$ 130.00	25.33%	\$ 32.93	\$ 162.93	First 20,000
3"	\$ 190.00	25.33%	\$ 48.13	\$ 238.13	First 30,000
4"	\$ 300.00	25.33%	\$ 75.99	\$ 375.99	First 50,000
6"	\$ 595.00	25.33%	\$ 150.71	\$ 745.71	First 100,000
Multi	\$ 20.02	25.33%	\$ 5.07	\$ 25.09	First 2,000

Table 3
Rate Alternate 1 - Across the Board
Volumetric Rate Determination

Tier	Present Rate	% Increase	Dollar Increase	Proposed Volumetric Rate
Tier 1	\$ 7.01	25.33%	\$ 1.78	\$ 8.79
Tier 2	\$ 6.22	25.33%	\$ 1.58	\$ 7.80
Wholesale - Elkhorn Tier 1	\$ 2.25	25.33%	\$ 0.57	\$ 2.82
Wholesale - Elkhorn Tier 2	\$ 2.40	25.33%	\$ 0.61	\$ 3.01
Wholesale - Mingo Co.	\$ 3.75	25.33%	\$ 0.95	\$ 4.70
Wholesale - Martin Co.	\$ 2.40	25.33%	\$ 0.61	\$ 3.01
Wholesale - Jenkins Tier 1	\$ 2.40	25.33%	\$ 0.61	\$ 3.01
Wholesale - Jenkins Tier 2	\$ 2.75	25.33%	\$ 0.70	\$ 3.45

Table 1
Rate Alternate 1 Applied to Historic Test Year
5/8" x 3/4" Residential Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	57,951	59,582	59,582		
Next 8.0	130,233	547,015	260,466	286,549	
Over 10.0	6,032	110,149	12,064	48,256	49,829
Totals	194,216	716,746	332,112	334,805	49,829
Proposed Rate - Alt 1			\$ 25.09	\$ 8.79	\$ 7.80
Proposed Revenue - Alt 1			\$ 4,873,074.20	\$ 2,941,466.18	\$ 388,444.16
Total Proposed Revenue - Alt 1					\$ 8,202,984.54

Table 2
Rate Alternate 1 Applied to Historic Test Year
1" Residential Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 5.0	Next 5.0	Over 10.0
First 5.0	35	64	64		
Next 5.0	29	202	145	57	
Over 10.0	8	1,013	40	40	933
Totals	72	1,280	249	97	933
Proposed Rate - Alt 1			\$ 52.64	\$ 8.79	\$ 7.80
Proposed Revenue - Alt 1			\$ 3,789.97	\$ 852.56	\$ 7,276.48
Total Proposed Revenue - Alt 1					\$ 11,919.01

Table 3
Rate Alternate 1 Applied to Historic Test Year
2" Residential Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 20.0	Over 20.0	
First 20.0	12	31	31		
Over 20.0	0	0	0	0	
Totals	12	31	31	0	
Proposed Rate - Alt 1			\$ 162.93	\$ 7.80	
Proposed Revenue - Alt 1			\$ 1,955.14	\$ -	\$ -
Total Proposed Revenue - Alt 1					\$ 1,955.14

Table 4
Rate Alternate 1 Applied to Historic Test Year
5/8" x 3/4" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	3,376	2,264	2,264		
Next 8.0	2,288	10,584	4,576	6,008	
Over 10.0	532	16,630	1,064	4,256	11,310
Totals	6,196	29,478	7,904	10,264	11,310
Proposed Rate - Alt 1			\$ 25.09	\$ 8.79	\$ 7.80
Proposed Revenue - Alt 1			\$ 155,463.85	\$ 90,178.41	\$ 88,167.64
Total Proposed Revenue - Alt 1					\$ 333,809.91

Table 5
Rate Alternate 1 Applied to Historic Test Year
1" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 5.0	Next 5.0	Over 10.0
First 5.0	148	269	269		
Next 5.0	101	746	505	241	
Over 10.0	159	5,635	795	795	4,045
Totals	408	6,650	1,569	1,036	4,045
Proposed Rate - Alt 1			\$ 52.64	\$ 8.79	\$ 7.80
Proposed Revenue - Alt 1			\$ 21,476.49	\$ 9,102.86	\$ 31,534.07
Total Proposed Revenue - Alt 1					\$ 62,113.42

Table 6
Rate Alternate 1 Applied to Historic Test Year
2" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 20.0	Over 20.0	
First 20.0	273	1,447	1,447		
Over 20.0	232	34,631	4,640	29,991	
Totals	505	36,078	6,087	29,991	
Proposed Rate - Alt 1			\$ 162.93	\$ 7.80	
Proposed Revenue - Alt 1			\$ 82,278.94	\$ 233,796.59	\$ -
Total Proposed Revenue - Alt 1					\$ 316,075.53

Table 7
Rate Alternate 1 Applied to Historic Test Year
3" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 30.0	Over 30.0	
First 30.0	4	85	85		
Over 30.0	44	8,506	1,320	7,186	
Totals	48	8,591	1,405	7,186	
Proposed Rate - Alt 1			\$ 238.13	\$ 7.80	
Proposed Revenue - Alt 1			\$ 11,430.07	\$ 56,015.39	\$ -
Total Proposed Revenue - Alt 1					\$ 67,445.46

Table 8
Rate Alternate 1 Applied to Historic Test Year
4" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 50.0	Over 50.0	
First 50.0	15	141	141		
Over 50.0	21	7,214	1,050	6,164	
Totals	36	7,355	1,191	6,164	
Proposed Rate - Alt 1			\$ 375.99	\$ 7.80	
Proposed Revenue - Alt 1			\$ 13,535.61	\$ 48,051.50	\$ -
Total Proposed Revenue - Alt 1					\$ 61,587.11

Table 9
Rate Alternate 1 Applied to Historic Test Year
6" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 100.0	Over 100.0	
First 100.0	12	111	111		
OVER 100.0	0	0	0	0	
Totals	12	111	111	0	
Proposed Rate - Alt 1			\$ 745.71	\$ 7.80	
Proposed Revenue - Alt 1			\$ 8,948.54	\$ -	\$ -
Total Proposed Revenue - Alt 1					\$ 8,948.54

Table 10
Rate Alternate 1 Applied to Historic Test Year
5/8" x 3/4" Industrial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	11	3	3		
Next 8.0	0		0	0	
Over 10.0	0		0	0	0
Totals	11	3	3	0	0
Proposed Rate - Alt 1			\$ 25.09	\$ 8.79	\$ 7.80
Proposed Revenue - Alt 1			\$ 276.00	\$ -	\$ -
Total Proposed Revenue - Alt 1					\$ 276.00

Table 11
Rate Alternate 1 Applied to Historic Test Year
2" Industrial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 20.0	Over 20.0	
First 20.0	11	73	73		
Over 20.0	1	22	20	2	
Totals	12	96	93	2	
Proposed Rate - Alt 1			\$ 162.93	\$ 7.80	
Proposed Revenue - Alt 1			\$ 1,955.14	\$ 17.93	\$ -
Total Proposed Revenue - Alt 1					\$ 1,973.07

Table 12
Rate Alternate 1 Applied to Historic Test Year
4" Industrial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 50.0	Over 50.0	
First 50.0	0	0	0		
Over 50.0	12	6,795	600	6,195	
Totals	12	6,795	600	6,195	
Proposed Rate - Alt 1			\$ 375.99	\$ 7.80	
Proposed Revenue - Alt 1			\$ 4,511.87	\$ 48,293.16	\$ -
Total Proposed Revenue - Alt 1					\$ 52,805.03

Table 13
Rate Alternate 1 Applied to Historic Test Year
5/8" x 3/4" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	726	368	368		
Next 8.0	210	932	420	512	
Over 10.0	48	1,001	96	384	521
Totals	984	2,301	884	896	521
Proposed Rate - Alt 1			\$ 25.09	\$ 8.79	\$ 7.80
Proposed Revenue - Alt 1			\$ 24,689.55	\$ 7,875.51	\$ 4,062.08
Total Proposed Revenue - Alt 1					\$ 36,627.14

Table 14
Rate Alternate 1 Applied to Historic Test Year
1" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 5.0	Next 5.0	Over 10.0
First 5.0	84	179	179		
Next 5.0	41	286	205	81	
Over 10.0	43	2,397	215	215	1,967
Totals	168	2,863	599	296	1,967
Proposed Rate - Alt 1			\$ 52.64	\$ 8.79	\$ 7.80
Proposed Revenue - Alt 1			\$ 8,843.26	\$ 2,602.12	\$ 15,337.04
Total Proposed Revenue - Alt 1					\$ 26,782.42

Table 15
Rate Alternate 1 Applied to Historic Test Year
2" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)	
			First 20.0	Over 20.0
First 20.0	101	642	642	
Over 20.0	183	16,042	3,660	12,382
Totals	284	16,684	4,302	12,382
Proposed Rate - Alt 1			\$ 162.93	\$ 7.80
Proposed Revenue - Alt 1			\$ 46,271.72	\$ 96,527.08
Total Proposed Revenue - Alt 1				\$ 142,798.80

Table 16
Rate Alternate 1 Applied to Historic Test Year
3" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 30.0	Over 30.0	
First 30.0	12	40	40		
Over 30.0	24	3,755	720	3,035	
Totals	36	3,795	760	3,035	
Proposed Rate - Alt 1			\$ 238.13	\$ 7.80	
Proposed Revenue - Alt 1			\$ 8,572.55	\$ 23,660.92	\$ -
Total Proposed Revenue - Alt 1					\$ 32,233.47

Table 17
Rate Alternate 1 Applied to Historic Test Year
4" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 50.0	Over 50.0	
First 50.0	5	162	162		
Over 50.0	19	2,778	950	1,828	
Totals	24	2,940	1,112	1,828	
Proposed Rate - Alt 1			\$ 375.99	\$ 7.80	
Proposed Revenue - Alt 1			\$ 9,023.74	\$ 14,250.19	\$ -
Total Proposed Revenue - Alt 1					\$ 23,273.92

Table 18
Rate Alternate 1 Applied to Historic Test Year
6" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 100.0	Over 100.0	
First 100.0	37	1,398	1,398		
OVER 100.0	11	1,876	1,100	776	
Totals	48	3,274	2,498	776	
Proposed Rate - Alt 1			\$ 745.71	\$ 7.80	
Proposed Revenue - Alt 1			\$ 35,794.16	\$ 6,049.31	\$ -
Total Proposed Revenue - Alt 1					\$ 41,843.47

Table 19
Rate Alternate 1 Applied to Historic Test Year
Multi-Meters Billed as 3/4" Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	304	282	282		
Next 8.0	1,740	9,827	3,480	6,347	
Over 10.0	561	18,025	1,122	4,488	12,415
Totals	2,605	28,134	4,884	10,835	12,415
Proposed Rate - Alt 1			\$ 25.09	\$ 8.79	\$ 7.80
Proposed Revenue - Alt 1			\$ 255,802.77	\$ 95,192.09	\$ 96,781.21
Total Proposed Revenue - Alt 1					\$ 447,776.08

Table 20
Rate Alternate 1 Applied to Historic Test Year
5/8" x 3/4" Multi-Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	0	2	2		
Next 8.0	1	4		4	
Over 10.0	0				0
Totals	1	6	2	4	0
Proposed Rate - Alt 1			\$ 25.09	\$ 8.79	\$ 7.80
Proposed Revenue - Alt 1			\$ 25.09	\$ 39.10	\$ -
Total Proposed Revenue - Alt 1					\$ 64.19

Table 21
Rate Alternate 1 Applied to Historic Test Year
4" Commercial Multi-Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)	
			First 50.0	Over 50.0
First 50.0	0	0	0	
Over 50.0	12	3,972	600	3,372
Totals	12	3,972	600	3,372
Proposed Rate - Alt 1			\$ 375.99	\$ 7.80
Proposed Revenue - Alt 1			\$ 4,511.87	\$ 26,286.45
Total Proposed Revenue - Alt 1				\$ 30,798.32

Table 22
Rate Alternate 1 Applied to Historic Test Year
Wholesale Water Customers

	No. Bills	Use (1,000 Gal)	Rate per 1,000 Gal	Wholesale Revenue
Martin Co. Water District	12	0	\$ 3.01	\$ -
Mingo Co. Public Service Dist	12	1,421	\$ 4.70	\$ 6,677.57
Jenkins Utilities	0	0	Note 1	\$ -
City of Elkhorn City	12	75,473	Note 2	\$ 217,556.01
Total Wholesale Revenue	36	76,893		\$ 224,233.58

Notes:

1. Jenkins Utilities Rate - \$3.01/1000 for first 50,000/day, \$3.45/1000 over 50,000/day
2. Elkhorn City Rate - \$2.82/1000 for first 215,000/day, \$3.01/1000 over 215,000/day

Table 23
Rate Alternate 1 Applied to Historic Test Year
Summary

Customer Class	Number of Bills	Number of Meters	Usage (1,000 Gal)	Revenue
Residential	194,300	16,192	718,057	\$ 8,216,859
Commercial	7,205	600	88,263	\$ 849,980
Industrial	35	3	6,893	\$ 55,054
Public Authority	1,544	129	31,857	\$ 303,559
Multi	2,618	218	32,112	\$ 478,639
Wholesale	36	3	76,893	\$ 224,234
Total	205,738	17,145	954,076	\$ 10,128,324

Table 1
Rate Design
Alternate 2 - Cost of Service

Service Size	3/4" Dollar Equivalent	Cost Per Bill (Meters + Services)	Cost Per Bill (Billing and Collecting)	Service Charge	No. of Customers	Service Charge Revenue	Usage	Volumetric Rate	Volumetric Revenue	Total Revenue
5/8 x 3/4	1.00	\$ 7.12	\$ 3.14	\$ 10.26	16,784	\$ 2,066,446.08	748,535	\$ 8.69	\$ 6,507,352.38	\$ 8,573,798.46
1	1.88	\$ 13.40	\$ 3.14	\$ 16.54	54	\$ 10,715.06	10,792	\$ 8.69	\$ 93,819.72	\$ 104,534.78
2	5.13	\$ 36.55	\$ 3.14	\$ 39.69	68	\$ 32,268.17	52,889	\$ 8.69	\$ 459,787.93	\$ 492,056.11
3	5.54	\$ 39.44	\$ 3.14	\$ 42.58	7	\$ 3,577.12	12,386	\$ 8.69	\$ 107,677.08	\$ 111,254.21
4	6.57	\$ 46.78	\$ 3.14	\$ 49.92	7	\$ 4,193.15	21,062	\$ 8.69	\$ 183,101.47	\$ 187,294.61
6	7.51	\$ 53.47	\$ 3.14	\$ 56.61	5	\$ 3,396.67	3,385	\$ 8.69	\$ 29,427.33	\$ 32,824.00
Multi	1.00	\$ 7.12	\$ 3.14	\$ 10.26	217	\$ 26,727.30	28,134	\$ 8.69	\$ 244,581.55	\$ 271,308.85
Wholesale					2	\$ -	76,894	\$ 4.62	\$ 355,250.28	\$ 355,250.28
Total					<u>17,144</u>	<u>\$ 2,147,323.55</u>	<u>954,077</u>		<u>\$ 7,980,997.76</u>	<u>\$10,128,321.31</u>
Revenue Required						<u>\$ 2,153,569.45</u>			<u>\$ 7,974,751.86</u>	<u>\$10,128,321.31</u>

Table 1
Rate Alternate 2 Applied to Historic Test Year
July 1, 2013 through June 30, 2014
Residential Meter Class

Meter Size	Number of Meters	Number of Bills	Total Consumption (1,000 Gallons)	Proposed Service Charge	Proposed Fixed Rate Revenue
5/8" x 3/4"	16,185	194,216	716,746	\$ 10.26	\$ 1,992,656.16
1"	6	72	1,280	\$ 16.54	\$ 1,190.56
2"	1	12	31	\$ 39.69	\$ 476.28
3"	0	0	0	\$ 42.58	\$ -
4"	0	0	0	\$ 49.92	\$ -
6"	0	0	0	\$ 56.61	\$ -
Subtotal					\$ 1,994,323.01
Volumetric Rate				\$ 8.69	\$ 6,242,394.86
Total	16,192	194,300	718,057		\$ 8,236,717.87
Revenue Required					\$ 8,182,985.08

Table 2
Rate Alternate 2 Applied to Historic Test Year
July 1, 2013 through June 30, 2014
Commercial Meter Class

Meter Size	Number of Meters	Number of Bills	Total Consumption (1,000 Gallons)	Proposed Service Charge	Proposed Fixed Rate Revenue
5/8" x 3/4"	516	6,196	29,478	\$ 10.26	\$ 63,570.96
1"	34	408	6,650	\$ 16.54	\$ 6,746.52
2"	42	505	36,078	\$ 39.69	\$ 20,043.58
3"	4	48	8,591	\$ 42.58	\$ 2,044.07
4"	3	36	7,355	\$ 49.92	\$ 1,797.06
6"	1	12	111	\$ 56.61	\$ 679.33
Subtotal					\$ 94,881.52
Volumetric Rate				\$ 8.69	\$ 767,306.59
Total	600	7,205	88,263		\$ 862,188.12
Revenue Required					\$ 926,645.30

Table 3
Rate Alternate 2 Applied to Historic Test Year
July 1, 2013 through June 30, 2014
Multi-Family Meter Class

Meter Size	Number of Meters	Number of Bills	Total Consumption (1,000 Gallons)	Proposed Service Charge	Proposed Fixed Rate Revenue
5/8" x 3/4"	217	2,606	28,134	\$ 10.26	\$ 26,737.56
1"	0	0	0	\$ 16.54	\$ -
2"	0	0	0	\$ 39.69	\$ -
3"	0	0	0	\$ 42.58	\$ -
4"	0	0	0	\$ 49.92	\$ -
6"	0	0	0	\$ 56.61	\$ -
Subtotal					\$ 104,600.70
Volumetric Rate				\$ 8.69	\$ 244,581.55
Total	217	2,606	28,134		\$ 349,182.25
Number of Customers		850			
Revenue Required					\$ 282,432.35

Table 4
Rate Alternate 2 Applied to Historic Test Year
July 1, 2013 through June 30, 2014
Industrial Meter Class

Meter Size	Number of Meters	Number of Bills	Total Consumption (1,000 Gallons)	Proposed Service Charge	Proposed Fixed Rate Revenue
5/8" x 3/4"	1	11	0	\$ 10.26	\$ 112.86
1"	0	0	0	\$ 16.54	\$ -
2"	1	12	96	\$ 39.69	\$ 476.28
3"	0	0	0	\$ 42.58	\$ -
4"	1	12	6,795	\$ 49.92	\$ 599.02
6"	0	0	0	\$ 56.61	\$ -
Subtotal					\$ 1,188.16
Volumetric Rate				\$ 8.69	\$ 59,903.96
Total	3	35	6,891		\$ 61,092.13
Revenue Required					\$ 65,714.02

Table 5
Rate Alternate 2 Applied to Historic Test Year
July 1, 2013 through June 30, 2014
Public Authority Meter Class

Meter Size	Number of Meters	Number of Bills	Total Consumption (1,000 Gallons)	Proposed Service Charge	Proposed Fixed Rate Revenue
5/8" x 3/4"	82	984	2,301	\$ 10.26	\$ 10,095.84
1"	14	168	2,863	\$ 16.54	\$ 2,777.98
2"	24	284	16,684	\$ 39.69	\$ 11,272.03
3"	3	36	3,795	\$ 42.58	\$ 1,533.05
4"	2	24	2,940	\$ 49.92	\$ 1,198.04
6"	4	48	3,274	\$ 56.61	\$ 2,717.34
Subtotal					\$ 29,594.28
Volumetric Rate				\$ 8.69	\$ 276,946.66
Total	129	1,544	31,857		\$ 306,540.94
Revenue Required					\$ 315,421.47

Table 6
Rate Alternate 2 Applied to Historic Test Year
July 1, 2013 through June 30, 2014
Wholesale Meter Class

Customer	Consumption (1,000 Gallons)	Proposed Volumetric Rate	Proposed Revenue
Mingo County	1,421	\$ 4.62	\$ 6,565.02
Elkhorn City	75,473	\$ 4.62	\$ 348,685.26
Total	76,894		\$ 355,250.28
Revenue Required			\$ 355,123.08

Table 1
Rate Alternate 1 Bill Comparisons
5/8" x 3/4" Meter

(1) Consumption 1,000 Gallons	(2) Present Bill	(3) Proposed Bill	(4) Increase (Decrease)	(5) Percentage Increase (Decrease)
0.0	\$ 20.02	\$ 25.09	\$ 5.07	25%
0.5	\$ 20.02	\$ 25.09	\$ 5.07	25%
1.0	\$ 20.02	\$ 25.09	\$ 5.07	25%
1.5	\$ 20.02	\$ 25.09	\$ 5.07	25%
2.0	\$ 20.02	\$ 25.09	\$ 5.07	25%
2.5	\$ 23.53	\$ 29.48	\$ 5.96	25%
3.0	\$ 27.03	\$ 33.88	\$ 6.85	25%
3.5	\$ 30.54	\$ 38.27	\$ 7.73	25%
4.0	\$ 34.04	\$ 42.66	\$ 8.62	25%
4.5	\$ 37.55	\$ 47.05	\$ 9.51	25%
5.0	\$ 41.05	\$ 51.45	\$ 10.40	25%
7.5	\$ 58.58	\$ 73.41	\$ 14.84	25%
10.0	\$ 76.10	\$ 95.38	\$ 19.28	25%
15.0	\$ 107.20	\$ 134.35	\$ 27.15	25%
20.0	\$ 138.30	\$ 173.33	\$ 35.03	25%
25.0	\$ 169.40	\$ 212.31	\$ 42.91	25%

Table 2
Rate Alternate 1 Bill Comparisons
1" Meter

(1) Consumption 1,000 Gallons	(2) Present Bill	(3) Proposed Bill	(4) Increase (Decrease)	(5) Percentage Increase (Decrease)
0.0	\$ 42.00	\$ 52.64	\$ 10.64	25%
0.5	\$ 42.00	\$ 52.64	\$ 10.64	25%
1.0	\$ 42.00	\$ 52.64	\$ 10.64	25%
1.5	\$ 42.00	\$ 52.64	\$ 10.64	25%
2.0	\$ 42.00	\$ 52.64	\$ 10.64	25%
2.5	\$ 42.00	\$ 52.64	\$ 10.64	25%
3.0	\$ 42.00	\$ 52.64	\$ 10.64	25%
3.5	\$ 42.00	\$ 52.64	\$ 10.64	25%
4.0	\$ 42.00	\$ 52.64	\$ 10.64	25%
4.5	\$ 42.00	\$ 52.64	\$ 10.64	25%
5.0	\$ 42.00	\$ 52.64	\$ 10.64	25%
6.0	\$ 49.01	\$ 61.42	\$ 12.41	25%
7.0	\$ 56.02	\$ 70.21	\$ 14.19	25%
8.0	\$ 63.03	\$ 79.00	\$ 15.97	25%
9.0	\$ 70.04	\$ 87.78	\$ 17.74	25%
10.0	\$ 77.05	\$ 96.57	\$ 19.52	25%
15.0	\$ 108.15	\$ 135.54	\$ 27.39	25%
20.0	\$ 139.25	\$ 174.52	\$ 35.27	25%
25.0	\$ 170.35	\$ 213.50	\$ 43.15	25%
30.0	\$ 201.45	\$ 252.48	\$ 51.03	25%

Table 3
Rate Alternate 1 Bill Comparisons
2" Meter

(1) Consumption 1,000 Gallons	(2) Present Bill	(3) Proposed Bill	(4) Increase (Decrease)	(5) Percentage Increase (Decrease)
0.0	\$ 130.00	\$ 162.93	\$ 32.93	25%
1.0	\$ 130.00	\$ 162.93	\$ 32.93	25%
2.0	\$ 130.00	\$ 162.93	\$ 32.93	25%
3.0	\$ 130.00	\$ 162.93	\$ 32.93	25%
4.0	\$ 130.00	\$ 162.93	\$ 32.93	25%
5.0	\$ 130.00	\$ 162.93	\$ 32.93	25%
10.0	\$ 130.00	\$ 162.93	\$ 32.93	25%
15.0	\$ 130.00	\$ 162.93	\$ 32.93	25%
20.0	\$ 130.00	\$ 162.93	\$ 32.93	25%
25.0	\$ 161.10	\$ 201.91	\$ 40.81	25%
30.0	\$ 192.20	\$ 240.88	\$ 48.68	25%
35.0	\$ 223.30	\$ 279.86	\$ 56.56	25%
40.0	\$ 254.40	\$ 318.84	\$ 64.44	25%
45.0	\$ 285.50	\$ 357.82	\$ 72.32	25%
50.0	\$ 316.60	\$ 396.79	\$ 80.19	25%
55.0	\$ 347.70	\$ 435.77	\$ 88.07	25%
60.0	\$ 378.80	\$ 474.75	\$ 95.95	25%
65.0	\$ 409.90	\$ 513.73	\$ 103.83	25%
70.0	\$ 441.00	\$ 552.70	\$ 111.70	25%
75.0	\$ 472.10	\$ 591.68	\$ 119.58	25%
80.0	\$ 503.20	\$ 630.66	\$ 127.46	25%

Table 4
Rate Alternate 1 Bill Comparisons
3" Meter

(1) Consumption 1,000 Gallons	(2) Present Bill	(3) Proposed Bill	(4) Increase (Decrease)	(5) Percentage Increase (Decrease)
0.0	\$ 190.00	\$ 238.13	\$ 48.13	25%
5.0	\$ 190.00	\$ 238.13	\$ 48.13	25%
10.0	\$ 190.00	\$ 238.13	\$ 48.13	25%
15.0	\$ 190.00	\$ 238.13	\$ 48.13	25%
20.0	\$ 190.00	\$ 238.13	\$ 48.13	25%
25.0	\$ 190.00	\$ 238.13	\$ 48.13	25%
30.0	\$ 190.00	\$ 238.13	\$ 48.13	25%
35.0	\$ 221.10	\$ 277.10	\$ 56.00	25%
40.0	\$ 252.20	\$ 316.08	\$ 63.88	25%
45.0	\$ 283.30	\$ 355.06	\$ 71.76	25%
50.0	\$ 314.40	\$ 394.04	\$ 79.64	25%
75.0	\$ 469.90	\$ 588.92	\$ 119.02	25%
100.0	\$ 625.40	\$ 783.81	\$ 158.41	25%
125.0	\$ 780.90	\$ 978.70	\$ 197.80	25%
150.0	\$ 936.40	\$ 1,173.59	\$ 237.19	25%
175.0	\$ 1,091.90	\$ 1,368.47	\$ 276.57	25%
200.0	\$ 1,247.40	\$ 1,563.36	\$ 315.96	25%
225.0	\$ 1,402.90	\$ 1,758.25	\$ 355.35	25%
250.0	\$ 1,558.40	\$ 1,953.14	\$ 394.74	25%

Table 5
Rate Alternate 1 Bill Comparisons
4" Meter

(1) Consumption 1,000 Gallons	(2) Present Bill	(3) Proposed Bill	(4) Increase (Decrease)	(5) Percentage Increase (Decrease)
0.0	\$ 300.00	\$ 375.99	\$ 75.99	25%
10.0	\$ 300.00	\$ 375.99	\$ 75.99	25%
20.0	\$ 300.00	\$ 375.99	\$ 75.99	25%
30.0	\$ 300.00	\$ 375.99	\$ 75.99	25%
40.0	\$ 300.00	\$ 375.99	\$ 75.99	25%
50.0	\$ 300.00	\$ 375.99	\$ 75.99	25%
60.0	\$ 362.20	\$ 453.94	\$ 91.74	25%
70.0	\$ 424.40	\$ 531.90	\$ 107.50	25%
80.0	\$ 486.60	\$ 609.85	\$ 123.25	25%
90.0	\$ 548.80	\$ 687.81	\$ 139.01	25%
100.0	\$ 611.00	\$ 765.76	\$ 154.76	25%
150.0	\$ 922.00	\$ 1,155.54	\$ 233.54	25%
200.0	\$ 1,233.00	\$ 1,545.31	\$ 312.31	25%
250.0	\$ 1,544.00	\$ 1,935.09	\$ 391.09	25%
300.0	\$ 1,855.00	\$ 2,324.86	\$ 469.86	25%
350.0	\$ 2,166.00	\$ 2,714.64	\$ 548.64	25%
400.0	\$ 2,477.00	\$ 3,104.41	\$ 627.41	25%

Table 6
Rate Alternate 1 Bill Comparisons
6" Meter

(1) Consumption 1,000 Gallons	(2) Present Bill	(3) Proposed Bill	(4) Increase (Decrease)	(5) Percentage Increase (Decrease)
0.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
5.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
10.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
15.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
20.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
25.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
30.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
35.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
40.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
45.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
50.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
55.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
60.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
70.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
80.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
90.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
100.0	\$ 595.00	\$ 745.71	\$ 150.71	25%
120.0	\$ 719.40	\$ 901.62	\$ 182.22	25%
140.0	\$ 843.80	\$ 1,057.53	\$ 213.73	25%
160.0	\$ 968.20	\$ 1,213.44	\$ 245.24	25%
180.0	\$ 1,092.60	\$ 1,369.35	\$ 276.75	25%
200.0	\$ 1,217.00	\$ 1,525.26	\$ 308.26	25%

Note: Column (5) = 100 x Column (4) / Column (2)

Table 1
Rate Alternate 2 Bill Comparisons
5/8" x 3/4" Meter

(1) Consumption 1,000 Gallons	(2) Present Bill	(3) Proposed Bill	(4) Increase (Decrease)	(5) Percentage Increase (Decrease)
0.0	\$ 20.02	\$ 10.26	\$ (9.76)	(49)%
0.5	\$ 20.02	\$ 14.61	\$ (5.41)	(27)%
1.0	\$ 20.02	\$ 18.95	\$ (1.07)	(5)%
1.5	\$ 20.02	\$ 23.30	\$ 3.28	16%
2.0	\$ 20.02	\$ 27.65	\$ 7.63	38%
2.5	\$ 23.53	\$ 31.99	\$ 8.47	36%
3.0	\$ 27.03	\$ 36.34	\$ 9.31	34%
3.5	\$ 30.54	\$ 40.69	\$ 10.15	33%
4.0	\$ 34.04	\$ 45.03	\$ 10.99	32%
4.5	\$ 37.55	\$ 49.38	\$ 11.84	32%
5.0	\$ 41.05	\$ 53.73	\$ 12.68	31%
7.5	\$ 58.58	\$ 75.46	\$ 16.89	29%
10.0	\$ 76.10	\$ 97.19	\$ 21.09	28%
15.0	\$ 107.20	\$ 140.66	\$ 33.46	31%
20.0	\$ 138.30	\$ 184.13	\$ 45.83	33%
25.0	\$ 169.40	\$ 227.60	\$ 58.20	34%

Table 2
Rate Alternate 2 Bill Comparisons
1" Meter

(1) Consumption 1,000 Gallons	(2) Present Bill	(3) Proposed Bill	(4) Increase (Decrease)	(5) Percentage Increase (Decrease)
0.0	\$ 42.00	\$ 16.54	\$ (25.46)	(61)%
0.5	\$ 42.00	\$ 20.88	\$ (21.12)	(50)%
1.0	\$ 42.00	\$ 25.23	\$ (16.77)	(40)%
1.5	\$ 42.00	\$ 29.58	\$ (12.42)	(30)%
2.0	\$ 42.00	\$ 33.92	\$ (8.08)	(19)%
2.5	\$ 42.00	\$ 38.27	\$ (3.73)	(9)%
3.0	\$ 42.00	\$ 42.62	\$ 0.62	1%
3.5	\$ 42.00	\$ 46.96	\$ 4.96	12%
4.0	\$ 42.00	\$ 51.31	\$ 9.31	22%
4.5	\$ 42.00	\$ 55.66	\$ 13.66	33%
5.0	\$ 42.00	\$ 60.00	\$ 18.00	43%
6.0	\$ 49.01	\$ 68.70	\$ 19.69	40%
7.0	\$ 56.02	\$ 77.39	\$ 21.37	38%
8.0	\$ 63.03	\$ 86.08	\$ 23.05	37%
9.0	\$ 70.04	\$ 94.78	\$ 24.74	35%
10.0	\$ 77.05	\$ 103.47	\$ 26.42	34%
15.0	\$ 108.15	\$ 146.94	\$ 38.79	36%
20.0	\$ 139.25	\$ 190.40	\$ 51.15	37%
25.0	\$ 170.35	\$ 233.87	\$ 63.52	37%
30.0	\$ 201.45	\$ 277.34	\$ 75.89	38%

Table 3
Rate Alternate 2 Bill Comparisons
2" Meter

(1)	(2)	(3)	(4)	(5)
Consumption 1,000 Gallons	Present Bill	Proposed Bill	Increase (Decrease)	Percentage Increase (Decrease)
0.0	\$ 130.00	\$ 39.69	\$ (90.31)	(69)%
1.0	\$ 130.00	\$ 48.38	\$ (81.62)	(63)%
2.0	\$ 130.00	\$ 57.08	\$ (72.92)	(56)%
3.0	\$ 130.00	\$ 65.77	\$ (64.23)	(49)%
4.0	\$ 130.00	\$ 74.46	\$ (55.54)	(43)%
5.0	\$ 130.00	\$ 83.16	\$ (46.84)	(36)%
10.0	\$ 130.00	\$ 126.62	\$ (3.38)	(3)%
15.0	\$ 130.00	\$ 170.09	\$ 40.09	31%
20.0	\$ 130.00	\$ 213.56	\$ 83.56	64%
25.0	\$ 161.10	\$ 257.03	\$ 95.93	60%
30.0	\$ 192.20	\$ 300.49	\$ 108.29	56%
35.0	\$ 223.30	\$ 343.96	\$ 120.66	54%
40.0	\$ 254.40	\$ 387.43	\$ 133.03	52%
45.0	\$ 285.50	\$ 430.90	\$ 145.40	51%
50.0	\$ 316.60	\$ 474.36	\$ 157.76	50%
55.0	\$ 347.70	\$ 517.83	\$ 170.13	49%
60.0	\$ 378.80	\$ 561.30	\$ 182.50	48%
65.0	\$ 409.90	\$ 604.76	\$ 194.86	48%
70.0	\$ 441.00	\$ 648.23	\$ 207.23	47%
75.0	\$ 472.10	\$ 691.70	\$ 219.60	47%
80.0	\$ 503.20	\$ 735.17	\$ 231.97	46%

Table 4
Rate Alternate 2 Bill Comparisons
3" Meter

(1)	(2)	(3)	(4)	(5)
Consumption 1,000 Gallons	Present Bill	Proposed Bill	Increase (Decrease)	Percentage Increase (Decrease)
0.0	\$ 190.00	\$ 42.58	\$ (147.42)	(78)%
5.0	\$ 190.00	\$ 86.05	\$ (103.95)	(55)%
10.0	\$ 190.00	\$ 129.52	\$ (60.48)	(32)%
15.0	\$ 190.00	\$ 172.99	\$ (17.01)	(9)%
20.0	\$ 190.00	\$ 216.45	\$ 26.45	14%
25.0	\$ 190.00	\$ 259.92	\$ 69.92	37%
30.0	\$ 190.00	\$ 303.39	\$ 113.39	60%
35.0	\$ 221.10	\$ 346.86	\$ 125.76	57%
40.0	\$ 252.20	\$ 390.32	\$ 138.12	55%
45.0	\$ 283.30	\$ 433.79	\$ 150.49	53%
50.0	\$ 314.40	\$ 477.26	\$ 162.86	52%
75.0	\$ 469.90	\$ 694.59	\$ 224.69	48%
100.0	\$ 625.40	\$ 911.93	\$ 286.53	46%
125.0	\$ 780.90	\$ 1,129.27	\$ 348.37	45%
150.0	\$ 936.40	\$ 1,346.60	\$ 410.20	44%
175.0	\$ 1,091.90	\$ 1,563.94	\$ 472.04	43%
200.0	\$ 1,247.40	\$ 1,781.27	\$ 533.87	43%
225.0	\$ 1,402.90	\$ 1,998.61	\$ 595.71	42%
250.0	\$ 1,558.40	\$ 2,215.95	\$ 657.55	42%

Table 5
Rate Alternate 2 Bill Comparisons
4" Meter

(1)	(2)	(3)	(4)	(5)
Consumption 1,000 Gallons	Present Bill	Proposed Bill	Increase (Decrease)	Percentage Increase (Decrease)
0.0	\$ 300.00	\$ 49.92	\$ (250.08)	(83)%
10.0	\$ 300.00	\$ 136.85	\$ (163.15)	(54)%
20.0	\$ 300.00	\$ 223.79	\$ (76.21)	(25)%
30.0	\$ 300.00	\$ 310.72	\$ 10.72	4%
40.0	\$ 300.00	\$ 397.66	\$ 97.66	33%
50.0	\$ 300.00	\$ 484.59	\$ 184.59	62%
60.0	\$ 362.20	\$ 571.52	\$ 209.32	58%
70.0	\$ 424.40	\$ 658.46	\$ 234.06	55%
80.0	\$ 486.60	\$ 745.39	\$ 258.79	53%
90.0	\$ 548.80	\$ 832.33	\$ 283.53	52%
100.0	\$ 611.00	\$ 919.26	\$ 308.26	50%
150.0	\$ 922.00	\$ 1,353.93	\$ 431.93	47%
200.0	\$ 1,233.00	\$ 1,788.61	\$ 555.61	45%
250.0	\$ 1,544.00	\$ 2,223.28	\$ 679.28	44%
300.0	\$ 1,855.00	\$ 2,657.95	\$ 802.95	43%
350.0	\$ 2,166.00	\$ 3,092.62	\$ 926.62	43%
400.0	\$ 2,477.00	\$ 3,527.30	\$ 1,050.30	42%

Table 6
Rate Alternate 2 Bill Comparisons
6" Meter

(1)	(2)	(3)	(4)	(5)
Consumption 1,000 Gallons	Present Bill	Proposed Bill	Increase (Decrease)	Percentage Increase (Decrease)
0.0	\$ 595.00	\$ 56.61	\$ (538.39)	(90)%
5.0	\$ 595.00	\$ 100.08	\$ (494.92)	(83)%
10.0	\$ 595.00	\$ 143.55	\$ (451.45)	(76)%
15.0	\$ 595.00	\$ 187.01	\$ (407.99)	(69)%
20.0	\$ 595.00	\$ 230.48	\$ (364.52)	(61)%
25.0	\$ 595.00	\$ 273.95	\$ (321.05)	(54)%
30.0	\$ 595.00	\$ 317.41	\$ (277.59)	(47)%
35.0	\$ 595.00	\$ 360.88	\$ (234.12)	(39)%
40.0	\$ 595.00	\$ 404.35	\$ (190.65)	(32)%
45.0	\$ 595.00	\$ 447.82	\$ (147.18)	(25)%
50.0	\$ 595.00	\$ 491.28	\$ (103.72)	(17)%
55.0	\$ 595.00	\$ 534.75	\$ (60.25)	(10)%
60.0	\$ 595.00	\$ 578.22	\$ (16.78)	(3)%
70.0	\$ 595.00	\$ 665.15	\$ 70.15	12%
80.0	\$ 595.00	\$ 752.09	\$ 157.09	26%
90.0	\$ 595.00	\$ 839.02	\$ 244.02	41%
100.0	\$ 595.00	\$ 925.96	\$ 330.96	56%
120.0	\$ 719.40	\$ 1,099.82	\$ 380.42	53%
140.0	\$ 843.80	\$ 1,273.69	\$ 429.89	51%
160.0	\$ 968.20	\$ 1,447.56	\$ 479.36	50%
180.0	\$ 1,092.60	\$ 1,621.43	\$ 528.83	48%
200.0	\$ 1,217.00	\$ 1,795.30	\$ 578.30	48%

Note: Column (5) = 100 x Column (4) / Column (2)

Table 1
Comparison of Future Bills to Existing Bills
Alternates 1 and 2
5/8" x 3/4" Meter

No. of Customers: 16,784
Average Bill: 3,717 gallons
No. of Minimum Bills: 62,064

Consumption Gallons	Methods		
	Present Bill	#1 Across the Board	#2 Cost of Service
0	\$ 20.02	\$ 25.09	\$ 10.26
500	\$ 20.02	\$ 25.09	\$ 14.61
1,000	\$ 20.02	\$ 25.09	\$ 18.95
1,500	\$ 20.02	\$ 25.09	\$ 23.30
2,000	\$ 20.02	\$ 25.09	\$ 27.65
Tier 1 -> 2,500	\$ 23.53	\$ 29.48	\$ 31.99
3,000	\$ 27.03	\$ 33.88	\$ 36.34
3,500	\$ 30.54	\$ 38.27	\$ 40.69
Average Bill -> 3,717	\$ 32.05	\$ 40.17	\$ 42.57
4,000	\$ 34.04	\$ 42.66	\$ 45.03
4,500	\$ 37.55	\$ 47.05	\$ 49.38
5,000	\$ 41.05	\$ 51.45	\$ 53.73
7,500	\$ 58.58	\$ 73.41	\$ 75.46
10,000	\$ 76.10	\$ 95.38	\$ 97.19
Tier 2 -> 15,000	\$ 107.20	\$ 134.23	\$ 140.66
20,000	\$ 138.30	\$ 173.21	\$ 184.13
25,000	\$ 169.40	\$ 212.18	\$ 227.60
Total Revenue	\$ 6,840,963.06	\$ 8,663,304.90	\$ 8,573,792.49

Table 2
Comparison of Future Bills to Existing Bills
Alternates 1 and 2
1" Meter

No. of Customers: 54
Average Bill: 16,654 gallons
No. of Minimum Bills: 267

Consumption Gallons	Methods		
	Present Bill	#1 Across the Board	#2 Cost of Service
0	\$ 42.00	\$ 52.64	\$ 16.54
500	\$ 42.00	\$ 52.64	\$ 20.88
1,000	\$ 42.00	\$ 52.64	\$ 25.23
1,500	\$ 42.00	\$ 52.64	\$ 29.58
2,000	\$ 42.00	\$ 52.64	\$ 33.92
2,500	\$ 42.00	\$ 52.64	\$ 38.27
3,000	\$ 42.00	\$ 52.64	\$ 42.62
3,500	\$ 42.00	\$ 52.64	\$ 46.96
4,000	\$ 42.00	\$ 52.64	\$ 51.31
4,500	\$ 42.00	\$ 52.64	\$ 55.66
5,000	\$ 42.00	\$ 52.64	\$ 60.00
Tier 1 -> 6,000	\$ 49.01	\$ 61.42	\$ 68.70
7,000	\$ 56.02	\$ 70.21	\$ 77.39
8,000	\$ 63.03	\$ 79.00	\$ 86.08
9,000	\$ 70.04	\$ 87.78	\$ 94.78
10,000	\$ 77.05	\$ 96.57	\$ 103.47
Tier 2 -> 15,000	\$ 108.15	\$ 135.47	\$ 146.94
Average Bill -> 16,654	\$ 118.44	\$ 148.36	\$ 161.32
20,000	\$ 139.25	\$ 174.44	\$ 190.40
25,000	\$ 170.35	\$ 213.42	\$ 233.87
30,000	\$ 201.45	\$ 252.40	\$ 277.34
Total Revenue	\$ 80,437.41	\$ 100,811.88	\$ 104,534.70

Table 3
Comparison of Future Bills to Existing Bills
Alternates 1 and 2
2" Meter

No. of Customers: 68
Average Bill: 65,054 gallons
No. of Minimum Bills: 397

Consumption Gallons	Methods		
	Present Bill	#1 Across the Board	#2 Cost of Service
0	\$ 130.00	\$ 162.93	\$ 39.69
1,000	\$ 130.00	\$ 162.93	\$ 48.38
2,000	\$ 130.00	\$ 162.93	\$ 57.08
3,000	\$ 130.00	\$ 162.93	\$ 65.77
4,000	\$ 130.00	\$ 162.93	\$ 74.46
5,000	\$ 130.00	\$ 162.93	\$ 83.16
10,000	\$ 130.00	\$ 162.93	\$ 126.62
15,000	\$ 130.00	\$ 162.93	\$ 170.09
20,000	\$ 130.00	\$ 162.93	\$ 213.56
Tier 2 -> 25,000	\$ 161.10	\$ 201.91	\$ 257.03
30,000	\$ 192.20	\$ 240.88	\$ 300.49
35,000	\$ 223.30	\$ 279.86	\$ 343.96
40,000	\$ 254.40	\$ 318.84	\$ 387.43
45,000	\$ 285.50	\$ 357.82	\$ 430.90
50,000	\$ 316.60	\$ 396.79	\$ 474.36
55,000	\$ 347.70	\$ 435.77	\$ 517.83
60,000	\$ 378.80	\$ 474.75	\$ 561.30
65,000	\$ 409.90	\$ 513.73	\$ 604.76
Average Bill -> 65,054	\$ 410.24	\$ 514.15	\$ 605.23
70,000	\$ 441.00	\$ 552.70	\$ 648.23
75,000	\$ 472.10	\$ 591.68	\$ 691.70
80,000	\$ 503.20	\$ 630.66	\$ 735.17
Total Revenue	\$ 369,268.72	\$ 473,528.08	\$ 492,055.68

Table 4
Comparison of Future Bills to Existing Bills
Alternates 1 and 2
3" Meter

No. of Customers: 7
Average Bill: 147,452 gallons
No. of Minimum Bills: 16

Consumption Gallons	Methods		
	Present Bill	#1 Across the Board	#2 Cost of Service
0	\$ 190.00	\$ 238.13	\$ 42.58
5,000	\$ 190.00	\$ 238.13	\$ 86.05
10,000	\$ 190.00	\$ 238.13	\$ 129.52
15,000	\$ 190.00	\$ 238.13	\$ 172.99
20,000	\$ 190.00	\$ 238.13	\$ 216.45
25,000	\$ 190.00	\$ 238.13	\$ 259.92
30,000	\$ 190.00	\$ 238.13	\$ 303.39
Tier 2 -> 35,000	\$ 221.10	\$ 277.10	\$ 346.86
40,000	\$ 252.20	\$ 316.08	\$ 390.32
45,000	\$ 283.30	\$ 355.06	\$ 433.79
50,000	\$ 314.40	\$ 394.04	\$ 477.26
55,000	\$ 345.50	\$ 433.02	\$ 520.72
60,000	\$ 376.60	\$ 472.00	\$ 564.19
65,000	\$ 407.70	\$ 510.98	\$ 607.65
70,000	\$ 438.80	\$ 549.96	\$ 651.12
75,000	\$ 469.90	\$ 588.94	\$ 694.59
80,000	\$ 501.00	\$ 627.92	\$ 738.05
85,000	\$ 532.10	\$ 666.90	\$ 781.52
90,000	\$ 563.20	\$ 705.88	\$ 824.98
95,000	\$ 594.30	\$ 744.86	\$ 868.45
100,000	\$ 625.40	\$ 783.84	\$ 911.91
105,000	\$ 656.50	\$ 822.82	\$ 955.38
110,000	\$ 687.60	\$ 861.80	\$ 998.84
115,000	\$ 718.70	\$ 900.78	\$ 1,042.31
120,000	\$ 749.80	\$ 939.76	\$ 1,085.77
125,000	\$ 780.90	\$ 978.74	\$ 1,129.24
Average Bill -> 147,452	\$ 920.55	\$ 1,153.73	\$ 1,324.45
150,000	\$ 936.40	\$ 1,173.59	\$ 1,346.60
175,000	\$ 1,091.90	\$ 1,368.47	\$ 1,563.94
200,000	\$ 1,247.40	\$ 1,563.36	\$ 1,781.27
225,000	\$ 1,402.90	\$ 1,758.25	\$ 1,998.61
250,000	\$ 1,558.40	\$ 1,953.14	\$ 2,215.95
Total Revenue	\$ 79,534.62	\$ 99,680.42	\$ 111,254.11

Table 5
Comparison of Future Bills to Existing Bills
Alternates 1 and 2
4" Meter

No. of Customers: 7
Average Bill: 250,738 gallons
No. of Minimum Bills: 20

Consumption Gallons	Present Bill	Methods	
		#1 Across the Board	#2 Cost of Service
0	\$ 300.00	\$ 375.99	\$ 49.92
10,000	\$ 300.00	\$ 375.99	\$ 136.85
20,000	\$ 300.00	\$ 375.99	\$ 223.79
30,000	\$ 300.00	\$ 375.99	\$ 310.72
40,000	\$ 300.00	\$ 375.99	\$ 397.66
50,000	\$ 300.00	\$ 375.99	\$ 484.59
Tier 2 -> 60,000	\$ 362.20	\$ 453.94	\$ 571.52
70,000	\$ 424.40	\$ 531.90	\$ 658.46
80,000	\$ 486.60	\$ 609.85	\$ 745.39
90,000	\$ 548.80	\$ 687.81	\$ 832.33
100,000	\$ 611.00	\$ 765.76	\$ 919.26
150,000	\$ 922.00	\$ 1,155.54	\$ 1,353.93
200,000	\$ 1,233.00	\$ 1,545.31	\$ 1,788.61
Average Bill -> 250,738	\$ 1,548.59	\$ 1,940.84	\$ 2,229.70
250,000	\$ 1,544.00	\$ 1,935.09	\$ 2,223.28
300,000	\$ 1,855.00	\$ 2,324.86	\$ 2,657.95
350,000	\$ 2,166.00	\$ 2,714.64	\$ 3,092.62
400,000	\$ 2,477.00	\$ 3,104.41	\$ 3,527.30
Total Revenue	\$ 134,416.98	\$ 137,665.97	\$ 187,294.44

Table 6
Comparison of Future Bills to Existing Bills
Alternates 1 and 2
6" Meter

No. of Customers: 5
Average Bill: 56,417 gallons
No. of Minimum Bills: 49

Consumption Gallons	Present Bill	Methods	
		#1 Across the Board	#2 Cost of Service
0	\$ 595.00	\$ 745.71	\$ 56.61
5,000	\$ 595.00	\$ 745.71	\$ 100.08
10,000	\$ 595.00	\$ 745.71	\$ 143.55
15,000	\$ 595.00	\$ 745.71	\$ 187.01
20,000	\$ 595.00	\$ 745.71	\$ 230.48
25,000	\$ 595.00	\$ 745.71	\$ 273.95
30,000	\$ 595.00	\$ 745.71	\$ 317.41
35,000	\$ 595.00	\$ 745.71	\$ 360.88
40,000	\$ 595.00	\$ 745.71	\$ 404.35
45,000	\$ 595.00	\$ 745.71	\$ 447.82
50,000	\$ 595.00	\$ 745.71	\$ 491.28
55,000	\$ 595.00	\$ 745.71	\$ 534.75
Average Bill -> 56,417	\$ 595.00	\$ 745.71	\$ 547.07
60,000	\$ 595.00	\$ 745.71	\$ 578.22
70,000	\$ 595.00	\$ 745.71	\$ 665.15
80,000	\$ 595.00	\$ 745.71	\$ 752.09
90,000	\$ 595.00	\$ 745.71	\$ 839.02
100,000	\$ 595.00	\$ 745.71	\$ 925.96
Tier 2 -> 120,000	\$ 719.40	\$ 901.62	\$ 1,099.82
140,000	\$ 843.80	\$ 1,057.53	\$ 1,273.69
160,000	\$ 968.20	\$ 1,213.44	\$ 1,447.56
180,000	\$ 1,092.60	\$ 1,369.35	\$ 1,621.43
200,000	\$ 1,217.00	\$ 1,525.26	\$ 1,795.30
Total Revenue	\$ 40,526.72	\$ 50,791.98	\$ 32,823.98

**Table 1
Mountain Water District
Proposed Water Rate Summary
Rate Alternate 1 - Across the Board**

Retail				
	Present Rates		Proposed Rates	
5/8" x 3/4" Meter:				
First 2,000 gallons	\$	20.02 minimum bill	\$	25.09 minimum bill
Next 8,000 gallons	\$	7.01 per 1,000 gallons	\$	8.79 per 1,000 gallons
All over 10,000 gallons	\$	6.22 per 1,000 gallons	\$	7.80 per 1,000 gallons
1" Meter:				
First 5,000 gallons	\$	42.00 minimum bill	\$	52.64 minimum bill
Next 5,000 gallons	\$	7.01 per 1,000 gallons	\$	8.79 per 1,000 gallons
All over 10,000 gallons	\$	6.22 per 1,000 gallons	\$	7.80 per 1,000 gallons
2" Meter:				
First 20,000 gallons	\$	130.00 minimum bill	\$	162.93 minimum bill
All over 20,000 gallons	\$	6.22 per 1,000 gallons	\$	7.80 per 1,000 gallons
3" Meter:				
First 30,000 gallons	\$	190.00 minimum bill	\$	238.13 minimum bill
All over 30,000 gallons	\$	6.22 per 1,000 gallons	\$	7.80 per 1,000 gallons
4" Meter:				
First 50,000 gallons	\$	300.00 minimum bill	\$	375.99 minimum bill
All over 50,000 gallons	\$	6.22 per 1,000 gallons	\$	7.80 per 1,000 gallons
6" Meter:				
First 100,000 gallons	\$	595.00 minimum bill	\$	745.71 minimum bill
All over 100,000 gallons	\$	6.22 per 1,000 gallons	\$	7.80 per 1,000 gallons
Multi-Meter (Note 1):				
First 2,000 gallons	\$	20.02 minimum bill	\$	25.09 minimum bill
Next 8,000 gallons	\$	7.01 per 1,000 gallons	\$	8.79 per 1,000 gallons
All over 10,000 gallons	\$	6.22 per 1,000 gallons	\$	7.80 per 1,000 gallons

Wholesale				
	Present Rates		Proposed Rates	
Martin County Water District	\$	2.40	\$	3.01 per 1,000 gallons
Mingo County Public Services District	\$	3.75	\$	4.70 per 1,000 gallons
Jenkins Utilities				
First 50,000 gallons per day	\$	2.40 per 1,000 gallons	\$	3.01 per 1,000 gallons
All over 50,000 gallons per day	\$	2.75 per 1,000 gallons	\$	3.45 per 1,000 gallons
City of Elkhorn City				
First 215,000 gallons per day	\$	2.25 per 1,000 gallons	\$	2.82 per 1,000 gallons
All over 215,000 gallons per day	\$	2.40 per 1,000 gallons	\$	3.01 per 1,000 gallons

Notes:
1. Multi-Meters charged as 3/4" meter

**Table 1
Mountain Water District
Proposed Water Rate Summary
Rate Alternate 2 - Cost of Service**

Retail			
Present Rates		Proposed Rates	
5/8" x 3/4" Meter:			
First 2,000 gallons	\$20.02 minimum bill	Meter Service Charge	\$10.26 service charge
Next 8,000 gallons	\$7.01 per 1,000 gallons	Volumetric Rate	\$8.69 per 1,000 gallons
All over 10,000 gallons	\$6.22 per 1,000 gallons		
1" Meter:			
First 5,000 gallons	\$42.00 minimum bill	Meter Service Charge	\$16.54 service charge
Next 5,000 gallons	\$7.01 per 1,000 gallons	Volumetric Rate	\$8.69 per 1,000 gallons
All over 10,000 gallons	\$6.22 per 1,000 gallons		
2" Meter:			
First 20,000 gallons	\$130.00 minimum bill	Meter Service Charge	\$39.69 service charge
All over 20,000 gallons	\$6.22 per 1,000 gallons	Volumetric Rate	\$8.69 per 1,000 gallons
3" Meter:			
First 30,000 gallons	\$190.00 minimum bill	Meter Service Charge	\$42.58 service charge
All over 30,000 gallons	\$6.22 per 1,000 gallons	Volumetric Rate	\$8.69 per 1,000 gallons
4" Meter:			
First 50,000 gallons	\$300.00 minimum bill	Meter Service Charge	\$49.92 service charge
All over 50,000 gallons	\$ 6.22 per 1,000 gallons	Volumetric Rate	\$8.69 per 1,000 gallons
6" Meter:			
First 100,000 gallons	\$595.00 minimum bill	Meter Service Charge	\$56.61 service charge
All over 100,000 gallons	\$6.22 per 1,000 gallons	Volumetric Rate	\$8.69 per 1,000 gallons
Multi-Meter (Note 1):			
First 2,000 gallons	\$ 20.02 minimum bill	Meter Service Charge	\$10.26 service charge
Next 8,000 gallons	\$ 7.01 per 1,000 gallons	Volumetric Rate	\$8.69 per 1,000 gallons
All over 10,000 gallons	\$ 6.22 per 1,000 gallons		

Wholesale			
	Present Rates	Proposed Rates	
Martin County Water District	\$2.40 per 1,000 gallons	\$4.62 per 1,000 gallons	
Mingo County Public Services District	\$3.75 per 1,000 gallons	\$4.62 per 1,000 gallons	
Jenkins Utilities			
First 50,000 gallons per day	\$2.40 per 1,000 gallons	\$4.62 per 1,000 gallons	
All over 50,000 gallons per day	\$2.75 per 1,000 gallons	\$4.62 per 1,000 gallons	
City of Elkhorn City			
First 215,000 gallons per day	\$2.25 per 1,000 gallons	\$4.62 per 1,000 gallons	
All over 215,000 gallons per day	\$2.40 per 1,000 gallons	\$4.62 per 1,000 gallons	

Notes:

1. Multi-Meters charged as 3/4" meter

PART IV. INTRODUCTION (SEWER)

**MOUNTAIN WATER DISTRICT
COST OF SERVICE ALLOCATION STUDY
HISTORIC TEST YEAR 6/30/13 TO 7/1/14**

ALLOCATION PROCEDURES – SEWER SYSTEM

The sewer allocation study was based (in part) on approaches outlined by the Water Environment Federation in its Manual of Practice #27 – Financing and Charges for Wastewater Systems. The District’s existing rate tariff makes no distinction between customer class with respect to base or volumetric rates. All customers receive a \$14/month base fee for the first 2,000 gallons and a volumetric fee of \$6.00 per 1,000 gallons for all use in excess of 2,000 gallons. The District expressed a preference to stay with a rate system that would be uniform across customer classes as their customer base is predominantly rural residential. Consequently, a customer class allocation was foregone.

A functional allocation would still be appropriate. The components normally included in a functional allocation are: (1) Volume; (2) I&I; (3) Billing and Collections; and (4) Meter Reading. We further reduced the standard four categories to two: (1) Volumetric and (2) Service. We combined I&I with Volume to create the Volumetric category. We combined Billing and Collections with Meter Reading to create the Service category. This simplification was made because:

1. The District is not establishing rates by customer class,
2. Insufficient data was available for an I&I analysis, and
3. The basic expense data provided by the contract operator (UMG) was only available in broad categories.

The volumetric and service categories do lend themselves to establishing the functional split to establish an appropriate uniform service fee and volumetric rate. Schedule S-C presents the analysis. The allocation factors used in this schedule are largely judgment based.

RESULTS OF STUDY – SEWER SYSTEM

The revenue requirement for the pro-forma year is derived in Table 1 of Schedule S-B. This table applies adjustments to the “financials” for the historic test year (6/30/13 to 7/1/14). The adjustments are limited to:

1. A one percent increase in the UMG contract operations cost (and UMG contract R&M overage).
2. An anticipated escalation of power costs based on communications with AEP

Since the District does not distinguish between customer classes, the data summarized in Table 1 of Schedule S-C, “Allocation of Revenue Requirement by Function ” constitutes the principal results of the allocation study. The \$2,563,145 revenue requirement is functionally split between volume \$2,154,779 and service \$408,366.

DESIGN OF PROPOSED RATES – SEWER SYSTEM

Two alternate rate concepts were developed. Alternate 1 raises the rates in the existing tariff uniformly across all customer classes. The existing tariff is a two tier system that relies on a base rate to establish a 'minimum' bill and a uniform volumetric rate for all customer classes. Alternate 1 preserves this system – adjusting across the board uniformly.

Alternate 2 brings the cost of service concept to the rate tariff. This alternate proposes a service fee (as opposed to a base rate) and a single tier volumetric rate that is uniform across the customer classes.

The alternate rate structures are presented and prepared in Part III. These alternates were discussed with the District in order that the District might have the opportunity of performing its role in the oversight of the rate design. The District opted for rate Alternate 1.

PART V. COST OF SERVICE ANALYSIS (SEWER)

**Table 1
Statistics
Mountain Water District
Sewer System**

Waste Water Plant	Rated Capacity	No. of Customers	Comments
South Williamson	1,038,000	355	Wholesale Treatment Agreement with Williamson, WV
Phelps/Freeburn	250,000	854	
Douglas	200,000	723	
Buskirk McCarr		108	Wholesale Treatment Agreement with Matewan, WV
Stone	10,000	16	Package treatment plant
Modern Mobile Home Park	10,000	25	Package treatment plant
Maple Lane	3,000	7	Package treatment plant
Keene Village	10,000	20	Package treatment plant
Big Creek-Traditional/Aerator		41	Package treatment plant
Dry Fork of Shelby		15	Package treatment plant
Branham Heights	10,000	4	Package treatment plant
T & N Mobile Home Park		7	Package treatment plant
Central Avenue		255	
Total		2430	

Table 1
Mountain Water District
Balance Sheet - Sewer System
Pro Forma Adjustments to Historic Test Year
July 1, 2013 through June 30, 2014

		Historic Test Year 7/1/13 to 6/30/14	Adjustments to Historic Year	Pro Forma
Basic Data				
1	New Customers Added	0	0	0
2	Meter Customer Accounts	2,138	Note 1	2,138
3	Flat Rate Customer Accounts	292		292
4	Total Customer Accounts	2,430		2,430
Revenue				
R.1	Sales			
R.1.1	Metered Sales - Residential	\$ 672,652		\$ 672,652
R.1.2	Metered Sales - Commercial	\$ 215,842		\$ 215,842
R.1.3	Service Connection Fees for Sewer	\$ 1,245		\$ 1,245
	Total Revenue from Sales	<u>\$ 889,739</u>		<u>\$ 889,739</u>
Expenses				
E.1	Operating Expenses			
E.1.1	Depreciation Expense	\$ 970,013		\$ 970,013
E.1.2	Contract Services - UMG Management	\$ 1,224,408		\$ 1,236,652
E.1.2.1	Annual 1% adjustment (Note 2)		\$ 12,244	
E.1.2.2	Power Cost Escalation (Note 3)		\$ 3,526	\$ 3,526
E.1.3	Contract Services - R&M	\$ 98,136		\$ 99,117
E.1.3.1	Ant. Adj in UMG Contract			
E.1.3.2	Annual 1% adjustment (Note 2)		\$ 981	
E.1.4	Contract Services - (Assumed Expenses by UMG)	\$ (73,830)		\$ (73,830)
E.1.5	R& M Overage	\$ 213,168		\$ 213,168
	Sub-Total Operating Expenses	<u>\$ 2,431,895</u>		<u>\$ 2,448,647</u>
E.2	Debt Service			
E.2.1	Debt Service - Principal	\$ 43,135		\$ 43,135
E.2.2	Debt Service - Interest	\$ 52,296		\$ 52,296
E.2.3	Debt Service Coverage at 20%	\$ 19,086		\$ 19,086
	Sub-Total Debt Service	<u>\$ 114,517</u>		<u>\$ 114,517</u>
Other Income (Expense)				
O.1	Interest Income	\$ 19		\$ 19
O.2	Interest Exp (Included in Debt Service)			\$ -
	Subtotal Other Income	<u>\$ 19</u>		<u>\$ 19</u>
	Total Expenses	\$ 2,546,393	\$ 16,752	\$ 2,563,145
	Total Shortfall	\$ 1,656,654	\$ 16,752	\$ 1,673,406

Notes:

- 1 Assume no line extension projects adding new customers in pro forma year.
- 2 Per UMG Contract signed March 2014
- 3 Estimated increase from pending AEP tariff

Table 2
Mountain Water District
Checking and Proofs

Account	Historic Test Year 7/1/13 to 6/30/14
Total Sales - Total Expenses	\$ (1,656,654)
Debt Service Principal	\$ 43,135
Debt Service Coverage	\$ 19,086
Net Income (Loss)	\$ (1,594,433)

Account	Historic Test Year 7/1/13 to 6/30/14	Adjustments	Pro Forma
Contract Services - UMG			
Direct Operations	\$ 811,472	\$ 8,115	\$ 819,587
Shared Overhead	\$ 380,243	\$ 3,802	\$ 384,045
Other Contract Costs	\$ 32,693	\$ 327	\$ 33,020
Subtotal - UMG Contract Expenses	\$ 1,224,408		\$ 1,236,652

**Table 1
Allocation of Revenue Requirement by Function**

Revenue Requirement	Total Costs	Function of Sewer Service	
		Volumetric	Customer Service
403.0 Depreciation	\$ 970,013.00	90%	10%
Debt Service	\$ 114,517.20		
Principal	\$ 43,135.00	90%	10%
Interest	\$ 52,296.00	90%	10%
Coverage @ 20% of P&I	\$ 19,086.20	90%	10%
Operations and Maintenance as Contractual Services to UMG	\$ 1,552,463.85		
635.3 Operations	\$ 819,586.72	100%	0%
635.8 Shared Overhead	\$ 384,045.43	35%	65%
601.6 R&M	\$ 99,117.36	75%	25%
635.6 R&M Overage	\$ 213,168.00	75%	25%
615.5 Purchased Power - Estimated AEP Rate Increase	\$ 3,526.41	75%	25%
675.0 Other Contract Costs	\$ 33,019.93	75%	25%
Less: Contract Services - Assumed Expenses by UMG	\$ (73,830.00)	50%	50%
Less: Interest Income	\$ (19.00)	50%	50%
Total Revenue Requirement	\$ 2,563,145.05	\$ 2,154,779.08 84%	\$ 408,365.97 16%

Basis for Allocations

- (1) There are too many independent collection/treatment systems to perform a conventional analysis. The customer base is largely homogenous and is charged a uniform cost per thousand gallons of usage. The allocation between volumetric and customer service is determined qualitatively.

PART VI. PROPOSED RATES (SEWER)

Table 1
Rate Alternate 1 - Across the Board

Base Rate First 2,000 Gallons	Volumetric Rate All over 2,000 Gallons (per 1,000)	Flat Rate Customers	
		Non-Traditional	Traditional
Existing Tariff \$ 14.00	\$ 6.00	\$ 33.45	\$ 29.00
Increase 159%	159%	159%	159%
Proposed Tariff \$ 36.25	\$ 15.54	\$ 86.62	\$ 75.10

Table 1
Rate Alternate 1 - Across the Board
Revenue Sufficiency Test
Metered Sewer Customer Revenue

Sewer Use Category (1,000 Gal)	No. Bills	Sewer Use Historic Year (1,000 Gal)	Historic Year Sewer Use Breakdown by Category (1,000 Gal)		
			First 2.0	Over 2.0	
First 2.0	8,853	8,882	8,882		
Over 2.0	16,324	119,431	32,648	86,783	
Totals	25,177	128,313	41,530	86,783	
Present Rate			\$ 14.00	\$ 6.00	
Present Revenue			\$ 352,478.00	\$ 520,698.00	
Total Present Revenue					\$ 873,176.00
Rate Alt 1 - Across the Board Increase			159%	159%	
Rate Alt 1 - Proposed Rates			\$ 36.25	\$ 15.54	
Rate Alt 1 - Proposed Revenue			\$ 912,741.39	\$ 1,348,346.90	
Total Proposed Revenue					\$ 2,261,088.29

Table 2
Historic Test Year
Multi-Meter Sewer Customers

Sewer Use Category (1,000 Gal)	No. Bills	Sewer Use Historic Year (1,000 Gal)	Historic Year Sewer Use Breakdown by Category (1,000 Gal)		Number of Customers
			First 2.0	Over 2.0	
First 2.0	1	0	0		
Over 2.0	223	1,715	446	1,269	
Totals	224	1,715	446	1,269	484
Present Rate			\$ 14.00	\$ 6.00	
Present Revenue			\$ 6,776.00	\$ 7,614.00	
Total Present Revenue					\$ 14,390.00
Rate Alt 1 - Across the Board Increase			159%	159%	
Rate Alt 1 - Proposed Rates			\$ 36.25	\$ 15.54	
Rate Alt 1 - Proposed Revenue			\$ 17,546.44	\$ 19,716.44	
Total Proposed Revenue					\$ 37,262.89

Table 3
Rate Alternate 1 - Across the Board
Revenue Sufficiency Test
Flat Rate Customer Revenue

Sewer Type	Number of Bills	Flat Rate	Present Revenue	Rate Increase	Rate Alt 1 - Proposed Flat Rate	Rate Alt 1 - Proposed Revenue
Non-Traditional Sewers (Aerator Systems)	144	\$ 33.45	\$ 4,816.80	159%	\$ 86.62	\$ 12,473.10
Traditional Sewers	3360	\$ 29.00	\$ 97,440.00	159%	\$ 75.10	\$ 252,320.77
Totals	3504		\$ 102,256.80			\$ 264,793.87

Table 4
Rate Alternate 1 - Across the Board
Revenue Sufficiency Test
Summary

Revenue - Historic Test Year - Existing Rates	
Base Revenue	\$ 472,281.24
Volumetric Revenue	\$ 540,414.44
Total Revenue - Existing Rates	\$ 989,822.80
Revenue - Historic Test Year - Proposed Rates	
Base Revenue	\$ 1,195,081.71
Volumetric Revenue	\$ 1,368,063.34
Total Revenue - Proposed Rates	\$ 2,563,145.05
Test Year Revenue Requirement	\$ 2,563,145.05

Proposed Revenue Sufficient

Table 1
Comparison of Existing Bill to Future Bill for
Rate Alternate 1 - Across the Board

	(1) Consumption 1,000 Gallons	(2) Existing Bill	(3) Proposed Bill	(4) Increase	(5) Percentage Increase
	0.0	\$ 14.00	\$ 36.25	\$ 22.25	159%
	0.5	\$ 14.00	\$ 36.25	\$ 22.25	159%
	1.0	\$ 14.00	\$ 36.25	\$ 22.25	159%
	1.5	\$ 14.00	\$ 36.25	\$ 22.25	159%
	2.0	\$ 14.00	\$ 36.25	\$ 22.25	159%
	2.5	\$ 17.00	\$ 44.02	\$ 27.02	159%
	3.0	\$ 20.00	\$ 51.79	\$ 31.79	159%
	3.5	\$ 23.00	\$ 59.56	\$ 36.56	159%
Average Residential Water Use ->	3.7	\$ 24.20	\$ 62.67	\$ 38.47	159%
	4.0	\$ 26.00	\$ 67.33	\$ 41.33	159%
	4.5	\$ 29.00	\$ 75.10	\$ 46.10	159%
	5.0	\$ 32.00	\$ 82.86	\$ 50.86	159%
	5.5	\$ 35.00	\$ 90.63	\$ 55.63	159%
	6.0	\$ 38.00	\$ 98.40	\$ 60.40	159%
	6.5	\$ 41.00	\$ 106.17	\$ 65.17	159%
	7.0	\$ 44.00	\$ 113.94	\$ 69.94	159%
	7.5	\$ 47.00	\$ 121.71	\$ 74.71	159%
	8.0	\$ 50.00	\$ 129.47	\$ 79.47	159%
	8.5	\$ 53.00	\$ 137.24	\$ 84.24	159%
	9.0	\$ 56.00	\$ 145.01	\$ 89.01	159%
	9.5	\$ 59.00	\$ 152.78	\$ 93.78	159%
	10.0	\$ 62.00	\$ 160.55	\$ 98.55	159%
	10.5	\$ 65.00	\$ 168.32	\$ 103.32	159%
	11.0	\$ 68.00	\$ 176.09	\$ 108.09	159%
	11.5	\$ 71.00	\$ 183.85	\$ 112.85	159%
	12.0	\$ 74.00	\$ 191.62	\$ 117.62	159%
	12.5	\$ 77.00	\$ 199.39	\$ 122.39	159%
	13.0	\$ 80.00	\$ 207.16	\$ 127.16	159%
	13.5	\$ 83.00	\$ 214.93	\$ 131.93	159%
	14.0	\$ 86.00	\$ 222.70	\$ 136.70	159%
	14.5	\$ 89.00	\$ 230.47	\$ 141.47	159%
	15.0	\$ 92.00	\$ 238.23	\$ 146.23	159%

Note: Column (5) = 100 x Column (4) / Column (2)

Table 1
Rate Alternate 2 - Cost of Service
Metered Sewer Customers

A	Number of Metered Sewer Customers		2,138
B	Total Metered Usage (1,000 Gallons) in Historic Test Year (See Exhibit B)		130,028
C	Average Monthly Sewer Usage - All Customers (1,000 Gallons)		5.07
D	Number of Flat Rate Sewer Customers		292
E	Average Monthly Residential Water Usage (1,000 Gallons)		3.70
F	Revenue Requirement - Service Charge	\$	408,365.97
G	Service Charge	\$	14.00
H	Revenue Requirement - Volumetric Rate	\$	2,154,779
I	Volumetric Charge	\$	15.07
J	Total Revenue Requirement	\$	2,563,145

Notes:

1. $C = B / (12 \times A)$
2. Line 'E' from residential water usage data
3. $G = F / (12 \times (A + D))$
4. $I = H / (B + D \times E \times 12)$
5. $J = F + H$

Table 2
Sewer Rate Design
Flat Rate Sewer Customers

A	Number of Flat Rate Sewer Customers		292
B	Average Monthly Residential Water Usage (1,000 Gallons) from Water Rate Filing		3.70
C	Service Charge for Every User	\$	14.00
D	Volumetric Charge per 1,000 Gallons	\$	15.07
E	Monthly Flat Rate Charge	\$	69.76

Notes:

1. $E = C + B \times D$

**Table 1
Rate Alternate 2 - Cost of Service
Revenue Sufficiency Test
Metered Sewer Customer Revenue**

Sewer Use Category (1,000 Gal)	No. Bills	Sewer Use Historic Year (1,000 Gal)	Historic Year Sewer Use Breakdown by Category (1,000 Gal)		
			First 2.0	Over 2.0	
First 2.0	8,853	8,882	8,882		
Over 2.0	16,324	119,431	32,648	86,783	
TOTALS	25,177	128,313	41,530	86,783	
Present Rate			\$ 14.00	\$ 6.00	
Present Revenue			\$ 352,478.00	\$ 520,698.00	
Total Present Revenue					\$ 873,176.00
Rate Alt 2 - Proposed Rates			Service Fee 14.00	Volumetric Rate 15.07	
Rate Alt 2 - Proposed Revenue			\$ 352,526.32	\$ 1,933,567.06	
Total Proposed Revenue					\$ 2,286,093.38
Percent Increase					162%

**Table 2
Historic Test Year
Multi-Meter Sewer Customers**

Sewer Use Category (1,000 Gal)	No. Bills	Sewer Use Historic Year (1,000 Gal)	Historic Year Sewer Use Breakdown by Category (1,000 Gal)		Number of Customers
			First 2.0	Over 2.0	
First 2.0	1	0	0		
Over 2.0	223	1,715	446	1,269	
Totals	224	1,715	446	1,269	484
Present Rate			\$ 14.00	\$ 6.00	
Present Revenue			\$ 6,776.00	\$ 7,614.00	
Total Present Revenue					\$ 14,390.00
Rate Alt 2 - Proposed Rates			Service Fee 14.00	Volumetric Rate 15.07	
Rate Alt 2 - Proposed Revenue			\$ 6,776.93	\$ 25,843.58	
Total Proposed Revenue					\$ 32,620.51
Percent Increase					127%

Table 3
Rate Alternate 2 - Cost of Service
Revenue Sufficiency Test
Flat Rate Customer Revenue

Sewer Type	Number of Bills	Flat Rate	Present Revenue	Rate Increase	Proposed Flat Rate	Proposed Revenue
Non-Traditional Sewers (Aerator Systems)	144	\$ 33.45	\$ 4,816.80	109%	\$ 69.76	\$ 10,045.12
Traditional Sewers	3360	\$ 29.00	\$ 97,440.00	141%	\$ 69.76	\$ 234,386.05
Totals	3504		\$ 102,256.80			\$ 244,431.16

Table 4
Rate Alternate 2 - Cost of Service
Revenue Sufficiency Test
Summary

Revenue - Historic Test Year - Existing Rates	
Base Revenue	\$ 461,510.80
Volumetric Revenue	\$ 528,312.00
Total Revenue - Existing Rates	\$ 989,822.80
Revenue - Historic Test Year - Proposed Rates	
Base Revenue	\$ 603,734.41
Volumetric Revenue	\$ 1,959,410.64
Total Revenue - Proposed Rates	\$ 2,563,145.05
Test Year Revenue Requirement	\$ 2,563,145.05

Proposed Revenue Sufficient

Table 1
Comparison of Existing Bill to Future Bill for
Rate Alternate 2 - Cost of Service

	(1) Consumption 1,000 Gallons	(2) Existing Bill	(3) Proposed Bill	(4) Increase	(5) Percentage Increase
	0.0	\$ 14.00	\$ 14.00	\$ 0.00	0%
	0.5	\$ 14.00	\$ 21.54	\$ 7.54	54%
	1.0	\$ 14.00	\$ 29.07	\$ 15.07	108%
	1.5	\$ 14.00	\$ 36.61	\$ 22.61	161%
	2.0	\$ 14.00	\$ 44.14	\$ 30.14	215%
	2.5	\$ 17.00	\$ 51.67	\$ 34.67	204%
	3.0	\$ 20.00	\$ 59.21	\$ 39.21	196%
Average Residential	3.5	\$ 23.00	\$ 66.74	\$ 43.74	190%
Water Use ->	3.7	\$ 24.20	\$ 69.76	\$ 45.56	188%
	4.0	\$ 26.00	\$ 74.28	\$ 48.28	186%
	4.5	\$ 29.00	\$ 81.81	\$ 52.81	182%
	5.0	\$ 32.00	\$ 89.35	\$ 57.35	179%
	5.5	\$ 35.00	\$ 96.88	\$ 61.88	177%
	6.0	\$ 38.00	\$ 104.42	\$ 66.42	175%
	6.5	\$ 41.00	\$ 111.95	\$ 70.95	173%
	7.0	\$ 44.00	\$ 119.49	\$ 75.49	172%
	7.5	\$ 47.00	\$ 127.02	\$ 80.02	170%
	8.0	\$ 50.00	\$ 134.56	\$ 84.56	169%
	8.5	\$ 53.00	\$ 142.09	\$ 89.09	168%
	9.0	\$ 56.00	\$ 149.62	\$ 93.62	167%
	9.5	\$ 59.00	\$ 157.16	\$ 98.16	166%
	10.0	\$ 62.00	\$ 164.69	\$ 102.69	166%
	10.5	\$ 65.00	\$ 172.23	\$ 107.23	165%
	11.0	\$ 68.00	\$ 179.76	\$ 111.76	164%
	11.5	\$ 71.00	\$ 187.30	\$ 116.30	164%
	12.0	\$ 74.00	\$ 194.83	\$ 120.83	163%
	12.5	\$ 77.00	\$ 202.37	\$ 125.37	163%
	13.0	\$ 80.00	\$ 209.90	\$ 129.90	162%
	13.5	\$ 83.00	\$ 217.44	\$ 134.44	162%
	14.0	\$ 86.00	\$ 224.97	\$ 138.97	162%
	14.5	\$ 89.00	\$ 232.50	\$ 143.50	161%
	15.0	\$ 92.00	\$ 240.04	\$ 148.04	161%

Note: Column (5) = 100 x Column (4) / Column (2)

Table 1
Comparison of Future Bills to Existing Bills
Alternates 1 and 2

Number of Metered Sewer Customers: 2,138
 Average Metered Sewer Use: 5,096 gallons
 Average Residential Water Use: 3,700 gallons
 Number of Minimum Bills: 8,853

Consumption	Proposed Rates		
	Existing Bill	#1 Across the Board	#2 Cost of Service
Gallons			
0	\$ 14.00	\$ 36.25	\$ 14.00
500	\$ 14.00	\$ 36.25	\$ 21.54
1,000	\$ 14.00	\$ 36.25	\$ 29.07
1,500	\$ 14.00	\$ 36.25	\$ 36.61
2,000	\$ 14.00	\$ 36.25	\$ 44.14
2,500	\$ 17.00	\$ 44.02	\$ 51.67
3,000	\$ 20.00	\$ 51.79	\$ 59.21
Average Residential Water Use -> 3,500	\$ 23.00	\$ 59.56	\$ 66.74
3,700	\$ 24.20	\$ 62.67	\$ 69.76
4,000	\$ 26.00	\$ 67.33	\$ 74.28
4,500	\$ 29.00	\$ 75.10	\$ 81.81
5,000	\$ 32.00	\$ 82.86	\$ 89.35
5,500	\$ 35.00	\$ 90.63	\$ 96.88
6,000	\$ 38.00	\$ 98.40	\$ 104.42
6,500	\$ 41.00	\$ 106.17	\$ 111.95
7,000	\$ 44.00	\$ 113.94	\$ 119.49
7,500	\$ 47.00	\$ 121.71	\$ 127.02
8,000	\$ 50.00	\$ 129.47	\$ 134.56
8,500	\$ 53.00	\$ 137.24	\$ 142.09
9,000	\$ 56.00	\$ 145.01	\$ 149.62
9,500	\$ 59.00	\$ 152.78	\$ 157.16
10,000	\$ 62.00	\$ 160.55	\$ 164.69
10,500	\$ 65.00	\$ 168.32	\$ 172.23
11,000	\$ 68.00	\$ 176.09	\$ 179.76
11,500	\$ 71.00	\$ 183.85	\$ 187.30
12,000	\$ 74.00	\$ 191.62	\$ 194.83
12,500	\$ 77.00	\$ 199.39	\$ 202.37
13,000	\$ 80.00	\$ 207.16	\$ 209.90
13,500	\$ 83.00	\$ 214.93	\$ 217.44
14,000	\$ 86.00	\$ 222.70	\$ 224.97
14,500	\$ 89.00	\$ 230.47	\$ 232.50
15,000	\$ 92.00	\$ 238.23	\$ 240.04
25,000	\$ 152.00	\$ 393.60	\$ 390.73
50,000	\$ 302.00	\$ 782.03	\$ 767.46
100,000	\$ 602.00	\$ 1,558.88	\$ 1,520.92

Table 1
Mountain Water District
Proposed Sewer Rate Summary
Rate Alternate 1 - Across the Board

Retail				
	Present Rates		Proposed Rates	
Metered Sewer Customers:				
First 2,000 gallons	\$	14.00 minimum bill	\$	36.25 minimum bill
All over 2,000 gallons	\$	6.00 per 1,000 gallons	\$	15.54 per 1,000 gallons
Flat Rate Customers (Customers without Water Service):				
Traditional Sewers	\$	29.00 flat rate	\$	75.10 flat rate
Non-Traditional Sewers (Aerator Systems)	\$	33.45 flat rate	\$	86.62 flat rate

Table 1
Mountain Water District
Proposed Sewer Rate Summary
Rate Alternate 2 - Cost of Service

Retail					
Present Rates			Proposed Rates		
Metered Sewer Customers:					
First 2,000 gallons	\$ 14.00	minimum bill	Service Fee	\$ 14.00	service fee
All over 2,000 gallons	\$ 6.00	per 1,000 gallons	Volumetric Rate	\$ 15.07	per 1,000 gallons
Flat Rate Customers (Customers without Water Service):					
Traditional Sewers	\$ 29.00	flat rate	Traditional Sewers	\$ 69.76	flat rate
Non-Traditional Sewers (Aerator Systems)	\$ 33.45	flat rate	Non-Traditional Sewers (Aerator Systems)	\$ 69.76	flat rate

Appendix A

Historic Test Year Records

1. Historic Test Year Summary (Water)
2. Historic Test Year by Customer Class (Water)
3. Historic Test Year by Meter Size (Water)
 4. Water Production Records
 5. Historic Test Year (Sewer)

Table 1
Historic Test Year
Summary

Meter Size	Test Year by Customer Class		Test Year by Meter Size	
	Number of Bills	Usage (1,000 Gal)	Number of Bills	Usage (1,000 Gal)
5/8" x 3/4" Meter	201,408	748,535	201,408	748,535
1" Meter	648	10,793	648	10,792
2" Meter	813	52,889	813	52,889
3" Meter	84	12,386	84	12,386
4" Meter	84	21,062	84	21,062
6" Meter	60	3,385	60	3,385
Multi-Meter	2,605	28,134	2,605	28,134
Total	205,702	877,183	205,702	877,183

Table 1
Historic Test Year
5/8" x 3/4" Residential Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	57,951	59,582	59,582		
Next 8.0	130,233	547,015	260,466	286,549	
Over 10.0	6,032	110,149	12,064	48,256	49,829
TOTALS	194,216	716,746	332,112	334,805	49,829
RATE			\$ 20.02	\$ 7.01	\$ 6.22
REVENUE			\$ 3,888,204.32	\$ 2,346,982.84	\$ 309,937.87
TOTAL REVENUE					\$ 6,545,125.03

Table 2
Historic Test Year
1" Residential Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 5.0	Next 5.0	Over 10.0
First 5.0	35	64	64		
Next 5.0	29	202	145	57	
Over 10.0	8	1,013	40	40	933
TOTALS	72	1,280	249	97	933
RATE			\$ 42.00	\$ 7.01	\$ 6.22
REVENUE			\$ 3,024.00	\$ 680.25	\$ 5,805.87
TOTAL REVENUE					\$ 9,510.12

Table 3
Historic Test Year
2" Residential Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 20.0	Over 20.0	
First 20.0	12	31	31		
Over 20.0	0	0	0	0	
TOTALS	12	31	31	0	
RATE			\$ 130.00	\$ 6.22	
REVENUE			\$ 1,560.00	\$ -	\$ -
TOTAL REVENUE					\$ 1,560.00

Table 4
Historic Test Year
5/8" x 3/4" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	3,376	2,264	2,264		
Next 8.0	2,288	10,584	4,576	6,008	
Over 10.0	532	16,630	1,064	4,256	11,310
TOTALS	6,196	29,478	7,904	10,264	11,310
RATE			\$ 20.02	\$ 7.01	\$ 6.22
REVENUE			\$ 124,043.92	\$ 71,952.95	\$ 70,348.57
TOTAL REVENUE					\$ 266,345.45

Table 5
Historic Test Year
1" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 5.0	Next 5.0	Over 10.0
First 5.0	148	269	269		
Next 5.0	101	746	505	241	
Over 10.0	159	5,635	795	795	4,045
TOTALS	408	6,650	1,569	1,036	4,045
RATE			\$ 42.00	\$ 7.01	\$ 6.22
REVENUE			\$ 17,136.00	\$ 7,263.13	\$ 25,160.90
TOTAL REVENUE					\$ 49,560.03

Table 6
Historic Test Year
2" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 20.0	Over 20.0	
First 20.0	273	1,447	1,447		
Over 20.0	232	34,631	4,640	29,991	
TOTALS	505	36,078	6,087	29,991	
RATE			\$ 130.00	\$ 6.22	
REVENUE			\$ 65,650.00	\$ 186,545.26	\$ -
TOTAL REVENUE					\$ 252,195.26

Table 7
Historic Test Year
3" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 30.0	Over 30.0	
First 30.0	4	85	85		
Over 30.0	44	8,506	1,320	7,186	
TOTALS	48	8,591	1,405	7,186	
RATE			\$ 190.00	\$ 6.22	
REVENUE			\$ 9,120.00	\$ 44,694.43	\$ -
TOTAL REVENUE					\$ 53,814.43

Table 8
Historic Test Year
4" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 50.0	Over 50.0	
First 50.0	15	141	141		
Over 50.0	21	7,214	1,050	6,164	
TOTALS	36	7,355	1,191	6,164	
RATE			\$ 300.00	\$ 6.22	
REVENUE			\$ 10,800.00	\$ 38,340.08	\$ -
TOTAL REVENUE					\$ 49,140.08

Table 9
Historic Test Year
6" Commercial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 100.0	Over 100.0	
First 100.0	12	111	111		
OVER 100.0	0	0	0	0	
TOTALS	12	111	111	0	
RATE			\$ 595.00	\$ 6.22	
REVENUE			\$ 7,140.00	\$ -	\$ -
TOTAL REVENUE					\$ 7,140.00

Table 10
Historic Test Year
5/8" x 3/4" Industrial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	11	3	3		
Next 8.0	0		0	0	
Over 10.0	0		0	0	0
TOTALS	11	3	3	0	0
RATE			\$ 20.02	\$ 7.01	\$ 6.22
REVENUE			\$ 220.22	\$ -	\$ -
TOTAL REVENUE					\$ 220.22

Table 11
Historic Test Year
2" Industrial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 20.0	Over 20.0	
First 20.0	11	73	73		
Over 20.0	1	22	20	2	
TOTALS	12	96	93	2	
RATE			\$ 130.00	\$ 6.22	
REVENUE			\$ 1,560.00	\$ 14.31	\$ -
TOTAL REVENUE					\$ 1,574.31

Table 12
Historic Test Year
4" Industrial Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 50.0	Over 50.0	
First 50.0	0	0	0		
Over 50.0	12	6,795	600	6,195	
TOTALS	12	6,795	600	6,195	
RATE			\$ 300.00	\$ 6.22	
REVENUE			\$ 3,600.00	\$ 38,532.90	\$ -
TOTAL REVENUE					\$ 42,132.90

Table 13
Historic Test Year
5/8" x 3/4" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	726	368	368		
Next 8.0	210	932	420	512	
Over 10.0	48	1,001	96	384	521
TOTALS	984	2,301	884	896	521
RATE			\$ 20.02	\$ 7.01	\$ 6.22
REVENUE			\$ 19,699.68	\$ 6,283.83	\$ 3,241.12
TOTAL REVENUE					\$ 29,224.63

Table 14
Historic Test Year
1" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 5.0	Next 5.0	Over 10.0
First 5.0	84	179	179		
Next 5.0	41	286	205	81	
Over 10.0	43	2,397	215	215	1,967
TOTALS	168	2,863	599	296	1,967
RATE			\$ 42.00	\$ 7.01	\$ 6.22
REVENUE			\$ 7,056.00	\$ 2,076.22	\$ 12,237.35
TOTAL REVENUE					\$ 21,369.57

Table 15
Historic Test Year
2" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 20.0	Over 20.0	
First 20.0	101	642	642		
Over 20.0	183	16,042	3,660	12,382	
TOTALS	284	16,684	4,302	12,382	
RATE			\$ 130.00	\$ 6.22	
REVENUE			\$ 36,920.00	\$ 77,018.53	\$ -
TOTAL REVENUE					\$ 113,938.53

Table 16
Historic Test Year
3" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 30.0	Over 30.0	
First 30.0	12	40	40		
Over 30.0	24	3,755	720	3,035	
TOTALS	36	3,795	760	3,035	
RATE			\$ 190.00	\$ 6.22	
REVENUE			\$ 6,840.00	\$ 18,878.94	\$ -
TOTAL REVENUE					\$ 25,718.94

Table 17
Historic Test Year
4" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 50.0	Over 50.0	
First 50.0	5	162	162		
Over 50.0	19	2,778	950	1,828	
TOTALS	24	2,940	1,112	1,828	
RATE			\$ 300.00	\$ 6.22	
REVENUE			\$ 7,200.00	\$ 11,370.16	\$ -
TOTAL REVENUE					\$ 18,570.16

Table 18
Historic Test Year
6" Public Authority Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 100.0	Over 100.0	
First 100.0	37	1,398	1,398		
OVER 100.0	11	1,876	1,100	776	
TOTALS	48	3,274	2,498	776	
RATE			\$ 595.00	\$ 6.22	
REVENUE			\$ 28,560.00	\$ 4,826.72	\$ -
TOTAL REVENUE					\$ 33,386.72

Table 19
Historic Test Year
Multi-Meters Billed as 3/4" Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	304	282	282		
Next 8.0	1,740	9,827	3,480	6,347	
Over 10.0	561	18,025	1,122	4,488	12,415
TOTALS	2,605	28,134	4,884	10,835	12,415
RATE			\$ 20.02	\$ 7.01	\$ 6.22
REVENUE			\$ 204,103.90	\$ 75,953.35	\$ 77,221.30
TOTAL REVENUE					\$ 357,278.55

Table 20
Historic Test Year
5/8" x 3/4" Multi-Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	0	2	2		
Next 8.0	1	4	0	4	
Over 10.0	0	0	0	0	0
TOTALS	1	6	2	4	0
RATE			\$ 20.02	\$ 7.01	\$ 6.22
REVENUE			\$ 20.02	\$ 31.19	\$ -
TOTAL REVENUE					\$ 51.21

Table 21
Historic Test Year
4" Commercial Multi-Meters

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 50.0	Over 50.0	
First 50.0	0	0	0		
Over 50.0	12	3,972	600	3,372	
TOTALS	12	3,972	600	3,372	
RATE			\$ 300.00	\$ 6.22	
REVENUE			\$ 3,600.00	\$ 20,973.84	\$ -
TOTAL REVENUE					\$ 24,573.84

Table 22
Historic Test Year
Wholesale Water Customers

	No. Bills	Use (1,000 Gal)	Rate per 1,000 Gal	Wholesale Revenue
Martin Co. Water District	12	0	\$ 2.40	\$ -
Mingo Co. Public Service District	12	1,421	\$ 3.75	\$ 5,328.00
Nolin Public Service District	0	0	\$ -	\$ -
City of Elkhorn City	12	75,473	*See Below	\$ 173,752.50
Total Wholesale Revenue	36	76,893		\$ 179,080.50

*Elkhorn City Rate- \$2.25/1000 for first 215,000/day, \$2.40/1000 over 215,000/day

Table 23
Historic Test Year
Summary

Customer Class	Number of Bills	Number of Meters	Usage (1,000 Gal)	Average Daily Usage (1,000 Gal)	Revenue
Residential	194,300	16,192	718,057	1,967	\$ 6,556,195
Commercial	7,217	601	92,235	253	\$ 678,195
Industrial	35	3	6,893	19	\$ 43,927
Public Authority	1,544	129	31,857	87	\$ 242,209
Multi	2,606	217	28,140	77	\$ 381,904
Wholesale	36	3	76,893	211	\$ 179,081
Total	205,738	17,145	954,076	2,614	\$ 8,081,510

Table 1
Historic Test Year
5/8" x 3/4" Meter Rates

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	62,064	62,217	62,217		
Next 8.0	132,732	558,538	265,464	293,074	
Over 10.0	6,612	127,780	13,224	52,896	61,660
TOTALS	201,408	748,535	340,905	345,970	61,660
Current Rate			\$ 20.02	\$ 7.01	\$ 6.22
Current Revenue			\$ 4,032,188.16	\$ 2,425,249.70	\$ 383,525.20
Total Revenue					\$ 6,840,963.06

Table 2
Historic Test Year
1" Meter Rates

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 5.0	Next 5.0	Over 10.0
First 5.0	267	512	512		
Next 5.0	171	1,234	855	379	
Over 10.0	210	9,046	1,050	1,050	6,946
TOTALS	648	10,792	2,417	1,429	6,946
Current Rate			\$ 42.00	\$ 7.01	\$ 6.22
Current Revenue			\$ 27,216.00	\$ 10,017.29	\$ 43,204.12
Total Revenue					\$ 80,437.41

Table 3
Historic Test Year
2" Meter Rates

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)	
			First 20.0	Next 20.0
First 20.0	397	2,193	2,193	
Next 20.0	416	50,696	8,320	42,376
TOTALS	813	52,889	10,513	42,376
Current Rate			\$ 130.00	\$ 6.22
Current Revenue			\$ 105,690.00	\$ 263,578.72
Total Revenue				\$ 369,268.72

Table 4
Historic Test Year
3" Meter Rates

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 30.0	Over 30.0	
First 30.0	16	125	125		
Over 30.0	68	12,261	2,040	10,221	
TOTALS	84	12,386	2,165	10,221	
Current Rate			\$ 190.00	\$ 6.22	
Current Revenue			\$ 15,960.00	\$ 63,574.62	
Total Revenue					\$ 79,534.62

Table 5
Historic Test Year
4" Meter Rates

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 50.0	Over 50.0	
First 50.0	20	303	303		
Over 50.0	64	20,759	3,200	17,559	
TOTALS	84	21,062	3,503	17,559	
Current Rate			\$ 300.00	\$ 6.22	
Current Revenue			\$ 25,200.00	\$ 109,216.98	
Total Revenue					\$ 134,416.98

Table 6
Historic Test Year
6" Meter Rates

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 100.0	Over 100.0	
First 100.0	49	1,509	1,509		
Over 100.0	11	1,876	1,100	776	
TOTALS	60	3,385	2,609	776	
Current Rate			\$ 595.00	\$ 6.22	
Current Revenue			\$ 35,700.00	\$ 4,826.72	
Total Revenue					\$ 40,526.72

Table 6
Historic Test Year
Multi Meter Rates

Water Use Category (1,000 Gal)	No. Bills	Total Use (1,000 Gal)	Use Breakdown by Category (1,000 Gal)		
			First 2.0	Next 8.0	Over 10.0
First 2.0	304	282	282		
Next 8.0	1,740	9,827	3,480	6,347	
Over 10.0	561	18,025	1,122	4,488	12,415
TOTALS	2,605	28,134	4,884	10,835	12,415
Current Rate			\$ 20.02	\$ 7.01	\$ 6.22
Current Revenue			\$ 204,103.90	\$ 75,953.35	\$ 77,221.30
Total Revenue					\$ 357,278.55

Table 7
Historic Test Year
Wholesale Water Customer Rates

	No. Bills	Use (1,000 Gal)	Rate per 1,000 Gal	Wholesale Revenue
Martin Co. Water District	12	0	\$ 2.40	\$ -
Mingo Co. Public Service Dist	12	1,421	\$ 3.75	\$ 5,328.75
Jenkins Utilities	0	0	Note 1	\$ -
City of Elkhorn City	12	75,473	Note 2	\$ 173,587.90
Total Wholesale Revenue	36	76,894		\$ 178,916.65

Notes:

1. Current Jenkins Utilities Rate - \$2.40/1000 for first 50,000/day, \$2.75/1000 over 50,000/day
2. Current Elkhorn City Rate - \$2.25/1000 for first 215,000/day, \$2.40/1000 over 215,000/day

Table 8
Historic Test Year
Water Rate Summary

	Number of Bills	Number of Meters	Usage (1,000 Gal)	Revenue
Retail	205,702	17,142	877,183	\$ 7,902,426.06
Wholesale	36	3	76,894	\$ 178,916.65
Total	205,738	17,145	954,077	\$ 8,081,342.71

Table 1
Historic Test Year
Metered Sewer Customers

Sewer Use Category (1,000 Gal)	No. Bills	Sewer Use Historic Year (1,000 Gal)	Historic Year Sewer Use Breakdown by Category (1,000 Gal)		
			First 2.0	Over 2.0	
First 2.0	8,853	8,882	8,882		
Over 2.0	16,324	119,431	32,648	86,783	
Totals	25,177	128,313	41,530	86,783	
Present Rate			\$ 14.00	\$ 6.00	
Present Revenue			\$ 352,478.00	\$ 520,698.00	
Total Present Revenue					\$ 873,176.00

Table 2
Historic Test Year
Multi-Meter Sewer Customers

Sewer Use Category (1,000 Gal)	No. Bills	Sewer Use Historic Year (1,000 Gal)	Historic Year Sewer Use Breakdown by Category (1,000 Gal)		Number of Customers
			First 2.0	Over 2.0	
First 2.0	1	0	0		
Over 2.0	223	1,715	446	1,269	
Totals	224	1,715	446	1,269	484
Present Rate			\$ 14.00	\$ 6.00	
Present Revenue			\$ 6,776.00	\$ 7,614.00	
Total Present Revenue					\$ 14,390.00

Table 3
Historic Test Year
Flat Rate Customers (Customers without Water Service)

Sewer Type	Number of Bills	Flat Rate	Revenue
Non-Traditional Sewers (Aerator Systems)	144	\$ 33.45	\$ 4,816.80
Traditional Sewers	3360	\$ 29.00	\$ 97,440.00
Totals	3504		\$ 102,256.80

Table 4
Historic Test Year
Summary

Customer Class	Number of Bills	Number of Customers	Usage (1,000 Gal)	Revenue
Metered	25,177	2,098	128,313	\$ 873,176
Multi-Meter	224	40	1,715	\$ 14,390
Flat Rate	3,504	292	N/A	\$ 102,257
Total	28,905	2,430	130,028	\$ 989,823

Appendix B

Elkhorn City Wholesale Agreement



Ernie Fletcher
Governor

Laura S. Wilcher
Secretary

Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Public Service Commission
211 Sower Blvd
P O Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 584-3940
Fax: (502) 564-3480

November 04, 2005

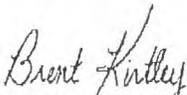
John Hughes
124 West Todd Street
Frankfort, KY 40601

RE: Filing No. **TFS2005-01535**
Wholesale Water Contract with City of Elkhorn.

Dear John Hughes:

The above referenced filing has been received and reviewed. An accepted copy is enclosed for your files.

Sincerely,


Dennis Brent Kitley
Tariff Review Branch Manager

WHOLESALE WATER PURCHASE CONTRACT

This contract for the sale and purchase of water is entered into as of the 13 day of September, 2005, between the MOUNTAIN WATER DISTRICT, P.O. Box 3157, Pikeville, Kentucky 41502, hereinafter referred to as the "SELLER" and the CITY OF ELKHORN, P.O. Box 681, Elkhorn City 41522, hereinafter referred to as the "PURCHASER", WITNESSETH:

WHEREAS, the Purchaser is a municipality that owns and operates a water supply distribution system serving water users within the area described in plans now on file in the office of the Purchaser and to accomplish this purpose, the Purchaser will require a supply of treated water, and

WHEREAS, the Seller owns and operates a water supply distribution system with a capacity currently capable of serving the present customers of the Seller's system and the estimated number of water users to be served by the said Purchaser as shown in the plans of the system now on file in the office of the Purchaser, and

WHEREAS, by Resolution enacted on the 31st day of August, 2005 by the Seller, the sale of water to the Purchaser in accordance with the provisions of the said Resolution was approved, and the execution of this contract carrying out the said Resolution by the Board Chairperson, and attested by the Secretary, was duly authorized, and

WHEREAS, by Resolution of the Elkhorn City Government, enacted on the 13 day of September, 2005, the purchase of water from the Seller in accordance with the terms set forth in the said Resolution was approved, and the execution of this contract by the Mayor; and attested by the Secretary was duly authorized;

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE 10/26/2005 PURSUANT TO 807 KAR 5.011 SECTION 9 (1) By [Signature] Executive Director

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements hereinafter set forth;

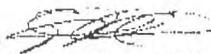
A. Seller Agrees:

1. (Quality and Quantity) To furnish the Purchaser at the point of delivery hereinafter specified, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable quality standards of the Kentucky Natural Resources and Environmental Protection Cabinet, Division of Water in such quantity as may be required by the Purchaser not to exceed Two Hundred and Fifteen Thousand (215,000) gallons per day or Six Million Five Hundred Thousand (6,500,000) gallons per month.

2. (Point of Delivery and Pressure) That water will be furnished at a reasonable constant pressure(s) calculated at 100-175 PSI from an existing Eight (8") inch main supply at a point located Intersection of US 460 and Ferrell's Creek. If a greater pressure than that normally available at the point of delivery is required by the Purchaser, the cost of providing such greater pressure shall be borne by the Purchaser. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Seller from this provision for such reasonable period of time as may be necessary to restore service.

3. (Metering Equipment) To furnish, install, operate, and maintain at its own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser and to calibrate such metering equipment whenever requested by the Purchaser but not more frequently than once every twelve (12) months. A meter registering not less than two

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 11/08/05
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)

By 
 Executive Director

percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for the Twelve (12) months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall be read on the 1st day of the month. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings.

4. (Billing Procedure) To furnish the Purchaser at the above address not later than the 10th day of each month, with an itemized statement of the amount of water furnished the Purchaser during the preceding month. Payments made more than ten (10) days after the due date shall be considered "late" payment(s).

B. The Purchaser Agrees:

1. (Rates and Payment Date) To pay the Seller, not later than the 30th day of each month, the 28th day of the month for February, for water delivered the preceding month in accordance with the following schedule of rates:

a. Flat Wholesale Rate \$1.58 per 1,000 gallons not to exceed 250,000 gallons per day or 6,500,000 gallons per month.

b. All over 215,000 gallons per day or 6,500,000 gallons per month at \$2.40 per 1,000 gallons if additional water is available or can reasonably be produced by the Seller.

c. 10% penalty for payments made past the due date.

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
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 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)

By 
 Executive Director

d. 1.5% interest each month thereafter on the outstanding balance due.

2. (Connection Fee) To pay as an agreed cost, a connection fee to connect the Seller's system with the system of the Purchaser, the sum of Zero (\$0) dollars which shall cover any and all costs of the Seller for installation of the metering equipment and Purchaser to install and donate to seller.

3. (Deposit) Upon execution of this contract Purchaser shall pay seller a deposit of \$15,000.00 to secure its payments under this agreement. Purchaser agrees to maintain said deposit through out the term of this agreement.

C. It is further mutually agreed between the Seller and the Purchaser as follows:

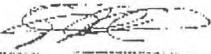
1. (Term of Contract) That this contract shall extend for a term of three (3) years from the date of the initial delivery of any water as shown by the first bill submitted by the Seller to the Purchaser and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser.

2. (Delivery of Water) That 30 days prior to the estimated date of completion of construction of the Purchaser's water supply distribution system, the Purchaser will notify the Seller in writing the date for the initial acceptance of water.

3. (Failure to Deliver) That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities of water required by the Purchase not to exceed amounts listed herein.

Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall

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 OF KENTUCKY
 EFFECTIVE
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)

By  Executive Director

be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.

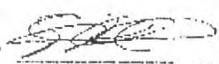
4. (Failure to Pay) That the Purchaser will at all times operate and maintain its system in an efficient manner and will take such action as may be necessary to limit outage and shortages to the maximum extent possible. This contract shall be null and void if all payments for invoices for purchased water are not received within ninety (90) days of the due date. In the event a payment is thirty or more days late, Purchaser may apply the security deposit to the debt owed and pursue all available legal remedies to collect any deficiency due.

5. (Right to Cure) The Purchaser may cure a default, prior to the contract becoming null and void, by full payment of the outstanding balance due. If the payment to cure a default is made after the security deposit is drawn down by Seller, then the amount necessary to cure the default shall be all outstanding bills due and replenishment of the security deposit.

6. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for water delivered are subject to modification at the end of every one (1) year period. Any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder, but such costs shall include only that % of increased capitalization) of the Seller's system necessary to meet future, more stringent regulations promulgated by EPA or DOW or increased volumes of water needed by the Purchaser. Other provisions of this contract may be modified or altered by mutual agreement.

7. (Regulatory Agencies) That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State and by Seller and

PUBLIC SERVICE COMMISSION
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EFFECTIVE
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PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By  Executive Director

Purchaser will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

8. (Successor to the Purchaser) That in the event of any occurrence rendering the Purchaser incapable of performing under this contract, any successor of the Purchaser, whether the result of legal process, assignment, or otherwise, shall succeed to the rights of the Purchaser hereunder.

In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in two (2) counterparts, each of which shall constitute an original.

Seller:

MOUNTAIN WATER DISTRICT

BY: Michael L. Kitajich

Title: ACTING CHAIRPERSON

ATTEST:

John Collins
JOHN COLLINS (ACTING SECRETARY)

PURCHASER:

CITY OF ELKHORN CITY

BY: Kevin Salzer

TITLE: Mayor

ATTEST:

Cristina Berry
(SECRETARY)

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
10/26/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By [Signature]
Executive Director

PSC Approval:

BY _____

TITLE: _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
10/26/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By  _____
Executive Director

Appendix C

1. UMG Financial Breakdown

Table 1 – Allocation of Water and Sewer Operations Expenses

Table 2 – Department Income Statements

2. UMG Contract with Mountain Water District

ALLOCATION OF WATER & SEWER DIRECT OPERATIONS EXPENSES

7/1/2013 through 6/30/2014

9/10/2014

OPERATIONS EXPENSES:											
	DIRECT SEWER COSTS		DIRECT SEWER TOTAL	DIRECT WATER COSTS		DIRECT WATER TOTAL	SHARED EXPENSES			TOTAL SHARED COSTS	TOTAL PROJECT COSTS
	WW Coll.	WWT		Trans / Distr	WTP		Gen Adm	ADM	Cust Svc		
P/R & Admin	\$139,543	\$271,785	\$411,328	\$1,422,899	\$182,299	\$1,605,198	\$14,680	\$725,924	\$518,887	\$1,259,491	\$3,276,017
Dir Operations	\$174,784	\$107,813	\$282,597	\$1,149,635	\$113,410	\$1,263,045	-\$4,369	\$164,649	\$1,424	\$161,704	\$1,707,346
Corp / OH Exp			\$0			\$0		\$767,927		\$767,927	\$767,927
Subtotal	\$314,327	\$379,598	\$693,925	\$2,572,534	\$295,709	\$2,868,243	\$10,311	\$1,658,500	\$520,311	\$2,189,122	\$5,751,290
Electric			\$117,547			\$992,059				\$0	\$1,109,606
Total All Direct			\$811,472			\$3,860,302				\$2,189,122	\$6,860,896

ALLOCATION OF SHARED OPERATIONS COSTS:

	YTD Costs	% To Total
Direct Sewer	\$811,472	17.4%
Direct Water	\$3,860,302	82.6%
Total Direct:	\$4,671,774	100.0%

SHARED OPER. COSTS ALLOCATION:	\$380,243			\$1,808,879						-\$2,189,122	
TOTAL OPERATIONS COSTS:		\$1,191,715			\$5,669,181						\$6,860,896
% TO TOTAL		17.4%			82.6%						
NUMBER OF CUSTOMERS		2,357			17,115						
ANNUAL COST PER CUSTOMER (OPER)		\$505.61			\$331.24						

REPAIR & MAINTENANCE EXPENSES

TOTAL R&M EXPENSES:		\$311,306			\$425,237
NUMBER OF CUSTOMERS		2,357			17,115
ANNUAL COST PER CUSTOMER (R&M)		\$132.08			\$24.85

TOTAL R&M EXPENSES ACTUALLY INVOICED TO UMG FOR 2013

\$ 736,543

TABLE I

		Year to Date	% of Revenue
Expenses			
Payroll and Administrative			
6010-01-COL	S&W Regular:MWD Projct-COL	41,707	0.00
6020-01-COL	S&W: Overtime:MWD Projct-COL	6,737	0.00
6030-01-COL	S&W: Paid Leave:MWD Projct-COL	4,960	0.00
6110-01-COL	FICA Expense:MWD Projct-COL	3,889	0.00
6120-01-COL	FUTA Expense:MWD Projct-COL	93	0.00
6130-01-COL	SUI Expense:MWD Projct-COL	746	0.00
6210-01-COL	Health Ins Exp:MWD Projct-COL	5,065	0.00
6240-01-COL	401K Expense:MWD Projct-COL	196	0.00
6840-01-COL	Insurance: W/C:MWD Projct-COL	1,330	0.00
Total Payroll and Administrative:		64,723	0.00
Direct Operations			
7150-01-COL	Nitronox:MWD Projct-COL	7,213	0.00
7330-01-COL	Sewage Fees:MWD Projct-COL	83,680	0.00
Total Direct Operations:		90,893	0.00
Total Expenses:		155,616	0.00
Net Income From Operations:		-155,616	0.00
Earnings Before Income Tax:		-155,616	0.00
Net Income (Loss):		-155,616	0.00

Dept Income Statements
 For The 6 Periods Ended 6/30/2014
 Wastewater Treatment Plant

UTILITY MANAGEMENT GROUP LLC (UMG)

		Year to Date	% of Revenue
Expenses			
Payroll and Administrative			
6010-01-WWT	S&W Regular:MWD Projct-WWT	68,058	0.00
6020-01-WWT	S&W: Overtime:MWD Projct-WWT	2,601	0.00
6030-01-WWT	S&W: Paid Leave:MWD Projct-WWT	8,546	0.00
6110-01-WWT	FICA Expense:MWD Projct-WWT	5,839	0.00
6120-01-WWT	FUTA Expense:MWD Projct-WWT	176	0.00
6130-01-WWT	SUI Expense:MWD Projct-WWT	1,476	0.00
6210-01-WWT	Health Ins Exp:MWD Projct-WWT	26,491	0.00
6240-01-WWT	401K Expense:MWD Projct-WWT	3,010	0.00
6530-01-WWT	Vehicle: Gasoline:MWD Projct-WWT	19,977	0.00
6840-01-WWT	Insurance: W/C:MWD Projct-WWT	1,972	0.00
6920-01-WWT	Telephone: Mobile:MWD Projct-WWT	770	0.00
	Total Payroll and Administrative:	<u>138,916</u>	<u>0.00</u>
Direct Operations			
7010-01-WWT	Uniforms:MWD Projct-WWT	2,368	0.00
7020-01-WWT	Safety Supplies:MWD Projct-WWT	3,810	0.00
7060-01-WWT	Lab Testing Expenses:MWD Projct-WWT	19,553	0.00
7090-01-WWT	Other Outside Svc:MWD Projct-WWT	2,400	0.00
7120-01-WWT	Disinfectants:MWD Projct-WWT	3,849	0.00
7140-01-WWT	Polymers:MWD Projct-WWT	7,373	0.00
7145-01-WWT	Dechlorination Agent:MWD Projct-WWT	9,995	0.00
7190-01-WWT	Other Chemicals:MWD Projct-WWT	5,065	0.00
	Total Direct Operations:	<u>54,413</u>	<u>0.00</u>
Corporate and Other Expenses			
8990-01-WWT	Miscellaneous:MWD Projct-WWT	733	0.00
	Total Corporate and Other Expenses:	<u>733</u>	<u>0.00</u>
	Total Expenses:	<u>194,062</u>	<u>0.00</u>
	Net Income From Operations:	<u>-194,062</u>	<u>0.00</u>
Repair & Maintenance			
9130-01-WWT	Hand Tools R&M:MWD Projct-WWT	-1,903	0.00
	Total Repair & Mainten	<u>-1,903</u>	<u>0.00</u>
	Earnings Before Income Tax:	<u>-195,965</u>	<u>0.00</u>
	Net Income (Loss):	<u><u>-195,965</u></u>	<u><u>0.00</u></u>

Dept Income Statements
 For The 6 Periods Ended 6/30/2014
 Transmission/Distribution

UTILITY MANAGEMENT GROUP LLC (UMG)

		<u>Year to Date</u>	<u>% of Revenue</u>
Expenses			
Payroll and Administrative			
6010-01-WTD	S&W Regular:MWD Projct-WTD	385,971	0.00
6020-01-WTD	S&W: Overtime:MWD Project-WTD	25,573	0.00
6030-01-WTD	S&W: Paid Leave:MWD Project-WTD	37,598	0.00
6110-01-WTD	FICA Expense:MWD Project-WTD	32,928	0.00
6120-01-WTD	FUTA Expense:MWD Project-WTD	732	0.00
6130-01-WTD	SUI Expense:MWD Project-WTD	5,929	0.00
6210-01-WTD	Health Ins Exp:MWD Project-WTD	84,601	0.00
6240-01-WTD	401K Expense:MWD Project-WTD	12,486	0.00
6510-01-WTD	Vehicle: Lease Exp:MWD Project-WTD	30,192	0.00
6530-01-WTD	Vehicle: Gasoline:MWD Project-WTD	49,174	0.00
6535-01-WTD	Vehicle: Diesel:MWD Project-WTD	20,644	0.00
6650-01-WTD	Clean/Janitorial Ex:MWD Project-WTD	4,229	0.00
6840-01-WTD	Insurance: W/C:MWD Project-WTD	7,186	0.00
6920-01-WTD	Telephone: Mobile:MWD Project-WTD	2,134	0.00
	Total Payroll and Administrative:	<u>699,377</u> ✓	0.00
Direct Operations			
7010-01-WTD	Uniforms:MWD Projct-WTD	4,058	0.00
7020-01-WTD	Safety Supplies:MWD Project-WTD	4,417	0.00
7310-01-WTD	Purchased Water:MWD Project-WTD	558,401	0.00
	Total Direct Operations:	<u>566,876</u> ✓	0.00
Corporate and Other Expenses			
8990-01-WTD	Miscellaneous:MWD Projct-WTD	1,643	0.00
	Total Corporate and Other Expenses:	<u>1,643</u>	0.00
	Total Expenses:	<u>1,267,896</u>	0.00
	Net Income From Operations:	<u>-1,267,896</u>	0.00
Repair & Maintenance			
9130-01-WTD	Hand Tools R&M:MWD Project-WTD	-5,111	0.00
	Total Repair & Mainten	<u>-5,111</u>	0.00
	Earnings Before Income Tax:	<u>-1,273,007</u>	0.00
	Net Income (Loss):	<u><u>-1,273,007</u></u> ✓	<u>0.00</u>

Dept Income Statements
 For The 6 Periods Ended 6/30/2014
 Water Treatment Plants

UTILITY MANAGEMENT GROUP LLC (UMG)

		Year to Date	% of Revenue
Expenses			
Payroll and Administrative			
6010-01-WTP	S&W Regular:MWD Project-WTP	46,615	0.00
6020-01-WTP	S&W: Overtime:MWD Project-WTP	5,458	0.00
6030-01-WTP	S&W: Paid Leave:MWD Project-WTP	7,151	0.00
6110-01-WTP	FICA Expense:MWD Project-WTP	4,444	0.00
6120-01-WTP	FUTA Expense:MWD Project-WTP	171	0.00
6130-01-WTP	SUI Expense:MWD Project-WTP	1,340	0.00
6210-01-WTP	Health Ins Exp:MWD Project-WTP	10,689	0.00
6240-01-WTP	401K Expense:MWD Project-WTP	753	0.00
6650-01-WTP	Clean/Janitorial Ex:MWD Project-WTP	528	0.00
6840-01-WTP	Insurance: W/C:MWD Project-WTP	948	0.00
6920-01-WTP	Telephone: Mobile:MWD Project-WTP	8	0.00
	Total Payroll and Administrative:	78,105	0.00
Direct Operations			
7010-01-WTP	Uniforms:MWD Project-WTP	1,539	0.00
7020-01-WTP	Safety Supplies:MWD Project-WTP	11	0.00
7050-01-WTP	Laboratory Supplies:MWD Project-WTP	614	0.00
7115-01-WTP	Carbon:MWD Project-WTP	802	0.00
7120-01-WTP	Disinfectants:MWD Project-WTP	29,194	0.00
7125-01-WTP	Fluoride:MWD Project-WTP	9,096	0.00
7190-01-WTP	Other Chemicals:MWD Project-WTP	15,086	0.00
	Total Direct Operations:	56,342	0.00
Corporate and Other Expenses			
8990-01-WTP	Miscellaneous:MWD Project-WTP	409	0.00
	Total Corporate and Other Expenses:	409	0.00
	Total Expenses:	134,856	0.00
	Net Income From Operations:	-134,856	0.00
Repair & Maintenance			
9130-01-WTP	Hand Tools R&M:MWD Project-WTP	-666	0.00
	Total Repair & Mainten	-666	0.00
	Earnings Before Income Tax:	-135,522	0.00
	Net Income (Loss):	-135,522	0.00

Dept Income Statements
For The 6 Periods Ended 6/30/2014

UTILITY MANAGEMENT GROUP LLC (UMG)

		Year to Date	% of Revenue
Revenue			
5110-01-000	O&M Revenue:MWD Project	3,507,271	99.98
5590-01-000	Miscellaneous Income:MWD Project	863	0.02
	Total Revenue:	<u>3,508,134</u>	<u>100.00</u>
	Gross Profit:	<u>3,508,134</u>	<u>100.00</u>
Expenses			
Payroll and Administrative			
6220-01-000	Life Ins Exp:MWD Project	3,677	0.10
6230-01-000	LTD Expense:MWD Project	3,273	0.09
6525-01-000	Propane:MWD Project	41	0.00
	Total Payroll and Administrative:	<u>6,991</u>	<u>0.20</u>
Direct Operations			
7320-01-000	Electric:MWD Project	574,837	16.39
	Total Direct Operations:	<u>574,837</u>	<u>16.39</u>
Corporate and Other Expenses			
8990-01-000	Miscellaneous:MWD Project	-4,369	-0.12
	Total Corporate and Other Expenses:	<u>-4,369</u>	<u>-0.12</u>
	Total Expenses:	<u>577,459</u>	<u>16.46</u>
	Net Income From Operations:	<u>2,930,675</u>	<u>83.54</u>
Repair & Maintenance			
9010-01-000	R&M Revenue:MWD Project	355,355	10.13
9110-01-000	Dept R&M:MWD Project	-356,765	-10.17
	Total Repair & Mainten	<u>-1,410</u>	<u>-0.04</u>
	Earnings Before Income Tax:	<u>2,929,265</u>	<u>83.50</u>
	Net Income (Loss):	<u>2,929,265</u>	<u>83.50</u>

Dept Income Statements
 For The 6 Periods Ended 6/30/2014
 Administrative

UTILITY MANAGEMENT GROUP LLC (UMG)

		Year to Date	% of Revenue
Revenue			
5510-01-ADM	Interest Income:MWD Project-ADM	390	100.00
	Total Revenue:	<u>390</u>	<u>100.00</u>
	Gross Profit:	<u>390</u>	<u>100.00</u>
Expenses			
Payroll and Administrative			
6010-01-ADM	S&W Regular:MWD Project-ADM	103,637	26,573.59
6020-01-ADM	S&W: Overtime:MWD Project-ADM	280	71.79
6030-01-ADM	S&W: Paid Leave:MWD Project-ADM	13,405	3,437.18
6110-01-ADM	FICA Expense:MWD Project-ADM	8,709	2,233.08
6120-01-ADM	FUTA Expense:MWD Project-ADM	109	27.95
6130-01-ADM	SUI Expense:MWD Project-ADM	965	247.44
6210-01-ADM	Health Ins Exp:MWD Project-ADM	13,652	3,500.51
6240-01-ADM	401K Expense:MWD Project-ADM	5,657	1,450.51
6310-01-ADM	Training Fees & Tuit:MWD Project-ADM	2,420	620.51
6420-01-ADM	Travel: Lodging:MWD Project-ADM	1,755	450.00
6430-01-ADM	Travel: Meals/Ent:MWD Project-ADM	2,562	656.92
6440-01-ADM	Travel: Mileage:MWD Project-ADM	122	31.28
6530-01-ADM	Vehicle: Gasoline:MWD Project-ADM	5,994	1,536.92
6590-01-ADM	Vehicle Mis:MWD Project-ADM	126	32.31
6610-01-ADM	Office Rent:MWD Project-ADM	540	138.46
6620-01-ADM	Office Equip: Lease:MWD Project-ADM	3,502	897.95
6640-01-ADM	Office Supplies:MWD Project-ADM	13,232	3,392.82
6650-01-ADM	Clean/Janitorial Ex:MWD Project-ADM	6,120	1,569.23
6660-01-ADM	Postage Expense:MWD Project-ADM	43,798	11,230.26
6790-01-ADM	Pro Fees: Other:MWD Project-ADM	25,309	6,489.49
6810-01-ADM	Ins: Gen Liability:MWD Project-ADM	83,248	21,345.64
6840-01-ADM	Insurance: W/C:MWD Project-ADM	153	39.23
6910-01-ADM	Telephone: Offices:MWD Project-ADM	7,873	2,018.72
6920-01-ADM	Telephone: Mobile:MWD Project-ADM	2,115	542.31
6930-01-ADM	Telephone: Other:MWD Project-ADM	944	242.05
6940-01-ADM	Security Services:MWD Project-ADM	219	56.15
	Total Payroll and Administrative:	<u>346,446</u>	<u>88,832.31</u>
Direct Operations			
7010-01-ADM	Uniforms:MWD Project-ADM	1,009	258.72
7020-01-ADM	Safety Supplies:MWD Project-ADM	256	65.64
7340-01-ADM	Solid Waste:MWD Project-ADM	6,805	1,744.87
	Total Direct Operations:	<u>8,070</u>	<u>2,069.23</u>
Corporate and Other Expenses			
8010-01-ADM	Corporate Overhead:MWD Project-ADM	214,307	54,950.51
8020-01-ADM	Corporate Fee:MWD Project-ADM	150,000	38,461.54
8110-01-ADM	Bank/Fin Chges:MWD Project-ADM	14	3.59
8210-01-ADM	Depreciation Expense:MWD Project-ADM	9,534	2,444.62
8220-01-ADM	Amortization Expense:MWD Project-ADM	37,742	9,677.44
8910-01-ADM	Dues/Subscriptions:MWD Project-ADM	693	177.69
8950-01-ADM	Physical Exams/Test:MWD Project-ADM	606	155.38
8990-01-ADM	Miscellaneous:MWD Project-ADM	1,426	365.64
	Total Corporate and Other Expenses:	<u>414,322</u>	<u>106,236.41</u>
	Total Expenses:	<u>768,838</u>	<u>197,137.95</u>
	Net Income From Operations:	<u>-768,448</u>	<u>-197,037.95</u>
	Earnings Before Income Tax:	<u>-768,448</u>	<u>-197,037.95</u>
	Net Income (Loss):	<u>-768,448</u>	<u>-197,037.95</u>

Dept Income Statements
 For The 6 Periods Ended 6/30/2014
 Customer Services

UTILITY MANAGEMENT GROUP LLC (UMG)

		Year to Date	% of Revenue
Expenses			
Payroll and Administrative			
6010-01-CUS	S&W Regular:MWD Projct-CUS	145,349	0.00
6020-01-CUS	S&W: Overtime:MWD Projct-CUS	3,480	0.00
6030-01-CUS	S&W: Paid Leave:MWD Projct-CUS	22,064	0.00
6110-01-CUS	FICA Expense:MWD Projct-CUS	12,627	0.00
6120-01-CUS	FUTA Expense:MWD Projct-CUS	479	0.00
6130-01-CUS	SUI Expense:MWD Projct-CUS	3,618	0.00
6210-01-CUS	Health Ins Exp:MWD Projct-CUS	39,063	0.00
6240-01-CUS	401K Expense:MWD Projct-CUS	5,468	0.00
6530-01-CUS	Vehicle: Gasoline:MWD Projct-CUS	14,156	0.00
6840-01-CUS	Insurance: W/C:MWD Projct-CUS	222	0.00
6920-01-CUS	Telephone: Mobile:MWD Projct-CUS	175	0.00
	Total Payroll and Administrative:	246,701	0.00
Direct Operations			
7010-01-CUS	Uniforms:MWD Projct-CUS	502	0.00
	Total Direct Operations:	502	0.00
	Total Expenses:	247,203	0.00
	Net Income From Operations:	-247,203	0.00
	Earnings Before Income Tax:	-247,203	0.00
	Net Income (Loss):	-247,203	0.00

**Agreement for Operations,
Maintenance and Management Services**

THIS AGREEMENT is entered into this 27th day of March, 2014, effective the 1st day of January, 2014, by and between:

Mountain Water District, with its principal address at 6332 Highway, P.O. Box 3157, Pikeville, Kentucky 41502 (hereinafter "DISTRICT")

AND

UTILITY MANAGEMENT GROUP LLC, with its principal address at 500 Summit Drive, P.O. Box 663, Corbin, Kentucky 40702 (hereinafter "UMG").

WHEREAS, DISTRICT owns and provides for the operation of water, wastewater and related treatment, collection and distribution facilities described on Appendix B; and

WHEREAS, DISTRICT desires to employ the services of UMG in the operation, maintenance and management of these facilities and UMG desires to perform such services for the compensation provided for herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements

1. **GENERAL**

- 1.1 Definitions of words and phrases used in this Agreement and the attachments are contained in Appendix A.
- 1.2 All land, buildings, facilities, easements, licenses, rights-of-way, equipment and vehicles presently or hereinafter acquired or owned by DISTRICT shall remain the exclusive property of DISTRICT unless specifically provided for otherwise in this Agreement.
- 1.3 This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Kentucky.
- 1.4 Neither this Agreement, nor any of the rights or obligations hereunder, may be assigned by UMG without the prior written consent of the DISTRICT.
- 1.5 All notices shall be in writing and transmitted to the party's address stated above. All notices shall be deemed effectively given

when delivered, if delivered personally or by courier mail service, i.e., Federal Express or Airborne Express, delivered after such notice has been deposited in the United States mail postage prepaid, if mailed certified or registered U.S. mail, return receipt required; or received by the party for which notice is intended if given in any other manner.

- 1.6 This Agreement, including its Appendices, is the entire Agreement between the parties. This Agreement may be modified only by written agreement signed by both parties. Wherever used, the terms "UMG" and "DISTRICT" shall include the respective officers, agents, directors, elected or appointed officials and employees and, where appropriate, subcontractors or anyone acting on their behalf.
- 1.7 If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.
- 1.8 It is understood that the relationship of UMG to DISTRICT is that of independent contractor and nothing in this Agreement shall create the relationship of partnership or joint venture. The services provided under this Agreement are of a professional nature and shall be performed in accordance with good and accepted industry practices for contract operators similarly situated. However, such services shall not be considered engineering services and nothing herein is intended to imply that UMG is to supply professional engineering services to DISTRICT unless specifically stated in this Agreement to the contrary.
- 1.9 If any litigation is necessary to enforce the terms of this Agreement, the prevailing party, the party determined not to be in default or in breach of the Agreement shall be entitled to its cost and reasonable attorney fees which are directly attributed to such litigation in addition to other relief to which it may be entitled. If both sides are found to have defaulted or be in breach each will pay their own cost, and attorney fees.
- 1.10 Nothing in this Agreement shall be construed to create in any third party or in favor of any third party any right(s), license(s), power(s) or privilege(s).

- 1.11 This agreement sets forth the entire agreement between the parties and fully supersedes all prior and/or verbal agreements or understanding between the parties which pertain to the subject matter hereof. However, the DISTRICT shall remain liable for any outstanding debt and any other accrued liabilities due UMG, except as otherwise provided in Section 7.6.
- 1.12 This agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one in the same documents.

2.1 **UMG's SERVICES - GENERAL**

- 2.1 UMG will staff the Project with employees who have met appropriate licensing and certification requirements of the Commonwealth of Kentucky. UMG warrants that it will maintain the necessary licensed and certified personnel as may be required by the Commonwealth of Kentucky for operation of the Project.
- 2.2 UMG shall provide ongoing training and education for appropriate personnel in all necessary areas of modern water and/or wastewater process control, operations, maintenance, safety, and supervisory skills.
- 2.3 UMG shall develop and/or supply and utilize computerized programs for maintenance, process monitoring and financial control. In the event this agreement is terminated for any reason, UMG shall provide the DISTRICT within thirty (30) days of notice all computerized programs, codes, records, maps, instruction manuals, and any other items necessary for DISTRICT to execute a complete transfer of their records and the operating systems necessary to access and maintain the same. The DISTRICT agrees to apply and pay for any and all software licenses necessary to transfer the same to the DISTRICT.
- 2.4 Within forty-five (45) days after the Commencement Date, UMG will provide a physical inventory of DISTRICT's vehicles, equipment and tools in use at the Project and a general statement as to the condition of each vehicle or piece of equipment. In the event this Agreement is terminated for any reason, UMG will provide to the DISTRICT, a physical inventory of DISTRICT's vehicles and equipment, and a general statement as to the condition of each vehicle and piece of equipment within ninety (90) days of the end of the contract. If UMG fails to do so, then the DISTRICT may take its own inventory.

- 2.5 Within forty five (45) days after the Commencement Date, UMG will provide DISTRICT with a physical inventory of chemicals and other consumables on hand when UMG begins services under this Agreement. Such chemicals and consumables will be made available to UMG in connection with its performance under this Agreement. UMG will provide DISTRICT with the same quantity of chemicals or equivalent upon termination of this Agreement. If UMG fails to do so, then the DISTRICT may take its own inventory.
- 2.6 UMG shall be responsible for maintaining all manufacturers' warranties on new equipment purchased by DISTRICT and shall assist DISTRICT in enforcing existing equipment warranties and guarantees. UMG shall keep a record of all such warranties for the DISTRICT.
- 2.7 On or before October 1st of each year UMG shall provide the DISTRICT an annual schedule for preventive maintenance, along with an estimated budget for the DISTRICT owned equipment. They shall report to the DISTRICT on a monthly basis what preventive maintenance is being performed on DISTRICT owned equipment in accordance with manufacturer's recommendations at intervals and in sufficient detail as may be determined by the DISTRICT. Such a maintenance program shall include documentation of corrective and preventive maintenance.
- 2.8 UMG shall operate, maintain and/or monitor the Project on a 24 hour per day, seven-day per week schedule.
- 2.9 Visits may be made at a reasonable time by DISTRICT's employees, board members or designated DISTRICT's representative. UMG shall provide keys for the Project to the DISTRICT's Administrator. The Administrator shall sign a receipt for any keys received. All visitors to the Project shall comply with UMG's operating and safety procedures.
- 2.10 UMG shall provide a 24 hour/day 7 days per week customer service phone number.
- 2.11 UMG will implement and maintain an employee safety program in compliance with applicable laws, rules and regulations and make recommendations to DISTRICT regarding the need, if any, for DISTRICT to rehabilitate, expand or modify the Project to comply with governmental safety regulations applicable to UMG's

operations hereunder and with federal regulations promulgated pursuant to the Americans With Disability Act ("ADA").

- 2.12 UMG may modify the process and/or facilities to achieve the objectives of this Agreement; provided, however, no modification shall be made without DISTRICT's prior written approval.
- 2.13 In any emergency affecting the safety of persons or property, UMG may act without written amendment or change order, at UMG's discretion, to prevent threatened damage, injury or loss. UMG shall be compensated by DISTRICT for any such emergency work notwithstanding the lack of a written amendment. Such compensation shall include UMG's reasonable costs for the emergency. Such cost and the basis for which they were incurred shall be detailed to the Board in any request for additional compensation.
- 2.14 As required by law, permit or court order, UMG will prepare plant performance reports and submit them to DISTRICT for signature and transmittal to appropriate authorities on a timely basis.
- 2.15 UMG will provide laboratory testing and sampling presently required by plant performance portions of the NPDES permit, the Clean Water Act, the Safe Drinking Water Act, and/or any federal, state or local rules and regulations, statutes or ordinances, permit or license requirements or judicial and regulatory orders and decrees.
- 2.16 UMG will provide for the collection, hauling and disposal of solid waste, screening, grit, sludge and scum ("Waste") to DISTRICT's existing or approved disposal sites. It shall be the sole right and responsibility of DISTRICT to designate, approve or select disposal sites to be used by UMG for DISTRICT's Waste. All Waste and/or byproduct treated and/or generated during UMG's performance of services is not and will not be considered property of UMG.
- 2.17 UMG shall provide all the administrative and financial functions necessary to effectively operate the business affairs of the DISTRICT, except as designated by the DISTRICT. Those exceptions are those duties assigned to the DISTRICT's Administrator, financial officer and CPA. UMG shall submit a monthly report to the DISTRICT that illustrates in summary, how much of the current month and year to date invoices submitted by UMG to the DISTRICT, are related to water services and how much are related to waste water services. The summary shall also report

the direct operating costs for water services and waste water services on a monthly and year to date basis.

- 2.18 UMG shall consult with the DISTRICT's Commissioners prior to replacement of the Project Manager.
- 2.19 UMG shall comply with all of the DISTRICT's policies and procedures in operating the DISTRICT, and UMG's Project Manager shall certify monthly to the DISTRICT's Board that all operations and activities under their control have been in compliance with the Board's policies and procedures.

UMG shall submit to the DISTRICT monthly, all reports of project activities in accordance with the DISTRICT's policies and formats.
- 2.20 UMG shall provide for monthly meter reading and billing. All amounts billed and received on behalf of DISTRICT are the property of DISTRICT and shall be promptly deposited into a bank account designated by the DISTRICT. Customer Service offices shall be maintained at locations approved by the DISTRICT.
- 2.21 UMG shall provide its reasonable business efforts in controlling unaccounted for water loss. A monthly report of system accounted for/unaccounted for water loss shall be submitted to the DISTRICT.
- 2.22 UMG shall comply with all applicable federal, state and local laws, regulations and rules as they may be applicable to the operation of the DISTRICT's water and waste water systems and the DISTRICT's operations.
- 2.23 UMG will seek sources of government grants and loans for consideration by the DISTRICT. The DISTRICT must approve in advance all application for such funding.
- 2.24 To protect the DISTRICT and allow for continuity of service UMG will post a surety bond or other surety in the amount of \$1,000,000 to ensure faithful performance of its contract obligations. Such surety shall be released upon termination of this Agreement and compliance by UMG with its obligations hereunder.
- 2.25 Notwithstanding anything herein to the contrary, UMG agrees to replace the DISTRICT's capital assets (excluding real property and improvements thereon) that are not an integral part of the DISTRICT's water/sewer production, treatment, and distribution and/or collection systems. If UMG determines that replacement of

capital assets is not essential for their continuing performance under this agreement, they shall notify the DISTRICT that they do not wish to replace an asset, with an explanation as to why. If the DISTRICT agrees, the asset will be removed from the DISTRICT's asset list. If the DISTRICT does not agree, UMG will be required to replace the asset. UMG shall submit to the DISTRICT at the November DISTRICT meeting a capital budget request for the next calendar year for approval by the DISTRICT. UMG may make subsequent request for a capital asset by petitioning the DISTRICT.

For those capital assets that cost less than \$1,500, UMG will purchase and pay for the same. For those that cost more than \$1,500, they may also be purchased and paid for by UMG or at UMG's option may be financed in the DISTRICT's name, subject to prior approval by the DISTRICT, and all such loan payments shall be made by UMG as long as this contract remains in effect. At the end of the contract term, or upon early termination, if there are any outstanding loans that have been approved by the DISTRICT, which are due and owing, the DISTRICT agrees to pay the balance of the same.

All assets acquired under this paragraph, except as hereinafter provided, will be titled in the DISTRICT's name. Any capital assets that UMG acquires, at its discretion, that is not replacements of the DISTRICT's assets, and/or which are not solely dedicated for use at the DISTRICT's project, shall be titled in the name of UMG and paid for by UMG.

Notwithstanding the above, any individual tool purchased for UMG's use in the operation of the DISTRICT that cost more than \$250 shall be paid for by the DISTRICT, and charged to its repair and maintenance budget. Any tool purchased for UMG's use in the operation of the DISTRICT that cost less than \$250 shall be paid for by UMG. All such tools shall be the property of the DISTRICT.

- 2.26 Routine repair and maintenance of any real property utilized by UMG in the performance of its duties under this contract will be done and paid for by UMG. If such improvements require financing, it will be done pursuant to the capital acquisition procedure outline above. This excludes any major renovation or expansion directed by the DISTRICT, which will be paid by the DISTRICT.

- 2.27 UMG will submit to the DISTRICT by no later than October 1st of each year, a repair and maintenance budget and capital budget for the next fiscal year. It shall include any item already under contract, but not yet paid. The R&M Budget shall include an allowance for any unforeseen repairs based on the DISTRICT's actual experience for such items over the last three (3) years.
- 2.28 UMG shall submit a monthly accounting to the DISTRICT detailing all repair and maintenance expenditures, including a brief explanation of the work done and why it was necessary.
- 2.29 All purchases made by UMG using the DISTRICT's Tax Identification Number shall only be for those items utilized in the operation of the DISTRICT. UMG shall not co-mingle, store or have delivered, parts, materials, chemicals or supplies used for any other customer on the DISTRICT's property, nor will the DISTRICT's parts, materials, chemicals and supplies be stored on any other customer's property without the express prior written consent of the DISTRICT.

3. **UMG'S SCOPE OF SERVICES - WASTEWATER**

- 3.1 This Article shall apply to UMG's operations, maintenance and management services for the DISTRICT's wastewater systems.
- 3.2 Within the design capacity and capabilities of the Waste Treatment Plant(s) described in Appendix B, UMG will manage, operate and maintain the Plant(s) so that effluent discharged from the Plant(s) outfalls meets the requirements specified in Appendix C-1.
- 3.3 UMG will perform all Maintenance and Repairs for the Project, and submit a monthly accounting to DISTRICT detailing all expenditures incurred, along with a brief explanation of the work done and why it was necessary
- 3.4 UMG will pay all Costs incurred in normal wastewater utility operations. Any cost determined to be abnormal, for which additional compensation is sought, shall be submitted to the DISTRICT for approval along with an explanation of why it was determined to be abnormal.

4. **UMG'S SCOPE OF SERVICES - WATER**

- 4.1 This Article shall apply to UMG's operations, maintenance and management services for the DISTRICT's drinking water treatment system.

- 4.2 Within the design capacity and capabilities of the Water Treatment Plant(s) described in Appendix B, UMG will manage, operate and maintain the Plant(s) so that water produced from the Plant(s) meets the requirements specified in Appendix C-2.
- 4.3 UMG shall operate the water treatment plant(s), pump station(s), and provide for all laboratory testing requirements.
- 4.4 UMG will perform all Maintenance and Repairs for the Project, and submit a monthly accounting to DISTRICT.
- 4.5 UMG will pay all Costs incurred in normal Water operations. Any cost determined to be abnormal, for which additional compensation is sought, will be submitted to the DISTRICT for approval along with an explanation of why it was determined to be abnormal.
- 4.6 UMG will perform all maintenance and repairs for the project, and submit a monthly accounting to the DISTRICT detailing all expenditures incurred, along with a brief explanation of the work done and why it was necessary.

5. **UMG's SCOPE OF SERVICES - WASTEWATER COLLECTION SYSTEM AND WATER DISTRIBUTION SYSTEM**

- 5.1 This Article shall apply to UMG's services for the DISTRICT's wastewater collection system and potable water distribution system.
- 5.2 The scope of UMG's services for the Maintenance and Repair of the collection system and the distribution system are set forth in Appendices C-3 and C-4, respectively.
- 5.3 UMG shall provide for all daily operation and maintenance functions such as line Repairs, customer connections, line and tank maintenance, meter replacement, leak detection, line flushing, valve exercise, system inspection, line locations, and emergency call-outs, etc.

6. **DISTRICTS DUTIES**

- 6.1 The DISTRICT shall fund all necessary Capital Expenditures, except as otherwise provided herein. Such funding shall be provided either (i) in advance from the DISTRICT to UMG if the

DISTRICT requests that UMG contract for such Capital Expenditure or (ii) the DISTRICT shall contract for such Capital Expenditure directly. Priorities shall be given to safety and the ADA related expenses described in Section 2.12. Any loss, damage, or injury resulting from the DISTRICT's failure to provide capital as reasonably required by UMG shall be the sole responsibility of the DISTRICT provided that UMG has timely notified the DISTRICT of the need for the capital expenditure and has provided sufficient lead time for acquisition and utilization of the same. Otherwise any such loss damage or injury shall be the sole responsibility of UMG.

- 6.2 The DISTRICT shall keep in force all Project warranties, guarantees, easements and licenses that have been granted to DISTRICT and are not transferred to UMG under this Agreement. UMG shall keep in force all Project warranties, guarantees, easements and license transferred to them under this Agreement.
- 6.3 The DISTRICT shall pay all ad valorem, property, franchise, occupational and disposal taxes, or other taxes associated with the Project other than taxes imposed upon UMG's net income and/or payroll taxes for UMG employees.

In the event UMG is required to pay any sales tax or use taxes on the value of the services provided by UMG hereunder such payments shall be reimbursed by the DISTRICT unless the DISTRICT furnishes a valid and properly executed exemption certificate relieving the DISTRICT and UMG of the obligation for such taxes. Any items purchased by the DISTRICT to save sales tax for a purchase UMG is required to make on behalf of the DISTRICT, shall be reimbursed by UMG within fifteen (15) days from the date of invoice to UMG. UMG shall make all such invoices on behalf of the DISTRICT to UMG on the next business date after the DISTRICT has made any purchase referenced above.

- 6.4 The DISTRICT shall provide UMG with full use of any and all pieces of DISTRICT's heavy equipment that are available so that UMG may discharge its obligations under this Agreement in the most cost-effective manner.
- 6.5 DISTRICT shall provide all registration and licenses for DISTRICT's vehicles used in connection with the Project.
- 6.6 DISTRICT shall provide for UMG's exclusive use of all vehicles and equipment presently in full time use at the Project except as may be otherwise designated from time to time by Agreement.

- 6.7 DISTRICT shall provide for UMG access to all easements, right-of-ways, and access to discharge UMG's obligation under this Agreement.
- 6.8 The DISTRICT may hire an Administrator to assist the DISTRICT in the oversight of its operations and business affairs. The Administrator's office shall be located in the DISTRICT headquarters and the Administrator shall have full access to all of the DISTRICT's operating and financial records.
- UMG agrees to provide administrative assistance to the Administrator, which shall not exceed fifteen (15) hours per week.
- 6.9 DISTRICT shall promptly review and consider any request by UMG for any additional Capital Expenditures or Costs incurred by UMG.
- 6.10 The DISTRICT will be responsible for the purchase of all capital assets (additions and replacements) that are an integral part of the DISTRICT's Water/Sewer production, treatment, distribution and/or collection systems.

7. **COMPENSATION**

- 7.1 UMG's compensation under this Agreement shall consist of an Annual Fee as set forth herein. The Annual Fee for 2014 shall be \$7,680,850 (\$640,070.83 per month), to be effective January 1, 2014. That portion of the increased fee for 2014, due from January 1, 2014, until the first full bi-monthly payment made under this agreement shall be spread over the balance of payments for the 2014 term. The annual fee for 2015 and 2016, shall be \$7,757,660 (\$646,471.66 per month).
- 7.2 UMG shall provide the DISTRICT a summarized expenditure report monthly, and an annual detailed report on or before April 1st of each year. Such reports shall allocate expenses between water and sewer operations.
- 7.3 In the event the DISTRICT should make application to PSC for a rate increase in any of its services, UMG agrees to provide the DISTRICT a copy of any and all necessary information required by the PSC for such application.

If the DISTRICT elects to verify any information which is required by the PSC, or to conduct rate study, UMG agrees to allow the

DISTRICT's duly authorized agents' access to its records to verify the information provided by UMG.

- 7.4 If actual Maintenance and Repair expenditures are less than the Maintenance and Repair Limit for any Agreement Year, UMG will rebate the entire difference to the DISTRICT in accordance with Section 8.3. If actual Maintenance and Repair expenditures exceed the Maintenance and Repair Limit, the DISTRICT shall pay the excess to UMG (to the extent UMG has paid the same) in accordance with Section 8.2. UMG will notify the DISTRICT when actual Maintenance and Repair expenditures equal eighty percent (80%) of the Maintenance and Repair Limit in each Agreement Year throughout the term.
- 7.5 Any additional expenses, reasonably incurred by UMG, including overtime wages as a result of severe weather, a natural disaster or other unplanned events outside of the normal course of operations, will be invoiced by UMG to the DISTRICT for reimbursement in accordance with Section 8.2.

Any additional expense, reasonably incurred by UMG as set forth in the above paragraph, for which the DISTRICT is eligible for reimbursement by a third party (i.e., FEMA), UMG agrees to defer payment from the DISTRICT for such expenses until the DISTRICT receives approval for reimbursement from the third party.

The DISTRICT agrees to pay UMG interest on any expenses paid by UMG described in the above paragraph at the then prime rate of interest charged by Community Trust Bank of Pikeville, Kentucky. Interest would start to accrue six months after the third party has approved the DISTRICT's application for reimbursement and run on the outstanding balance until paid in full. Approval shall be defined as that date when the third party accepts the DISTRICT's application for reimbursement. If the DISTRICT's application does not receive final approval, or final approval is delayed due to UMG's failure to properly process the application or the information therein correctly, then the time table for starting the accrual of interest will not start until the necessary corrections are approved.

- 7.6 UMG agrees to forgive \$118,932 of the District's R & M overage due UMG upon execution of this agreement.

8. **PAYMENT OF COMPENSATION**

- 8.1 One twenty-fourth (1/24) of the Annual Fee for each Agreement Year shall be due and payable on the 1st and the 15th of each month during such Agreement Year for service provided in accordance to Articles 7.1 of this Agreement.
- 8.2 All other compensation to UMG is due upon receipt of UMG's invoice and payable within fifteen (15) days, except as provided in Article 7.6. Any and all request for additional compensation will be supported by a detailed cost analysis evidenced by appropriate invoices to be attached to the request.
- 8.3 DISTRICT shall pay interest at an annual rate equal to the DISTRICT's designated financial institution's prime rate on payments not paid and received by UMG within thirty (30) calendar days of the due date, such interest being calculated from the due date of the payment. In the event the charges hereunder might exceed any limitation provided by law, such charges shall be reduced to the highest rate or amount within such limitation.

9. **SCOPE CHANGES**

- 9.1 A Change in Scope of services shall occur when and as UMG's Costs of providing services under this Agreement significantly change as a result of one of the following:
 - 9.1.1 Any change in Project operations, personnel qualifications or staffing or other cost which is mandated or otherwise required, by a change in law, rule or regulation or an action or forbearance of any governmental body having jurisdiction to order, dictate or require such change.
 - 9.1.2 The DISTRICT's request of UMG and UMG's consent to provide additional services beyond what is provided in this agreement and routine growth of current services.
- 9.2 For Changes in Scope described in Sections 9.1.1 and 9.1.2, the Annual Fee shall be increased (or decreased) in an amount equal to UMG's additional (or reduced) Cost associated with the Change in Scope.

10. **INDEMNITY AND LIABILITY INSURANCE**

- 10.1 UMG agrees to indemnify and hold DISTRICT harmless against any and all claims, suits, actions, deeds, damages, cost, charge and expenses, including court cost and reasonable attorney fees, and

against all liability, losses and damage of any nature whatever that DISTRICT shall or may at any time sustain arising from the operation of this Agreement other than those arising from the DISTRICT's negligence or willful misconduct.

- 10.2 DISTRICT agrees to indemnify and hold UMG harmless against any and all claims, suits, actions, deeds, damages, cost, charge and expenses, including court cost and reasonable attorney fees, and against all liability, losses and damage of any nature whatever that UMG shall or may at any time sustain as a result of DISTRICT's negligence or willful misconduct.
- 10.3 UMG shall be liable for those fines or civil penalties imposed by a regulatory or enforcement agency for violations occurring on or after the Commencement Date, of the effluent quality requirements provided for in Appendices C-1 and C-2 that are a result of UMG's negligence. DISTRICT will assist UMG in contesting any such fines in administrative proceedings and/or in court prior to any payment by UMG. UMG shall pay the cost of any such contest.
- 10.4 UMG shall be liable for all fines or civil penalties imposed by any regulatory or enforcement agencies on DISTRICT and/or UMG that are not a result of DISTRICT's negligence or are otherwise directly related to the operation of the Project and shall indemnify and hold DISTRICT harmless from the payment of any such fines and/or penalties.
- 10.5 Indemnity agreements provided for in this Agreement shall survive the termination of the Agreement.
- 10.6 Each party shall obtain and maintain insurance coverage of a type and in the amounts described in Appendix E. Each party shall provide the other party with satisfactory proof of insurance.

11. **TERM, TERMINATION AND DEFAULT**

- 11.1 The term of this Agreement shall be three (3) years-commencing on January 1, 2014, and ending on December 31, 2016. Each period during the term commencing January 1 and ending the following December 31 shall be referred to as an "Agreement Year." Either party shall have the right, without cause, to terminate this Agreement at the end of the second Agreement Year. Notice of termination shall be given in writing no less than one hundred eighty (180) days in advance of the effective date of termination, and notice cannot be given prior to January 1, 2016.

- 11.2 A party may terminate this Agreement only for a material breach of the Agreement by the other party, except as provided in Section 11.1 only after giving written notice of breach; and, only after allowing the other party thirty (30) days to cure or commence taking reasonable steps to cure the breach.
- 11.3 In the event this agreement is terminated by the DISTRICT prior to the DISTRICT's payoff of UMG'S loan dated April 1, 2009, which is being forgiven over time, the DISTRICT agrees to pay UMG the unamortized balance of the note as of the date of termination as set out in Appendix E.
- 11.4 Upon notice of termination by DISTRICT, or the contract is not renewed, UMG shall assist DISTRICT in assuming or transferring operation of the Project, for a period up to six (6) months from the date of notice of termination or non-renewal. UMG's compensation for such services shall be its costs not otherwise uncured in operation of the Project. If additional Cost is incurred by UMG at request of DISTRICT, DISTRICT shall pay UMG such Cost within thirty (30) days receipt of invoice.
- 11.5 Upon termination of this Agreement and all renewals and extensions of it, UMG will return the Project to DISTRICT in the same condition as it was upon the effective date of this Agreement, ordinary wear and tear excepted. Equipment and other personal property purchased by UMG for use in the operation or maintenance of the Project shall remain the property of UMG upon termination of this Agreement unless the property was directly paid for by DISTRICT or DISTRICT specifically reimbursed UMG for the cost incurred to purchase the property or this Agreement provides to the contrary. This provision is subordinated to the terms set out in Section 2.25.

12. **DISPUTES AND FORCE MAJEURE**

- 12.1 In the event activities by employee groups or unions unrelated to UMG cause a disruption in UMG's ability to perform at the Project, DISTRICT, with UMG's assistance or UMG at its own option, may seek appropriate injunctive court orders. During any such disruption, UMG shall operate the facilities on a best-efforts basis until any such disruptions cease.
- 12.2 Neither party shall be liable for its failure to perform its obligations under this Agreement if such failure is due to any Unforeseen Circumstances.

Both parties indicate their approval of this Agreement by their signatures below, and each party warrants that all corporate or governmental action necessary to bind the parties to the terms of this Agreement has been and will be taken.

MOUNTAIN WATER DISTRICT

By: Rhonda James

Name: Rhonda James

Title: Chair person

Date: 3-2-2014

UTILITY MANAGEMENT GROUP, LLC.

By: Greg May

Name: GREG MAY

Title: COO

Date: 3-27-14

Appendix D
PSC Rate Case Expenses

Appendix D PSC Rate Case Expense

Service	Cost
Professional Services: Cost of Service Study	\$ 26,000.00
Professional Services: CPA	\$ 15,000.00
Professional Services: Rate Filing Attorney	\$ 60,000.00
MWD Attorney	\$ 13,500.00
Reproduction / Notices / Misc.	\$ 10,000.00
Total	\$ 124,500.00

$$\text{Annual Cost Over 3 Years} = \frac{\$124,500.00}{3} = \$ 41,500.00$$

Pro Rated between Water and Sewer using ratios established by UMG (Appendix C-1)

Annual Cost for Water	=	83%	×	\$41,500.00	=	\$	34,445.00
Annual Cost for Sewer	=	17%	×	\$41,500.00	=	\$	7,055.00

Appendix E
Depreciation Schedule

MT WATER DISTRICT
FIXED ASSETS CALCULATION (WATER)
PERIOD 7-01-2013 TO 6-30-2014

ACCT. #	CATEGORY	ACCUM. DEPREC. FOR 12 MONTHS ENDED 12/31/13	LESS: ACCUM. DEPREC. FOR 6 MONTHS ENDED 6/30/13	DEPREC. EXPENSE FOR 7-1-2013 THRU 12-31- 2013	DEPREC. EXPENSE FOR 6 MONTHS ENDED 6-30-2014	ACCUM. DEPREC. AT 6/30/14
1003-02	LAND & LAND RIGHTS	-	-	-	-	-
1003-03	LAND & LAND RIGHTS	-	-	-	-	-
1003-04	LAND & LAND RIGHTS	-	-	-	-	-
1003-05	LAND & LAND RIGHTS	-	-	-	-	-
1004-02	STRUCTURES & IMPROVEMENTS	173,335.08	170,804.36	2,530.72	2,486.18	175,821.26
1004-03	STRUCTURES & IMPROVEMENTS	115,232.86	114,010.82	1,222.04	681.18	115,914.04
1004-05	STRUCTURES & IMPROVEMENTS	250,523.26	245,015.00	5,508.26	5,353.98	255,877.24
1005-02	COLLECTING/IMPOUND RESERVOIRS	59,135.56	59,135.56	-	-	59,135.56
1011-02	PUMPING EQUIPMENT	2,162,061.19	2,116,472.02	45,589.17	39,517.84	2,201,579.03
1020-03	WATER TREATMENT PLANT	1,518,480.80	1,403,773.74	114,707.06	112,836.85	1,631,317.65
1030-04	DISTRIBUTION RESERVOIRS/STANDS	4,095,327.53	3,990,612.06	104,715.47	103,008.16	4,198,335.69
1031-04	TRANSMISSIONS/DIST. MAINS	22,981,328.64	22,158,460.92	822,867.72	812,818.41	23,794,147.05
1033-04	NEW TAPS/SERVICES	2,089,083.06	2,014,321.37	74,761.69	75,527.17	2,164,610.23
1034-04	NEW TAPS/METERS & SERVICES	1,836,602.47	1,786,269.96	50,332.51	49,631.57	1,886,234.04
1035-04	HYDRANTS	505,772.75	490,223.66	15,549.09	15,318.14	521,090.89
1040-05	OFFICE FURNITURE & EQUIPMENT	259,676.10	257,420.38	2,255.72	2,049.27	261,725.37
1041-05	TRANSPORTATION EQUIPMENT	964,307.08	923,929.00	40,378.08	40,103.35	1,004,410.43
1043-05	TOOLS, SHOP & GARAGE EQUIP.	123,092.27	120,059.37	3,032.90	2,979.08	126,071.35
1044-05	LAB EQUIPMENT	8,692.02	8,585.36	106.66	147.75	8,839.77
1045-05	POWER OPERATED EQUIPMENT	379,790.46	376,001.57	3,788.89	3,737.35	383,527.81
1046-05	COMMUNICATION EQUIPMENT	1,068,556.79	1,007,857.48	60,699.31	59,444.87	1,128,001.66
	TOTALS	38,590,997.92	37,242,952.63	1,348,045.29	1,325,641.15	39,916,639.07

TOTAL DEPREC. FOR THE PERIOD	2,673,686.44
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Appendix F

Mountain Water District Income Statement

MOUNTAIN WATER DISTRICT
Appendix F
Table 1
INCOME STATEMENT - WATER AND SEWER
Michael Spears, CPA

	<u>7/31/2013</u>	<u>8/31/2013</u>	<u>9/30/2013</u>	<u>10/31/2013</u>	<u>11/30/2013</u>	<u>12/31/2013</u>	<u>1/31/2014</u>	<u>2/28/2014</u>	<u>3/31/2014</u>	<u>4/30/2014</u>	<u>5/31/2014</u>	<u>6/30/2014</u>	<u>Total</u>
Sales													
Metered Sales - Residential	\$ 547,513	\$ 534,302	\$ 529,762	\$ 510,447	\$ 523,434	\$ 499,667	\$ 589,105	\$ 551,968	\$ 500,606	\$ 505,831	\$ 526,881	\$ 576,897	\$ 6,396,413
Metered Sales - Commercial	52,220	60,461	62,085	61,466	59,614	58,994	66,889	63,421	46,925	46,505	47,887	49,645	676,112
Metered Sales - Industrial	3,024	3,397	3,161	3,117	3,932	3,138	3,602	4,280	4,548	4,859	2,823	4,485	44,366
Metered Sales - Public Auth.	19,869	25,575	26,262	28,308	22,888	14,190	15,487	16,956	16,750	16,108	17,321	19,326	239,040
Metered Sales - Multi Family	20,608	22,012	20,259	20,944	25,659	23,592	25,981	23,084	19,965	19,929	20,139	22,794	264,966
Fire Protection Revenue	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Customer Late Payment Charges	13,720	15,204	13,106	13,319	11,713	12,099	15,486	17,387	11,062	13,493	13,694	14,870	165,153
Other Water Service Revenue	12,627	14,904	14,395	19,353	12,438	14,506	25,370	16,125	19,268	16,545	19,149	60,061	244,741
Service Connection Fees for Water	12,449	14,825	12,335	13,640	9,840	9,810	16,002	13,829	9,625	9,275	13,415	11,655	146,700
Service Connection Fees for Waste Water	165	60	90	60	60	60	-	150	390	90	-	120	1,245
Sewer Revenue - Residential	59,188	59,975	62,078	61,721	61,729	53,859	66,476	59,456	50,545	55,991	49,417	32,217	672,652
Sewer Revenue - Commercial	18,450	20,628	20,396	16,724	20,130	16,702	11,593	18,809	17,184	17,478	18,705	19,043	215,842
Total Sales	759,933	771,443	764,029	749,199	751,537	706,717	836,091	785,565	696,968	706,204	729,531	811,213	9,068,430
Operating Expenses													
Depreciation Expense	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,811	2,673,688
Amortization Expense	287	287	287	287	287	287	287	287	287	287	287	287	3,444
Depreciation Expense - Sewer	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,839	970,013
Payroll Taxes	975	975	975	975	975	975	994	994	994	994	994	996	11,816
Compensation - Commissioners	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Compensation - Administration	10,257	10,257	10,257	10,257	10,257	10,257	10,447	10,447	10,447	10,447	10,447	10,447	124,224
Materials and Supplies Used	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,674	20,077
Contract Service - Accounting and Audit	8,325	6,285	3,980	26,621	4,212	3,040	3,422	3,828	3,982	2,884	2,521	3,450	72,550
Contract Service - Legal	3,843	3,212	2,030	1,994	6,706	2,393	2,668	2,864	4,350	3,190	2,936	2,848	39,034
Contract Services - UMG Management	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	5,812,426
- R&M	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	465,864
Contract Services - (Assumed Expenses by UMG)	(15,237)	(13,294)	(7,801)	(15,272)	(8,311)	(122,652)	301	(6,257)	(15,547)	(11,076)	(18,043)	(117,271)	(350,460)
Contract Services - UMG Management (Sewer)	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	1,224,408
- R&M	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	98,136
Contract Services - (Assumed Expenses by UMG)(Sewer)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,158)	(73,830)
Rental Expense	-	-	-	-	-	-	-	-	-	-	100	-	100
Advertising	-	237	1,029	352	-	884	-	-	636	96	-	729	3,963
Other Legal PSC Expense	-	-	-	-	4,918	-	-	-	-	-	-	-	4,918
Education and Meetings	2,285	3,270	3,084	5,695	2,564	1,300	1,678	4,586	1,107	2,397	1,387	2,044	31,397
Settlement Expenses	-	10	-	-	500	-	-	-	-	-	2,500	-	3,010
Service Fee Expense	311	311	311	311	311	311	310	311	311	311	310	311	3,730
Bank Service Fees	1,680	1,556	2,927	1,237	2,507	1,334	2,058	1,644	2,058	2,756	1,220	2,880	23,857
Retirement Expense	1,721	1,721	1,721	1,721	1,721	1,721	1,739	1,739	1,739	1,739	1,739	1,739	20,760
R&M Overage Water(Under)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(40,054)
R&M Overage Sewer	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	213,170
Total Operating Expenses	963,938	964,318	968,291	983,669	976,138	849,341	973,395	969,934	959,855	963,516	955,889	857,955	11,386,241
Operating Income (Loss)	(204,005)	(192,875)	(204,262)	(234,470)	(224,601)	(142,624)	(137,304)	(184,369)	(262,887)	(257,312)	(226,358)	(46,742)	(2,317,811)
Other Income (Expense)													
Interest Income	201	197	324	207	197	313	168	158	315	162	175	623	3,040
Interest Income (Sewer)	-	-	-	-	-	2	2	15	-	-	-	-	19
Gain (Loss) on Sale of Fixed Assets	-	-	-	2,800	-	-	-	-	-	-	-	-	2,800
Interest Expense	(31,269)	(31,269)	(31,269)	(31,270)	(31,269)	(31,270)	(31,270)	(31,270)	(31,270)	(31,270)	(31,270)	(31,271)	(375,237)
Interest Expense (Sewer)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(52,296)
Total Other Income (Expense)	(35,426)	(35,430)	(35,303)	(32,621)	(35,430)	(35,313)	(35,458)	(35,455)	(35,313)	(35,466)	(35,453)	(35,006)	(421,674)
Net Income (Loss)	\$(239,431)	\$(228,305)	\$(239,565)	\$(267,091)	\$(260,031)	\$(177,937)	\$(172,762)	\$(219,824)	\$(298,200)	\$(292,778)	\$(261,811)	\$(81,748)	\$(2,739,485)

MOUNTAIN WATER DISTRICT
Appendix F
Table 2
INCOME STATEMENT - WATER
Michael Spears, CPA

	<u>7/31/2013</u>	<u>8/31/2013</u>	<u>9/30/2013</u>	<u>10/31/2013</u>	<u>11/30/2013</u>	<u>12/31/2013</u>	<u>1/31/2014</u>	<u>2/28/2014</u>	<u>3/31/2014</u>	<u>4/30/2014</u>	<u>5/31/2014</u>	<u>6/30/2014</u>	<u>Total</u>
Sales													
Metered Sales - Residential	\$ 547,513	\$ 534,302	\$ 529,762	\$ 510,447	\$ 523,434	\$ 499,667	\$ 589,105	\$ 551,968	\$ 500,606	\$ 505,831	\$ 526,881	\$ 576,897	\$ 6,396,413
Metered Sales - Commercial	52,220	60,461	62,085	61,466	59,614	58,994	66,889	63,421	46,925	46,505	47,887	49,645	676,112
Metered Sales - Industrial	3,024	3,397	3,161	3,117	3,932	3,138	3,602	4,280	4,548	4,859	2,823	4,485	44,366
Metered Sales - Public Auth.	19,869	25,575	26,262	28,308	22,888	14,190	15,487	16,956	16,750	16,108	17,321	19,326	239,040
Metered Sales - Multi Family	20,608	22,012	20,259	20,944	25,659	23,592	25,981	23,084	19,965	19,929	20,139	22,794	264,966
Fire Protection Revenue	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Customer Late Payment Charges	13,720	15,204	13,106	13,319	11,713	12,099	15,486	17,387	11,062	13,493	13,694	14,870	165,153
Other Water Service Revenue	12,627	14,904	14,395	19,353	12,438	14,506	25,370	16,125	19,268	16,545	19,149	60,061	244,741
Service Connection Fees for Water	12,449	14,825	12,335	13,640	9,840	9,810	16,002	13,829	9,625	9,275	13,415	11,655	146,700
Total Sales	682,130	690,780	681,465	670,694	669,618	636,096	758,022	707,150	628,849	632,645	661,409	759,833	8,178,691
Operating Expenses													
Depreciation Expense	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,807	222,811	2,673,688
Amortization Expense	287	287	287	287	287	287	287	287	287	287	287	287	3,444
Payroll Taxes	975	975	975	975	975	975	994	994	994	994	994	996	11,816
Compensation - Commissioners	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Compensation - Administration	10,257	10,257	10,257	10,257	10,257	10,257	10,447	10,447	10,447	10,447	10,447	10,447	124,224
Materials and Supplies Used	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,674	20,077
Contract Service - Accounting and Audit	8,325	6,285	3,980	26,621	4,212	3,040	3,422	3,828	3,982	2,884	2,521	3,450	72,550
Contract Service - Legal	3,843	3,212	2,030	1,994	6,706	2,393	2,668	2,864	4,350	3,190	2,936	2,848	39,034
Contract Services - UMG Management - R&M	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	484,369	5,812,426
Contract Services - (Assumed Expenses by UMG)	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	38,822	465,864
Contract Services - (Assumed Expenses by UMG)	(15,237)	(13,294)	(7,801)	(15,272)	(8,311)	(122,652)	301	(6,257)	(15,547)	(11,076)	(18,043)	(117,271)	(350,460)
Rental Expense	-	-	-	-	-	-	-	-	-	-	100	-	100
Advertising	-	237	1,029	352	-	884	-	-	636	96	-	729	3,963
Other Legal PSC Expense	-	-	-	-	4,918	-	-	-	-	-	-	-	4,918
Education and Meetings	2,285	3,270	3,084	5,695	2,564	1,300	1,678	4,586	1,107	2,397	1,387	2,044	31,397
Settlement Expenses	-	10	-	-	500	-	-	-	-	-	2,500	-	3,010
Service Fee Expense	311	311	311	311	311	311	310	311	311	311	310	311	3,730
Bank Service Fees	1,680	1,556	2,927	1,237	2,507	1,334	2,058	1,644	2,058	2,756	1,220	2,880	23,857
Retirement Expense	1,721	1,721	1,721	1,721	1,721	1,721	1,739	1,739	1,739	1,739	1,739	1,739	20,760
R& M Overage	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(3,338)	(40,054)
Total Operating Expenses	761,280	761,660	765,633	781,011	773,480	646,683	770,737	767,276	757,197	760,858	753,231	655,298	8,954,344
Operating Income (Loss)	(79,150)	(70,880)	(84,168)	(110,317)	(103,862)	(10,587)	(12,715)	(60,126)	(128,348)	(128,213)	(91,822)	104,535	(775,653)
Other Income (Expense)													
Interest Income	201	197	324	207	197	313	168	158	315	162	175	623	3,040
Gain (Loss) on Sale of Fixed Assets	-	-	-	2,800	-	-	-	-	-	-	-	-	2,800
Interest Expense	(31,269)	(31,269)	(31,269)	(31,270)	(31,269)	(31,270)	(31,270)	(31,270)	(31,270)	(31,270)	(31,270)	(31,271)	(375,237)
Total Other Income (Expense)	(31,068)	(31,072)	(30,945)	(28,263)	(31,072)	(30,957)	(31,102)	(31,112)	(30,955)	(31,108)	(31,095)	(30,648)	(369,397)
Net Income (Loss)	\$(110,218)	\$(101,952)	\$(115,113)	\$(138,580)	\$(134,934)	\$ (41,544)	\$(43,817)	\$(91,238)	\$(159,303)	\$(159,321)	\$(122,917)	\$ 73,887	\$(1,145,050)

MOUNTAIN WATER DISTRICT

Appendix F

Table 3

INCOME STATEMENT - SEWER

Michael Spears, CPA

	<u>7/31/2013</u>	<u>8/31/2013</u>	<u>9/30/2013</u>	<u>10/31/2013</u>	<u>11/30/2013</u>	<u>12/31/2013</u>	<u>1/31/2014</u>	<u>2/28/2014</u>	<u>3/31/2014</u>	<u>4/30/2014</u>	<u>5/31/2014</u>	<u>6/30/2014</u>	<u>Total</u>
Sales													
Sewer Revenue - Residential	\$ 59,188	\$ 59,975	\$ 62,078	\$ 61,721	\$ 61,729	\$ 53,859	\$ 66,476	\$ 59,456	\$ 50,545	\$ 55,991	\$ 49,417	\$ 32,217	\$ 672,652
Sewer Revenue - Commercial	18,450	20,628	20,396	16,724	20,130	16,702	11,593	18,809	17,184	17,478	18,705	19,043	215,842
Service Connection Fees for Waste Water	165	60	90	60	60	60	-	150	390	90	-	120	1,245
Total Sales	<u>77,803</u>	<u>80,663</u>	<u>82,564</u>	<u>78,505</u>	<u>81,919</u>	<u>70,621</u>	<u>78,069</u>	<u>78,415</u>	<u>68,119</u>	<u>73,559</u>	<u>68,122</u>	<u>51,380</u>	<u>889,739</u>
Operating Expenses													
Depreciation Expense - Sewer	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,834	80,839	970,013
Contract Services - UMG Management (Sewer)	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	102,034	1,224,408
- R & M Sewer	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	8,178	98,136
Contract Services - (Assumed Expenses by UMG)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,152)	(6,158)	(73,830)
R & M Overage(Under)	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	17,764	213,168
Total Operating Expenses	<u>202,658</u>	<u>202,657</u>	<u>2,431,895</u>										
Operating Income (Loss)	<u>(124,855)</u>	<u>(121,995)</u>	<u>(120,094)</u>	<u>(124,153)</u>	<u>(120,739)</u>	<u>(132,037)</u>	<u>(124,589)</u>	<u>(124,243)</u>	<u>(134,539)</u>	<u>(129,099)</u>	<u>(134,536)</u>	<u>(151,277)</u>	<u>(1,542,156)</u>
Other Income (Expense)													
Interest Income (Sewer)	-	-	-	-	-	2	2	15	-	-	-	-	19
Interest Expense (Sewer)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(4,358)	(52,296)
Total Other Income (Expense)	<u>(4,358)</u>	<u>(4,358)</u>	<u>(4,358)</u>	<u>(4,358)</u>	<u>(4,358)</u>	<u>(4,356)</u>	<u>(4,356)</u>	<u>(4,343)</u>	<u>(4,358)</u>	<u>(4,358)</u>	<u>(4,358)</u>	<u>(4,358)</u>	<u>(52,277)</u>
Net Income (Loss)	<u>\$ (129,213)</u>	<u>\$ (126,353)</u>	<u>\$ (124,452)</u>	<u>\$ (128,511)</u>	<u>\$ (125,097)</u>	<u>\$ (136,393)</u>	<u>\$ (128,945)</u>	<u>\$ (128,586)</u>	<u>\$ (138,897)</u>	<u>\$ (133,457)</u>	<u>\$ (138,894)</u>	<u>\$ (155,635)</u>	<u>\$ (1,594,433)</u>

Appendix G

Water Tank Management Agreement

WATER TANK MANAGEMENT AGREEMENT

This Agreement made and entered into, this 27 day of July, 2011, effective as of the 27 day of July, 2011, by and between **SOUTHERN CORROSION INC.**, a North Carolina corporation, having its principal office at 738 Thelma Road, Roanoke Rapids, North Carolina, (hereinafter referred to as "Southern Corrosion"), and the MOUNTAIN WATER DISTRICT of Post Office Box 3157, Pikeville, Kentucky (hereinafter referred to as the "Owners"):

WITNESSETH:

The Owner desires that Southern Corrosion perform certain maintenance service on the water tanks known as 500,000 Gallon Town Mountain Tank, the 100,000 Gallon Cabin Knoll Tank, the 200,000 Gallon Bent Mountain Tank, the 200,000 Gallon Lawson Branch Tank, the 200,000 Gallon Elkhorn Fork (Kimper) Tank, the 100,000 Gallon Ridgeline Road Tank, the 100,000 Gallon Grapevine School Tank, the 200,000 Gallon Runt Knob Tank, the 200,000 Gallon Canada Tank, the 200,000 Gallon Coburn Mountain Tank, the 50,000 Gallon Long Fork of Big Creek Tank, the 200,000 Gallon Kentucky 292 Tank, the 200,000 Gallon Southside Mall #1 Tank, the 100,000 Gallon Southside Mall #2 Tank, the 100,000 Gallon Sharrondale Tank, the 100,000 Gallon Stone Tank, the 100,000 Gallon Hardy Park Tank, the 200,000 Gallon Blackberry Mountain Tank, the 100,000 Gallon Blackberry School Tank, the 100,000 Gallon Graveyard Hollow Tank, the 200,000 Gallon Shelbania Tank, the 300,000 Gallon Douglas Park Tank, the 300,000 Gallon Island Creek Tank, the 100,000 Gallon Dorton #1 Tank, the 100,000 Gallon Greasy Creek Tank, the 100,000 Gallon Buckley Tank, the 100,000 Gallon Lower Pompey Tank, the 200,000 Gallon Upper Johns Creek #1 Tank, the 200,000 Gallon Upper Johns Creek Tank #2, the 200,000 Gallon Robinson Creek Tank, the 100,000 Gallon Cowpen Creek Tank, the 50,000 Gallon Pike County Airport Tank, the 100,000 Gallon Indian Creek Tank, the 100,000 Gallon Hurricane Creek Tank, the 200,000 Gallon Elkhorn Creek Tank, the 100,000 Gallon Widows Branch Tank, the 250,000 Gallon Wolfpit Tank, the 100,000 Gallon Rockhouse Marrowbone Tank, the 100,000 Gallon Brushy Creek Tank, the 1,000,000 Gallon Road Creek Tank, and the 300,000 Gallon Ferrells Creek Tank as described in the proposal which is attached hereto and by reference made a part here of (the "Maintenance Services"); and

Southern Corrosion desires to perform such Maintenance Services described in said proposal selected by the Owner upon the terms and conditions set forth in this Agreement.

Now, Therefore, in consideration of the mutual promises and covenants set forth herein the parties hereto agree as follow:

1. **DEFINITIONS.** For the purposes of this Agreement the following definition

shall apply:

“Effective date” shall mean the date on which this Agreement, executed by the Owner, is accepted by Southern Corrosion by the execution thereof by its appropriate corporate officers at its principal office.

2. **TERMS OF MANAGEMENT AGREEMENT.** The initial term of this Agreement shall be for a period of twelve (12) months commencing on the Effective Date, unless otherwise terminated or canceled as provided in Paragraphs 7 and 8. The initial term shall be automatically extended successive additional periods of twelve (12) months each unless the Owner notifies Southern Corrosion in writing sixty (60) days prior to the expiration of the then existing term that it does not extend this Agreement.
3. **PERFORMANCE OF MAINTENANCE SERVICES.** Southern Corrosion shall perform the Maintenance Services selected by the Owner and described in proposal attached hereto and by reference made a part hereof.
4. **CHARGES.** The Owner shall pay Southern Corrosion charges for Maintenance Services selected by Owner as set forth on the proposal attached hereto and by reference made a part hereof. All charges shall be made on a monthly basis, and are due and payable within thirty (30) days of receipt of Southern Corrosion’s invoice therefor.
 - (a) If this agreement is terminated by the Owner due to a default of Southern Corrosion, then in such event, the penalty provisions under the contract set forth in the compensation section of Southern Corrosion’s proposal, will be paid into the escrow account of the Owner’s attorney, and will be paid out to Southern Corrosion, net of any damages due Owner based on Southern Corrosion’s default.
5. **REPRESENTATIONS BY THE OWNER.** The Owner hereby makes the following representations and warranties:
 - (a) The Owner has full power and lawful authority to execute and deliver this Agreement and to consummate and perform the transactions contemplated hereby. This Agreement constitutes the valid obligation of the Owner legally binding upon the Owner and enforceable against the Owner in accordance with its terms.
6. **REPRESENTATIONS BY SOUTHERN CORROSION.** Southern Corrosion represents and warrants to Owner all of which represents and warranties that:
 - (a) That Southern Corrosion is fully authorized to enter into this

Management Agreement. Southern Corrosion has full corporate power and lawful authority to execute and deliver this Agreement and to consummate and perform the transactions contemplated hereby. This Agreement constitutes the valid obligation of Southern Corrosion legally binding upon Southern Corrosion and enforceable against Southern Corrosion in accordance with its terms.

- (b) That all representations made by Southern Corrosion in its proposal to Owner, which is attached hereto by reference and made a part hereof, are true and accurate and remain so as of the effective date.
- (c) That Southern Corrosion has, or will obtain, any and all licenses and permits required to perform the work contracted herein.
- (d) That Southern Corrosion will perform all the work contracted herein so as to comply with all state and federal laws and regulations applying thereto.

7. **TERMINATION/CANCELLATION BY SOUTHERN CORROSION.** This Agreement may be terminated/canceled by Southern Corrosion if Owner is in default of any provision hereof and such default has not been cured within twenty (20) days after notice of default is given to Owner or Owner becomes insolvent or seeks protection voluntarily or involuntarily under any Bankruptcy Law.

- (a) In the event of any termination/cancellation of this Agreement, Southern Corrosion may (1) declare all amounts owed to Southern Corrosion to be immediately due and payable, (2) cease performance of all Maintenance Service hereunder without liability to Owner.
- (b) In the event of default hereunder, Owner agrees to pay interest at the highest legal rate on all sums due under the Agreement and all costs of collection including a reasonable attorney's fee of ten percent(10%) of said amount due Southern Corrosion.
- (c) The foregoing rights and remedies shall be cumulative and in addition to all other rights and remedies available in law or in equity to Southern Corrosion.

8. **TERMINATION/CANCELLATION BY OWNER.** This Agreement may be terminated/canceled by Owner if Southern Corrosion is in default of any provision hereof and such default has not been cured within twenty (20) days after notice of default is given to Southern Corrosion or Southern Corrosion becomes insolvent or seeks protection voluntarily or involuntarily under any Bankruptcy Law.

- (a) In the event of any termination/cancellation by Owner, Owner may:

- (1) File an action for specific performance;
 - (2) File an action for damages (except as provided in paragraph 9).
 - (3) In the event of default hereunder, Southern Corrosion agrees to pay prejudgment interest at the legal rate for any damages Owner incurs, and all cost of such action, including a reasonable attorney fee.
- (b) The foregoing rights and remedies shall be cumulative and in addition to all other rights and remedies available in law or in equity to Southern Corrosion.

9. **INSURANCE**

- (a) **General Liability Insurance.** Southern Corrosion shall maintain general liability insurance in force in an amount not less than One Million Dollars (\$1,000,000) at Southern Corrosion's expense during the entire period of this contract. Such liability insurance shall protect Southern Corrosion and Owner from any and all claims of any third parties for bodily injury, death and/or property damage that may arise out of the work performed under this agreement, whether directly or indirectly caused by Southern Corrosion or any of their sub-contractors. Proof of such insurance shall be filed by Southern Corrosion with Owner, prior to commencement of any work on the project.
- (b) **Workers Compensation Insurance.** Southern Corrosion agrees to keep in full force and affect, all workers' compensation insurance required by law during the entire period of the contract that will protect Southern Corrosion and the Owner from all claims of employees and sub-contractors for bodily injury or death that may arise out of the work formed under this agreement, whether directly or indirectly performed by the contractor or by a sub-contractor. Proof of such insurance shall be filed by Southern Corrosion with Owner, prior to commencement of any work on the project.
- (c) Southern Corrosion agrees to post a performance bond in an amount not less than the contractual consideration for its performance under any given year. Said bond will be approved by the Owner in advance, which consent will not be unreasonably withheld.
- (d) **Indemnification and Hold Harmless.** Southern Corrosion agrees to indemnify and hold harmless the Owner from any and all claims arising as a result of their work in the performance of this contract.

10. **CORRECTING WORK.** When it appears Southern Corrosion, during the course of their performance of work under this contract, did not perform work according to the provisions of the contract, Southern Corrosion shall make necessary corrections so that the work will conform and in addition, will correct any defects caused by faulty materials, equipment or quality of performance of work supervised by Southern Corrosion or any sub-contractor working for them.
11. **WARRANTY.** Southern Corrosion agrees to warrant the quality of its work for a period of one (1) year from the termination of the contract. Southern Corrosion shall repair, or cause to be repaired, any defect found in their work within thirty (30) days of written notification by the Owner.
12. **EXCUSABLE DELAY.** Southern Corrosion shall not be liable for any delays or failure in performance of Maintenance Services hereunder if such delays or failures are due to strikes, inclement weather, acts of god or other causes beyond Southern Corrosion's reasonable control.
13. **GENERAL.**
 - (a) Notices. Notice of the breach of any covenant, warranty or other provision of the Agreement and all communications and notices provided for in this Agreement shall be deemed given when in writing, addressed to the parties at the addresses set forth below, and deposited, certified mail, postage prepaid in the United States mail:

Owner:

Mountain Water District
Post Office Box 3157
Pikeville, Kentucky 41502

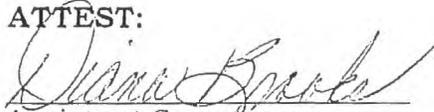
Southern Corrosion Inc.
738 Thelma Rd
Roanoke Rapids, North Carolina 27870

- (b) **Assignment.** This Agreement may not be assigned by either party without the prior written consent of the other party, which consent by either party shall not be unreasonably withheld.
- (c) **Governing Law and Venue.** This Agreement shall be construed in accordance with the laws of the Commonwealth of Kentucky and venue for any action shall be Pike Circuit Court.
- (d) **Entire Agreement.** This Agreement is an integrated document and contains the entire agreement between the parties. No modifications, extensions, or waiver of this Agreement or any of the provisions hereof, nor any representation, promise or condition relating to the Agreement shall be binding upon the parties hereto unless made in writing and signed by the parties hereto.

- (e) Binding effects. The provisions of this Agreement shall bind and inure to the benefit of Southern Corrosion and the Owner, and their successors, legal representatives and assigns.

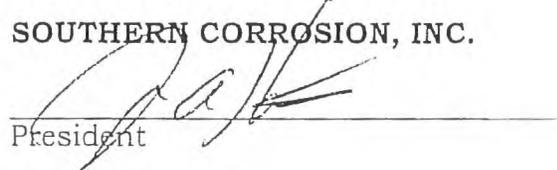
IN WITNESS WHEREOF the parties have hereto executed this Agreement in the manner provided by Law, this the day and year first above written.

ATTEST:

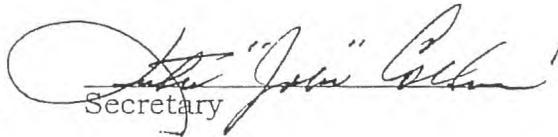

Assistant Secretary

(Corporate Seal)

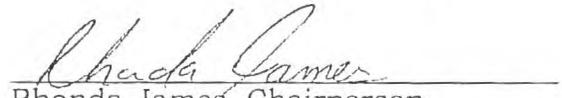
SOUTHERN CORROSION, INC.


President

ATTEST:


Secretary

MOUNTAIN WATER DISTRICT


Rhonda James, Chairperson

PRICING & TERMS

Necessary repair of any coatings or appurtenances noted during our inspections will be added to our service schedule at no additional cost. These necessary repairs include paint failed areas and areas of corrosion. If the coating is continuing to protect the steel from corrosion, paint repair is not necessary. The definition of paint failure does not include loss of gloss, color fading, mildew, discoloration, or any other defects that are aesthetic.

Emergency service will apply during the entire period. We will guarantee a 24 hour response time. Corrective maintenance noted during our inspections will be added to our schedule at no added expense. Our annual premium for the first five(5) Years of the service is \$334,231.00 per year. The annual premium for the 6th Year of the service is \$161,154.00. All subsequent year premiums will be the total of the immediate prior year's premium amount plus the % change in the CPI (Consumer Price Index) for that previous year (ie. Year 7 premium equals Year 6 premium plus the % change in the CPI for Year 6).

Since the scope of work scheduled for the first years of the service greatly exceeds the premium amount, the following additional payments will be due should the service be cancelled prior to the end of the fourth year of the service:

If the second year of the service is cancelled, an additional payment of \$146,711.00 will be due upon notification of cancellation.

If the third year of the service is cancelled, an additional payment of \$162,989.00 will be due upon notification of cancellation.

If the fourth year of the service is cancelled, an additional payment of \$94,119.00 will be due upon notification of cancellation.

Each year represents a 12 month period beginning with the effective date of the contract, rather than the actual calendar year. The Owner will be given the opportunity to schedule the yearly work at any time during the 12 month period that represents the contract term. The annual premium is due within 30 days of the contract date. Premiums quoted are firm for 60 days.

WATER TANK MANAGEMENT AGREEMENT AMENDMENT

This Agreement made and entered into, this 27th day of June, 2012, by and between **SOUTHERN CORROSION INC.**, a North Carolina corporation, having its principal office at 738 Thelma Road, Roanoke Rapids, North Carolina 27870, (hereinafter referred to as "Southern Corrosion"), and the **MOUNTAIN WATER DISTRICT** of Post Office Box 3157, Pikeville, Kentucky 41502 (hereinafter referred to as the "Owners"):

WHEREAS, the parties hereto entered into a Water Tank Management Agreement on the 27th day of July, 2011; and

WHEREAS, it has subsequently been determined that this contract did not provide for prevailing wage which is required under Kentucky law; and

WHEREAS, the parties hereto wish to amend their contract to provide for prevailing wage and to extend the contract an additional year so as to spread out the cost of the additional cost required to pay prevailing wage.

NOW THEREFORE,

WITNESSETH:

That for an in consideration of the terms and conditions set forth herein, the parties hereto agree as follows:

- 1) The parties hereto adopt the terms of their original agreement, except as herein amended.
- 2) Southern Corrosion agrees to pay prevailing wage as determined by the Kentucky Labor Cabinet for all labor performed under this contract as amended.
- 3) The terms of the contract will be extended for a sixth year in consideration of the payment of Two Hundred Forty-Eight Thousand Five Hundred Twenty-One Dollars (\$248,521).
- 4) The tank maintenance schedule will be amended to provide for the maintenance of the following tanks in year six as opposed to the year listed:

200,000 gallon Kentucky 292 tank (year 1)
100,000 gallon Blackberry School tank (year 2)
200,000 gallon Coeburn Mountain tank (year 3)
100,000 gallon Greasy Creek tank (year 4)
300,000 gallon Ferrells Creek tank (year 5)

5) Southern Corrosion further agrees to provide to the Owners's CPA, Michael Spears, documented evidence verifying that prevailing wage has been paid for work done to date, and that may otherwise be requested throughout the term of this contract.

IN WITNESS WHEREOF the parties have hereto executed this Amendment to their original Agreement in the manner provided by Law, this day and year first above written.

ATTEST:


Assistant Secretary

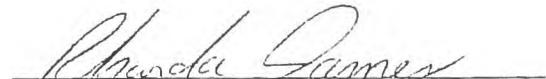
SOUTHERN CORROSION, INC.


James A. Skilton, President

ATTEST:


Secretary

MOUNTAIN WATER DISTRICT


Rhonda James, Chairperson

STATEMENT OF REASONS

The rate adjustments are needed to provide the District with sufficient operating funds to maintain its current level of water and sewer services to its customers, to continue to improve its service and to meet the continuing demand for the reliable collection, transmission and treatment of water and sewer services. Rates are also being adjusted to reflect pro forma changes in operating expenses and revenues and to provide money to renew and replace its existing sewer services facilities. The revenue is necessary to allow the continued funding of current operations and to provide stable income for future operations. Water and sewer rates are being requested in a unified application because of the consolidations operations and financial records, which support the combined utility functions. Furthermore, the increase in the cost of services has not been off-set by the revenue produced by current rates or customer growth. An increase in the rates for water and sewer services is essential for MWD to maintain a reasonable level of service for existing customers, to adequately provide for renewal and replacement of its facilities and to adequately service its current debt.

CURRENT TARIFFS

WATER

P.S.C. KY No. 3

Cancels P.S.C. KY No. 2

MOUNTAIN WATER DISTRICT

OF

Pike County, Kentucky

Rates, Rules and Regulations for Furnishing

Water Service

IN

All of Pike County, Kentucky Except
Incorporated Areas of the City of Pikeville and Elkhorn City Utilities

Filed with the PUBLIC SERVICE COMMISSION OF
KENTUCKY

ISSUED: NOVEMBER 14, 2012 EFFECTIVE: JANUARY 12, 2013

ISSUED BY: MOUNTAIN WATER DISTRICT

BY: /S/ **JOHN COLLINS**
VICE CHAIRPERSON

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH

Burt Kirtley

EFFECTIVE

1/12/2013

PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 2

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RATES AND CHARGES

5/8" Meters:	
First 2,000 gallons	\$20.02 minimum bill
Next 8,000 gallons	\$7.01 per 1,000 gallons
All over 10,000 gallons	\$6.22 per 1,000 gallons
1" Meters:	
First 5,000 gallons	\$42.00 minimum bill
Next 5,000 gallons	\$7.01 per 1,000 gallons
All over 10,000 gallons	\$6.22 per 1,000 gallons
2" Meter:	
First 20,000 gallons	\$130.00 minimum bill
All over 20,000 gallons	\$6.22 per 1,000 gallons
3" Meter:	
First 30,000 gallons	\$190.00 minimum bill
All over 30,000 gallons	\$6.22 per 1,000 gallons
4" Meter:	
First 50,000 gallons	\$300.00 minimum bill
All over 50,000 gallons	\$6.22 per 1,000 gallons
6" Meter:	
First 100,000 gallons	\$595.00 minimum bill
All over 100,000 gallons	\$6.22 per 1,000 gallons
Martin County Water District	\$2.40 per 1,000 gallons
Mingo County Public Service District	\$3.75 per 1,000 gallons
Jenkins Utilities	
First 50,000 gallons per day	\$2.40 per 1,000 gallons
All over 50,000 gallons per day	\$2.75 per 1,000 gallons
City of Elkhorn City	
First 215,000 gallons per day	\$2.25 per 1,000 gallons
All over 215,000 gallons per day	\$2.40 per 1,000 gallons

Water withdrawn from a hydrant and water withdrawn for construction shall be charged at the lowest rate in the current rate schedule.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Hestley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 3

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

CLASSIFICATION OF SERVICE

As per contract with the South Williamson Development Company, the following charges will be billed to users within the Southside Mall. These charges are not a part of the DISTRICT'S rate structure but are based on Mall charges relative to meter size.

5/8-Inch	\$11.30
3/4-Inch	\$15.05
1-Inch	\$33.88
1 1/2-Inch	\$60.27
2-Inch	\$80.30
3-Inch	\$125.47

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kintley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 4

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

CLASSIFICATION OF SERVICE

Service Connection Fees in accordance with an order of the Public Service Commission of Kentucky in Case No. 2005-436 dated November 14, 2005.

Service Connection Fee Based on Meter Size for Metered Service

Size of Connection

Service Connection Charge

5/8 x 3/4-Inch1

\$825.00

1-Inch2

Actual Cost of Construction2

Over 1-Inch2

Actual Cost of Construction2

1 DISTRICT'S standard service. Standard Connections requiring a road bore or creek crossing shall be accessed the additional actual cost. In addition, any extra depth requirements and rock, which cannot be excavated by normal means (backhoe, etc.) and any additional length of service lateral will be charged at actual cost. Cost estimate for such work will be provided to the customer prior to installation.

2 Non-standard service connection

Any customer receiving a free or reduced tap fee as a result of project funding or government appropriated funds must connect their plumbing and begin using the DISTRICT'S water service within sixty (60) days and shall begin receiving a bill at the current water rates.

Note: Any customer applying for a water connection may pay the connection fee on an installment plan at 0% interest. The installment plan may be for a length of up to 24 months at the customers choosing; however, the water connection will not be installed until the installment plan is paid in full.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kinley</i>
EFFECTIVE 1/12/2013 PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area

Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 5

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

CLASSIFICATION OF SERVICE

Monthly Usage Charge for Special Service Sprinkler
System or Fire Service Connection

The monthly charge for each municipal, governmental, institutional, industrial or private connection to the water mains of the DISTRICT used exclusively for fire protection purposes, based on the size of the respective connections, shall be as follows:

<u>Size of Connection</u>	<u>Monthly Charge for Usage</u>
4-Inch	\$12.50
6-Inch	\$25.00
8-Inch	\$50.00

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH

Brent Kirtley

EFFECTIVE
1/12/2013

PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 6

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

CLASSIFICATION OF SERVICE

Connection and Installation Charge for a Special Service

An Individual Fire Hydrant

For each fire hydrant contracted for order by a City, County, State, or Federal governmental agency or institution, private customer, private institution, the connection and installation charge shall be \$3,300.00.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area

Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 7

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

CLASSIFICATION OF SERVICE

Monthly Usage for Fire Hydrant

Monthly charges for each fire hydrant contracted for by a City, County, State or Federal Government Institution, private customer, private industry, or private institution to be used exclusively for fire protection shall be \$12.50.

No Monthly charge shall be made for fire hydrants, which are contracted for by a City, County, State or Federal Governmental Institution, private customer, private industry, or private institution where such hydrants are so located to be of general benefit to the residents of the area.

DATE OF ISSUE NOVEMBER 14, 2012
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DATE EFFECTIVE JANUARY 12, 2013
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ISSUED BY /S/ JOHN COLLINS
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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH

Brent Kirtley

EFFECTIVE
1/12/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR Entire Service Area

Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 8

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

CLASSIFICATION OF SERVICE

Monthly Usage Charge for Special Service
Through a Multi-Unit Master Meter

The monthly charge for customers who have requested water service through a master meter for multi-unit service shall be the amount based on the average gallons used per housing unit at the current rate schedule, times the number of housing units in the multiple-unit facility.

DATE OF ISSUE NOVEMBER 14, 2012
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ISSUED BY /S/ JOHN COLLINS
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TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH

Brent Kirtley

EFFECTIVE
1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 9

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

This schedule of Rules and Regulations governs the furnishing of water service by Mountain Water District hereinafter referred to as the DISTRICT and applies to all service received from the DISTRICT. No employee or individual Commissioner of the DISTRICT is permitted to make an exception to Rates, Rules or Regulations. All Rules and Regulations are to be in effect so long as they are not in conflict with Public Service Commission Rules and Regulations. The DISTRICT is further subject to all Rules and Regulations of the Public Service Commission even though not contained herein.

1. Scope

This Schedule of Rules and Regulations is a part of all contracts for receiving water service from the DISTRICT, and applies to all service received from the DISTRICT whether the service is based upon contract, agreement, signed application, or otherwise. A copy of this schedule, together with a copy of the DISTRICT'S Schedule of Rates and Charges, shall be kept open to inspection at the office of the DISTRICT, the rules are promulgated under direction and authority granted pursuant to Chapter 13 of Kentucky Revised Statutes and Administrative Regulations 807 KAR 5 established via authority of Executive Order 81-126 dated March 4, 1981. The aforesaid rules and regulations are hereby adopted and included the same herein written now or as may be legally changed from time to time.

2. Revisions

These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time by either of the two (2) following methods:

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DATE EFFECTIVE JANUARY 12, 2013
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ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH

Brent Kintley

EFFECTIVE
1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 10

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

- A. By order of the Public Service Commission upon formal application by the DISTRICT, and after hearing as provided by commission regulations.
- B. By issuing and filing on at least thirty (30) days notice to the commission and the public all proposed changes in the Rules and Regulations, as provided by commission regulations.

3. Conflict

In case of conflict between any provisions of any rate schedule and the schedule of Rules and Regulations the rate schedule shall apply. Also, should the rules contained herein conflict with the rules and regulations of the Public Service Commission, the rules and regulations of the Public Service Commission shall control.

4. Application for Service

Any person, firm, agency or governmental entity within the current boundary of the DISTRICT may request service. Said request must be in writing on a form approved by the DISTRICT.

No request for service shall be granted unless the property of said requestor has public access within a reasonable distance from and existing distribution main of the DISTRICT consistent with the topography of the area. Should the requestor desire to have the existing distribution system extended to serve them, same shall be accomplished as stipulated, hereafter.

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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kintley</i>
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PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 11

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

Should DISTRICT determine that service to requestor is available, each prospective customer desiring water service shall be required to execute and sign the DISTRICT'S standard application for water service before service is supplied by the DISTRICT. A 5/8" x 3/4" meter shall be "the standard customer service meter and should be installed at all points of service unless the customer provides sufficient justification for the installation of a larger meter."

The DISTRICT shall provide for a standard connection (i.e., 5/8" x 3/4" meter) from the DISTRICT'S existing distribution main upon payment of tap fee. An extension of fifty (50) feet or less shall be made by the DISTRICT to its existing utility main without charge, with exception of those connections requiring a road bore or creek crossing for a prospective customer who applies for and contracts to use the service for one (1) year or more with the appropriate guarantee.

5. Non-Standard Service

Each prospective customer requiring a non-standard service (i.e., other than a 5/8" x 3/4" meter) shall present to the DISTRICT sufficient justification for same. Insofar as prospective customer requirements may meet those non-standard service presently in effect for DISTRICT same may be applied. An extension shall be made by the DISTRICT to its existing utility main for a prospective customer who applies for and contracts to use the service for one (1) year or more with the appropriate guarantee. The customer shall be charged at actual cost to the DISTRICT for installation of such service.

DATE OF ISSUE NOVEMBER 14, 2012
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DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
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TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 12

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

In addition, the prospective customer shall pay the cost of any special installation necessary to meet their particular requirements, as a contribution in aid of construction.

6. Point of Delivery

The point of delivery is the point where the meter or vault is located. All water lines, plumbing, and equipment beyond the meter shall be installed and maintained by the customer. The DISTRICT reserves the right to determine the location of point of delivery with full regard to those wishes of the prospective customer, however the DISTRICT will in no event set a meter at a point that does not deliver 30 psig at the meter.

7. Customer's Service Line

All service lines beyond the metering point should be installed of material consisting of copper, PVC pipe, or PE pipe with rating of not less than 200 psi. The size of service line beyond the point of delivery should not be less than 3/4".

Should a prospective customer desire a higher pressure due to his location or need, the customer may make provision, at their expense, for an individual pressure booster system. The manner of connection, location cross-connection protection and type is subject to approval by DISTRICT. The DISTRICT reserves the right to require discontinuance and disconnection should the private booster system have a detrimental effect on DISTRICT'S system.

DATE OF ISSUE NOVEMBER 14, 2012
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ISSUED BY /S/ JOHN COLLINS
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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 13

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

8. Ownership of Mains, Services & Appurtenances

All mains, fire hydrants, valves, crossings and other appurtenances are and shall remain the property of the DISTRICT, whether installed directly by them or received through actions of a customer or extender.

All service lines from main to meter with appurtenances shall be and remain the property of DISTRICT, whether installed directly by them or received through actions of a customer or extender.

The customer shall install, own and maintain his service line from meter and/or point of delivery as defined here before.

9. Discontinuance of Service by DISTRICT

Water service may be discontinued by the DISTRICT for any violation of any rule, regulation, or condition, and especially for any of the following reasons.

- A. Misrepresentation in the application or contract to the property or fixtures to be supplied or additional use to be made of water.
- B. Failure to report to the DISTRICT additions to the property or fixtures to be supplied or additional use to be made of water.
- C. Resale of water.

DATE OF ISSUE NOVEMBER 14, 2012
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DATE EFFECTIVE DECEMBER 15, 2012
Month / Date / Year

ISSUED BY *John Collins*
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kinley</i>
EFFECTIVE 12/15/2012 PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 14

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

- D. Waste or misuse of water due to improper or imperfect service pipes and/or failure to keep such pipes in a suitable state of repair.
- E. Tampering with meter, meter seal, service, or valves, or permitting such tampering by others.
- F. Connections, cross-connection, or permitting the same, of any separate water supply to premises which receive water from the DISTRICT.
- G. Non-payment of bills.
- H. When a dangerous condition is found to exist on the customer's or applicant's premises, with reference to the continuation of water service, water service shall be cut off without notice or shall be refused, provided the DISTRICT shall notify the customer of the reason for the discontinuance or refusal and the corrective action to be taken by the applicant or customer before service can be restored.

10. Billing

Bills and notices relating to the conduct of the business of the DISTRICT will be mailed to the customer at the address listed on the user's agreement unless change of address has been filed in writing with the DISTRICT, and the DISTRICT shall not otherwise be responsible for delivery of any bill or notice nor will the customer be

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE DECEMBER 15, 2012
Month / Date / Year

ISSUED BY *John Collins*
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 12/15/2012 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 4

ORIGINAL SHEET NO. 15

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 15

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

excused from the payment of any bill or any performance required in said notice.

Bills for water service are due and payable at the office of the DISTRICT, or to any designated agent, by the 15th day after the date of issue. All accounts not paid in full 5 days after the due date shall be considered past due and an additional charge of 10 percent of the unpaid portion of the bill will be made. Payments may be made in the form of cash, check, credit/debit card, or online at www.mountainwaterdistrictky.com. Customers choosing to pay by credit/debit card or online shall be assessed a fee at a rate equal to the rate being charged to the DISTRICT to process such transactions. The fee is generally calculated using a formula applied to the balance of the amount being paid, but may be a flat fee per transaction. Prior to processing the transaction, the customer will be informed of the fee amount and, upon request by the customer, the formula employed to arrive at this fee amount.

All bills not paid on or before the past due date shall be deemed delinquent. Any said delinquent bill shall be disconnected fifteen (15) days after the due date, but not before at least five (5) days written notice of termination is provided. Said termination notice shall be exclusive of and separate from the original bill. Included on the notice will be a statement that the DISTRICT plans to terminate service and the date in which the DISTRICT plans to terminate service if the balance is not paid in full. However, if, prior to discontinuance of service, there is delivered to the DISTRICT a written certificate signed by a physician, registered nurse, or a public health officer that, in the opinion of the certifier, discontinuance of service will aggravate an existing illness or infirmity at the affected premises, service shall not be discontinued until the affected resident can make other living arrangements or until thirty (30) days elapse from the time of the DISTRICT'S receipt of said certification, whichever occurs first. Such certificates shall not be accepted in consecutive months.

DATE OF ISSUE May 6, 2013
Month / Date / Year

DATE EFFECTIVE June 7, 2013
Month / Date / Year

ISSUED BY *Shirley Jones*
(Signature of Officer)

TITLE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 6/7/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 4

ORIGINAL SHEET NO. 16

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 16

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

11. Discontinuance of Service by Customer

Any customer having fulfilled their contract terms and desiring to discontinue the water service to their premises for any reason must give notice of discontinuance in writing at the business office of the DISTRICT at least three (3) days prior to the date on which the customer desires to discontinue service. If such notice in writing is not given, a customer shall remain liable for all water used and service rendered to such premises by the DISTRICT until such notice is received by the DISTRICT.

12. Termination or Field Collection Fee

A \$30.00 charge shall be assessed when a DISTRICT representative makes a trip to the premises of a customer for the purpose of terminating service. The charge shall be assessed if the DISTRICT representative actually terminates service or if, in the course of the trip, the customer pays the delinquent bill to avoid termination. The charge shall also be made if the DISTRICT representative agrees to delay termination based on the customer's agreement to pay the delinquent bill by a specific date. The DISTRICT shall make a Termination or Field Collection Charge only once in any billing period. Any disconnection or reconnection as a result of non-payment of service that requires the District to take extraordinary means to perform said disconnection/reconnection (i.e. digging up and re-pavement of blacktop) shall be charged to the customer at actual cost.

13. Reconnection Fees

Where the water supply to the customer has been discontinued for non-payment of delinquent bills, or where a meter is to be reinstalled for a new customer at the location where one existed previously, a charge of \$30.00 shall be made for reconnection in addition to all delinquent bills and other charges, if any, owed by the customer to the DISTRICT. In instances where the customer pays after three (3) p.m. and would like service connected the same day a charge of \$50.00 shall apply.

14. Turn-On Fee

A Turn-On Charge of \$30.00 shall be assessed for a new service Turn-On, seasonal Turn-On or temporary service. A Turn-On Charge shall not be made for initial installation of service where a tap fee is required.

DATE OF ISSUE May 6, 2013
Month / Date / Year

DATE EFFECTIVE June 7, 2013
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>[Signature]</i>
EFFECTIVE 6/7/2013 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 18

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

- 5. Whether the customer has filed bankruptcy proceedings within the last seven years.
- 6. Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

If a deposit is held longer than 30 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the DISTRICT may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

DATE OF ISSUE NOVEMBER 14, 2012
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DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 19

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

16. Adjustment Relative to Erroneous Meter

A. If test results on a customer's meter show an average error greater than two (2) percent fast or slow, or if a customer has been incorrectly billed for any other reason, except in an instance where a utility has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a customer, the utility shall immediately determine the period during which the error has existed, and shall recompute and adjust the customer's bill to either provide a refund to the customer or collect an additional amount of revenue from the under billed customer. The utility shall readjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available, the average usage of similar customer loads shall be used for comparison purposes in calculating the time period. If the customer and the utility are unable to agree on an estimate of the time period during which the error existed, the commission shall determine the issue. In all instances of customer overbilling, the customer's account shall be credited or the overbilled amount refunded at the discretion of the customer within thirty (30) days after final meter test results. A utility shall not require customer repayment of any under billing to be made over a period shorter than a period equal to the under billing.

DATE OF ISSUE NOVEMBER 14, 2012
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Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kistley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 21

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

1. Request for adjustment must be signed and submitted by the customer on forms adopted by the DISTRICT.
2. Adjustments shall be made only upon action of the Board of Commissioners of the DISTRICT.
3. Appearance by the customer before the Board of Commissioners is not mandatory for consideration.
4. Any customer may upon written request within twenty (20) days of action by the Board of Commissioners appeal to the Board for reconsideration at the next regular meeting date.
5. An appeal must be presented by the customer or their representative in order that it may be considered.
6. Customer may not have had an adjustment in the previous 12 months.

18. Method of Adjustment Calculation – Customer Request for Adjustment

The billing adjustment approved by the Board of Commissioners shall be calculated on an established form as follows:

- A. The customer shall pay, based on the DISTRICT'S current and prevailing water usage rate, for a volume equal to the average monthly usage. The average monthly usage shall be determined by averaging the customer's metered service for the three months prior to the month of application of adjustment or date of discovery, whichever occurs first.

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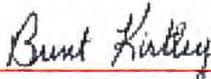
DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH

EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 22

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

B. In instances where the adjustment period extends outside of a monthly billing period, each billing period shall be calculated separately.

C. All metered service in excess of the averaged monthly usage shall be charged for as follows:

DISTRICT'S Prevailing Water Purchase Rate or Established Production Cost	X	Adjustment Rate Factor	=	Adjustment Rate
--	---	---------------------------	---	--------------------

D. Adjustment rate factor is established as 2.12. This factor allows the DISTRICT to recover its expended cost of water plus fixed overhead cost, capitalization, line loss, etc.

19. Meters

All meters shall be installed, renewed, and maintained at the expense of the DISTRICT, and the DISTRICT reserves the right to approve the size and type of meter used.

It shall be the policy of the DISTRICT to test each water meter pursuant to Public Service Commission Regulations. In addition, upon written request of any customer, the meter servicing such customer shall be tested by the DISTRICT, pursuant to Public Service Commission Regulations. Should the meter test accurate within 2 % the customer shall be charged a \$30.00 fee for testing the meter.

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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 23

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

At least once monthly, the DISTRICT will monitor the usage of each customer according to the following procedure:

1. Review a compiled irregular usage report, which consist of any accounts in which the current month's usage exceeds the twelve (12) month average by twenty (20) percent or more.
2. If the current month's usage is substantially the same or if any difference is known to be attributed to unique circumstances, such as unusual weather conditions common to all customers, no further review will be completed.
3. If the usages differ by twenty (20) percent or more and cannot be attributed to readily identified common causes, the DISTRICT will compare the customer's monthly usage records for the same month of the preceding year.
4. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the DISTRICT will contact the customer by telephone or in writing to determine whether there have been changes such as; an increase in the number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line.
5. Where the deviation is not otherwise explained, the DISTRICT will test the customer's meter to determine whether it shows an average error greater than two (2) percent fast or slow.
6. The DISTRICT will notify the customer of the investigation, it's findings, and any refunds or back billing in accordance with Public Service Commission Rules and Regulations.

DATE OF ISSUE NOVEMBER 14, 2012
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ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 24

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

20. Failure of Water Meter

Where a meter is found to be in error, the customer's bill will be adjusted in accordance with Public Service Commission Regulations. Where a meter has ceased to register, the DISTRICT will estimate the monthly bill of the customer for the months that the meter did not operate. The estimated bill will be based upon the previous six months' usage.

21. Right of Access

The customer must agree to donate to the DISTRICT the necessary easements to lay, maintain, repair, or remove such water lines that are the property of the DISTRICT located on the customer's property with the right of ingress-and egress over customer's property. The DISTRICT'S duly authorized representative and/or other duly authorized employee of the State Health Department bearing proper credentials and identification shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling, and testing, in accordance with the provisions of these Rules and Regulations.

22. Interruption of Service

The DISTRICT will use reasonable diligence in supplying water service, but shall not be liable for breach of contract in the event of, or for loss, injury, or damage to persons or property resulting from interruptions in service, excessive or inadequate water pressure, or

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ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)
TITLE VICE CHAIRPERSON
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 25

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

otherwise unsatisfactory service, whether or not caused by negligence. This includes the quality of water used in filling a swimming pool.

The DISTRICT does hereby explicitly state that its system is one for rural domestic consumption and that its allowance of connections to its system for fire protection whether by design or implication is only for such benefit as said customer may be able to derive from such connection.

The DISTRICT'S system is not designed nor intended for use for fire protection in any manner whatsoever. Any customer using same for fire protection does so at their own full and sole responsibility.

The DISTRICT shall in no event be held responsible for any claim made against it by reason of the breaking of any mains or service pipes or by reason of any other interruption of the supply of water caused by the failure of machinery or stoppage for necessary repairs. No person shall be entitled to damages for any portion of a payment refunded for any interruption of service, which in the opinion of the DISTRICT may be deemed necessary.

The DISTRICT shall make all reasonable efforts to eliminate interruption of service and when such interruptions occur will endeavor to reestablish service with the shortest possible delay. When the service is interrupted, all consumers affected by such interruption will be notified in advance whenever it is possible to do so.

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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kintley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 26

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

23. Boilers and/or Pressure Vessels

Customers having boilers and/or pressure vessels receiving a supply of water from the DISTRICT must have a check valve on the water supply line and a vacuum valve on the stream line to prevent collapse in case the water supply from the DISTRICT is discontinued or interrupted for any reason, with or without notice. It is the responsibility of the customer to make provisions for protection of his equipment in case of interrupted or intermittent service.

24. Backflow Preventers

Special services and fire connections shall have backflow preventers in accordance with State & Health Department Plumbing Codes, installed at the cost of and maintained by the prospective customer.

25. Cross-Connection

Kentucky Department of Health, Kentucky Public Service Commission, and these rules and regulations do hereby explicitly state that cross-connection of the DISTRICT'S system with any other source is hereby prohibited.

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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kintley</i>
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FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 27

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

26. Relocation of Water Facility

The DISTRICT may, at the request of a customer or other person relocate, change or modify existing DISTRICT owned equipment, mains or appurtenances. Same shall reimburse DISTRICT for such changes at actual cost including appropriate legal, administrative, engineering, and overhead cost.

27. Damage to DISTRICT'S Water System

No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with any structure, appurtenance, or equipment which is a part of the DISTRICT'S water works. Any person violating this provision shall be subject to immediate arrest and/or discontinuation of water service and shall pay the cost of repairing or replacing the property of the DISTRICT and all legal fees.

Any person, firm or organization working in the vicinity or near DISTRICT'S distribution mains or appurtenances may request the DISTRICT to indicate location of same. However, indication by DISTRICT of same does not relieve such person of complete responsibility and liability for any and all damages, liability and loss resulting from any act of such person or his assigns and/or agent.

28. Additional Load

The service connection supplied by the DISTRICT for each customer has a definite capacity, and no addition to the equipment or load connected thereto will be allowed

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FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 28

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Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

except by consent of the DISTRICT. Failure to give notice of additions or changes in load, and to obtain the DISTRICT'S consent for same, shall render the customer liable for any damage to any of the DISTRICT'S lines or equipment caused by the additional or changed installation.

29. Notice of Trouble

The customer shall notify the DISTRICT immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble or accidents affecting the supply of water.

30. Distribution Extensions

Any person desiring an extension to DISTRICT'S system shall request in writing, in a form approved by DISTRICT, for such extension. Any requested extension may be provided under one of the following options.

OPTION I – DISTRICT shall construct such extension under authority and procedure as stipulated in Public Service Commission Regulation 807 KAR 5:066, Section 11. Any extension made under this option shall be subject to refund as outlined in said regulation.

OPTION II – Applicant may construct and donate to DISTRICT, the extension, as a contribution in aid of construction, meeting all DISTRICT'S specifications and approval. The DISTRICT reserves right to stipulate applicable engineering, legal and administrative factors.

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TARIFF BRANCH <i>Brent Kirtley</i>
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FOR Entire Service Area
Community, Town or City

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Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

Applicant shall pay all cost of DISTRICT as a contribution in aid of construction. Any extension made under this option shall not be eligible for refund.

The applicant or group of applicants shall have the right to elect the option by which said extension shall be made. In either case applicant must execute a contract and agreement for line extension on a form approved by DISTRICT.

The applicant is hereby notified that regardless of option selected all other rules, rates and schedules of fees applicable to size and type of service requested shall be paid in addition to cost of extension.

31. Complaints

Complaints may be made to the operator of the system whose decision may be appealed to the DISTRICT Commissioners. Such appeal shall be in writing within ten (10) days of date of decision by operator, stating the nature of the complaint and supporting evidence. Decisions by the DISTRICT'S Commissioners or operation may be brought before the Public Service Commission in accordance with current regulations.

32. Sale of Water

Water furnished by the DISTRICT may be used for domestic consumption by the customer's household or business, subject to special service agreements.

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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
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FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 30

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Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

The customer shall not sell, donate, give, or allow use of such water to any authorized or unauthorized party.

33. Special Charges

Special charges may be assessed to the customer for returned checks, meter rereads, and meter retests at the specified charges shown below:

- A. A charge of \$25.00 will be made for each check returned to the DISTRICT by the bank.
- B. A charge of \$30.00 will be made to reread a meter at the customer's request unless such reread reveals that the initial reading was erroneous. No charge shall be made if the initial reading was erroneous.
- C. A charge of \$30.00 will be made for a meter retest when such test is made at the customer's written request unless the meter is found to be faulty. No charge shall be made for a faulty meter, but appropriate adjustments shall be made in accordance with Section 14 of these rules and regulations. If the customer chooses to have an independent test performed they shall be charged at cost.
- D. A charge of \$30.00 shall be made for service investigation during regular working hours if interruption of service or service problem is associated with the customer's own plumbing facility and beyond the DISTRICT'S delivery point and is not caused by a failure of DISTRICT facilities. The charge for investigation after working hours will be \$75.00 per trip. Any maintenance and repair of facilities beyond the DISTRICT'S delivery point is the responsibility of the customer.
- E. When an investigation of facilities on the customer's premises reveals an unauthorized use of the water system, an investigation fee of \$75.00 shall be charged. The actual cost of repairing damage and correcting the improper service connection, if any, shall be charged and the customer's bill shall be charged for the amount of service rendered.

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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH

Brent Kirtley

EFFECTIVE
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FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 3

ORIGINAL SHEET NO. 31

CANCELLING P.S.C. KY. NO. 2

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

34. Special User Agreements for Nonstandard Service

Each prospective customer requesting a nonstandard service shall execute to the DISTRICT an agreement for special service. The standard forms for Agreement for Special Services are as follows:

Agreement for Special Service, nonstandard Size Meter

Agreement for Multi-Family Development, Master Meter

Agreement for Multi-Family Development, Units with Individual Meters

Agreement for Mobile Home Park Service, Master Meter

Agreement for Mobile Home Park Service, Sites with Individual Meters

Agreement for Special Service, Sprinkler System and Fire Service

Connection

For Special service not applicable to above categories the DISTRICT may, upon consent of Applicant and DISTRICT, formulate and execute a contractual agreement specifically applicable to said special service need.

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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

WATER USER AGREEMENT

STANDARD METER SERVICE

This agreement, dated this _____ day of _____, 19____, between _____

_____, herein called "CUSTOMER", and Mountain Water District, P.O. Box 1469, Pikeville, Kentucky 41501, herein called "DISTRICT";

WITNESSETH:

WHEREAS, DISTRICT has undertaken to establish and operate a central water system for domestic, livestock, lawn, garden and other uses,

WHEREAS, the CUSTOMER desires to purchase water services from the DISTRICT, the CUSTOMER hereby enters into this water user's agreement as required by the Rules and Regulations of the DISTRICT.

Now THEREFORE, in consideration of the premises and mutual covenants and conditions hereinafter set out, subject to the Rules and Regulations of the DISTRICT and Kentucky Public Service Commission, it is hereby understood and agreed by the parties hereto as follows:

The DISTRICT shall furnish, subject to the limitations set out in its Rules and Regulations and Tariff as regularly filed with the Public Service Commission of Kentucky now in force or as hereafter amended, water service to the CUSTOMER in connection with the property to be served by this agreement. The property to be served is a _____ located _____

The CUSTOMER understands and fully agrees that said meter service shall service one (1) source use per meter and separate user agreements and meters shall be required for each source use located on customer's premises.

The CUSTOMER agrees to pay a service connection fee of \$_____ to the DISTRICT. Upon payment of said fee, DISTRICT agrees to connect to DISTRICT'S distribution main and install a standard size (5/8" x 3/4") meter service at or near CUSTOMER'S property line, subject to distance limitations as contained in DISTRICT'S Rules and Regulations.

The CUSTOMER agrees to grant to the DISTRICT, its successors and assigns, a perpetual easement in, over, under and upon land owned by the CUSTOMER, with the right to erect, construct, install and lay, and thereafter use, improve, maintain, replace, and remove water pipelines and appurtenant

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BY: Sharon Felke
PUBLIC SERVICE COMMISSION MANAGER

facilities, together with the right to utilize adjoining lands belonging to the CUSTOMER for the purpose of ingress to and egress from the said lands.

There are no unwritten understandings or agreements relating to the service hereinabove provided. This agreement cancels and supersedes all previous agreements relating to the purchase by CUSTOMER and sale by DISTRICT of water service at CUSTOMER'S premises and referred to above.

This agreement shall be in full force and effect when signed by the authorized representatives of the parties hereto.

CUSTOMER

DISTRICT

BY _____

BY _____

TITLE _____

TITLE _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

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PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: George L. Hill
PUBLIC SERVICE COMMISSION MANAGER

AGREEMENT FOR SPECIAL SERVICE
NON-STANDARD SIZE METER

This agreement, dated this _____ day of _____, 19____, between _____, herein called "CUSTOMER", and the Mountain Water District, hereinafter called "DISTRICT";

WITNESSETH:

WHEREAS, DISTRICT has undertaken to establish and operate a central water system for domestic, livestock, lawn, garden and other uses, and has as its standard domestic service connection a 5/8" x 3/4" size meter, and,

WHEREAS, CUSTOMER requests and has evidenced to DISTRICT probable consumption of water in excess to that which can be provided by DISTRICT'S standard size connection, does hereby request of DISTRICT service through the size meter agreed and stipulated hereinafter.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions hereinafter set out, it is agreed between the DISTRICT and CUSTOMER as follows:

1. CUSTOMER Agrees to:

- A. Take the necessary action to have the Special Service Connection approved by the appropriate County, City, Kentucky Department of Public Health, and Department of Building and Construction, where applicable a plan showing the location and size of the proposed pipelines and appurtenances, as well as cross-connection protection.
- B. Install the pipelines and appurtenances in accordance with approved plans and specifications from CUSTOMER'S premises to DISTRICT'S meter.
- C. Pay all costs of materials and installation of the proposed lines which may be needed to tie into the DISTRICT'S meter.
- D. Pay to the DISTRICT the service connection fee and meter deposit, as required by the governing body of the DISTRICT, the size meter and service connection fee agreed by CUSTOMER and DISTRICT is as follows:

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BY: Gayle L. Hill
PUBLIC SERVICE COMMISSION MANAGER

METER SIZE _____ SERVICE CONNECTION FEE \$ _____
SERVICE LOCATION _____

2. DISTRICT Agrees to:
- A. Permit one nonstandard size meter at a point adjacent to the CUSTOMER'S premises.
 - B. Install the meter after payment of the required fees for said water tap and meter.
 - C. Provide water service in accordance with the DISTRICT'S By-Laws, Rules and Regulations, and Policies. Water service will be provided after the installation is complete and title to all lines and appurtenances between the DISTRICT'S mains and the meter is vested to the DISTRICT.

CUSTOMER _____ DISTRICT _____
BY: _____ BY: _____
TITLE CHAIRMAN

PUBLIC SERVICE COMMISSION
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PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: George L. Hill
PUBLIC SERVICE COMMISSION MANAGER

AGREEMENT FOR MULTI-FAMILY DEVELOPMENT

MASTER METER

This agreement, dated this _____ day of _____, 19 __, entered into between _____ whose address is _____ hereinafter called "CUSTOMER", and the Mountain Water District, P.O. Box 1469, Pikeville, Kentucky 41501, hereinafter called "DISTRICT".

WITNESSETH:

WHEREAS, the DISTRICT has undertaken to establish and operate a central water system for domestic, livestock, lawn, garden, and other uses.

WHEREAS, the CUSTOMER has undertaken to establish a Multi-Family Development for rental of housing units within the DISTRICT'S service area and desires that water service be provided to such Multi-Family development.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions hereinafter set out, it is agreed between DISTRICT and CUSTOMER as follows:

1. CUSTOMER Agrees to:

- A. Obtain or show approval of the Kentucky Department of Human Resources of the Multi-Family Development Plan, showing the location and size of the proposed pipelines and appurtenances.
- B. Install the pipelines and appurtenances in accordance with specifications of the DISTRICT'S existing or planned system or show proof that this has been done.
- C. Pay all costs of materials and installation of the proposed lines, including any lines and appurtenances outside the Multi-Family Development area, which may be needed to tie into the existing DISTRICT'S waterlines. This includes parallel or replacing DISTRICT'S waterlines in order to tie into a main line of sufficient size to provide an adequate amount of water within the Multi-Family Development area.

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PURSUANT TO 807 KAR 5:011,
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BY: Sharon L. Lister
PUBLIC SERVICE COMMISSION MANAGER

AGREEMENT FOR MULTI-FAMILY DEVELOPMENT

MASTER METER

This agreement, dated this _____ day of _____, 19 __, entered into between _____ whose address is _____ hereinafter called "CUSTOMER", and the Mountain Water District, P.O. Box 1469, Pikeville, Kentucky 41501, hereinafter called "DISTRICT".

WITNESSETH:

WHEREAS, the DISTRICT has undertaken to establish and operate a central water system for domestic, livestock, lawn, garden, and other uses.

WHEREAS, the CUSTOMER has undertaken to establish a Multi-Family Development for rental of housing units within the DISTRICT'S service area and desires that water service be provided to such Multi-Family development.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions hereinafter set out, it is agreed between DISTRICT and CUSTOMER as follows:

1. CUSTOMER Agrees to:

- A. Obtain or show approval of the Kentucky Department of Human Resources of the Multi-Family Development Plan, showing the location and size of the proposed pipelines and appurtenances.
- B. Install the pipelines and appurtenances in accordance with specifications of the DISTRICT'S existing or planned system or show proof that this has been done.
- C. Pay all costs of materials and installation of the proposed lines, including any lines and appurtenances outside the Multi-Family Development area, which may be needed to tie into the existing DISTRICT'S waterlines. This includes parallel or replacing DISTRICT'S waterlines in order to tie into a main line of sufficient size to provide an adequate amount of water within the Multi-Family Development area.

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BY: Sharon L. Hill
PUBLIC SERVICE COMMISSION MANAGER

- D. Convey to the DISTRICT, fee and unencumbered title of any and all lines installed by the CUSTOMER between the DISTRICT'S main, to and including master meter.
- E. Pay to the DISTRICT the service connection fee as required by the governing body of the DISTRICT for the size meter requested by the CUSTOMER.
- F. Maintain all lines and appurtenances from the master meter throughout the Multi-Family Development area.
- G. Pay the DISTRICT for water used, based on the larger of:
 - (1) The number of mobile home sites in the park times the minimum water charge per unit, based on a 5/8" x 3/4" meter minimum charge, or;
 - (2) The amount based on the average gallons used per housing unit at the current rate schedule times the number of housing units in the Multi-Family Development area.

2. DISTRICT Agrees to:

- A. Permit one master meter at a point adjacent to the Multi-Family Development area.
- B. Install the master meter after payment of the required fees for said water service connection.
- C. Provide water service in accordance with the DISTRICT'S By-Laws, Rules and Regulations, and Policies. Water service will be provided after the installation is complete and title to all lines and appurtenances between the DISTRICT'S mains and the master meter is vested to the DISTRICT.

IN WITNESS WHEREOF, we have executed this agreement this _____ day of _____, 19____.

OWNER _____

MOUNTAIN WATER DISTRICT

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

BY: _____

TITLE

BY: _____

CHAIRMAN

MAY 07 1987

PURSUANT TO 807 KAR 5:011,
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BY: George A. Lee
PUBLIC SERVICE COMMISSION MANAGER

AGREEMENT FOR MULTI-FAMILY DEVELOPMENT

UNITS WITH INDIVIDUAL METERS

This agreement, dated this _____ day of _____, 19____, entered into between _____ whose address is _____ hereinafter called "OWNER", and the Mountain Water District, P.O. Box 1469, Pikeville, Kentucky 41501, hereinafter called "DISTRICT".

WITNESSETH:

WHEREAS, the SUPPLIER has undertaken to establish and operate a central water system for domestic, livestock, lawn, garden, and other uses.

WHEREAS, the DEVELOPER has undertaken to establish a Multi-Family Development for rental of housing units within the SUPPLIER'S service area and desires that water service be provided to such Multi-Family Development.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions hereinafter set out, it is agreed between SUPPLIER and DEVELOPER as follows:

1. DEVELOPER Agrees to:

- A. Obtain or show approval of the Kentucky Department of Human Resources of the Multi-Family Development plan, showing the location and size of the proposed pipelines and appurtenances.
- B. Install the pipelines and appurtenances in accordance with specifications of the DISTRICT's existing or planned system or show proof that this has been done.
- C. Pay all costs of materials and installation of the proposed lines, including any lines and appurtenances outside the Multi-Family Development area, which may be needed to tie into the existing _____ PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE _____ DISTRICT's waterlines in order to tie into a _____ line of sufficient size to provide an adequate amount of water within the Multi-Family Development area.

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BY: George L. Lee
PUBLIC SERVICE COMMISSION MANAGER

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- D. Convey to the DISTRICT, fee and unencumbered title to the pipeline distribution system and appurtenances installed by the DEVELOPER after the system is installed, tested and acceptable to the DISTRICT.
- E. Pay to the DISTRICT the service connection fee as required by the governing body of the DISTRICT.

2. DISTRICT Agrees to:

- A. Permit one one tap for each and every housing unit reached by the said pipeline distribution system within the trailer park and render water service to the housing unit in accordance with the regular schedule of rates for customers of the DISTRICT.
- B. Install one tap and meter for each water subscription contract purchased within a reasonable time after payment of the required fees for said water tap.
- C. Provide water service in accordance with the DISTRICT's By-Laws, Rules and Regulations, and Policies. Water service will be provided after the installation is complete and title to all lines and appurtenances between the DISTRICT's mains and the master meter is vested to the DISTRICT.

IN WITNESS WHEREOF, we have executed this agreement this _____ day of _____, 19__.

OWNER _____

MOUNTAIN WATER DISTRICT _____

BY: _____

TITLE

BY: _____

CHAIRMAN

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

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PURSUANT TO 807 KAR 5:011,
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BY: Sharon L. Hill
PUBLIC SERVICE COMMISSION MANAGER

AGREEMENT FOR MOBILE HOME PARK SERVICE

MASTER METER

This agreement, dated this _____ day of _____, 19____, entered into between _____ whose address is _____ hereinafter called "OWNER", and the Mountain Water District, P.O. Box 1469, Pikeville, Kentucky 41501, hereinafter called "DISTRICT".

WITNESSETH:

WHEREAS, the SUPPLIER has undertaken to establish and operate a central water system for domestic, livestock, lawn, garden, and other uses.

WHEREAS, the DEVELOPER has undertaken to establish a Mobile Home Park for the sale or rental of mobile home sites within the SUPPLIER'S service area and desires that water service be provided to such mobile home park.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions hereinafter set out, it is agreed between SUPPLIER and DEVELOPER as follows:

1. DEVELOPER Agrees to:

- A. Obtain or show approval of the Kentucky Department of Human Resources of the Mobile Home Park plant, showing the location and size of the proposed pipelines and appurtenances.
- B. Install the pipelines and appurtenances in accordance with specifications of the DISTRICT's existing or planned system or show proof that this has been done.
- C. Pay all costs of materials and installation of the proposed lines, including any lines and appurtenances outside the Mobile Home Park, which may be needed to tie into the existing DISTRICT's waterlines. This includes paralleling or replacing DISTRICT's waterlines in order to tie into a main line of sufficient size to provide an adequate amount of water within the Mobile Home Park.

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OF KENTUCKY
EFFECTIVE

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BY: George A. Miller
PUBLIC SERVICE COMMISSION MANAGER

- D. Convey to the DISTRICT, fee and unencumbered title of any and all lines installed by the OWNER between the DISTRICT's main, to and including master meter.
- E. Pay to the DISTRICT the service connection fee as required by the governing body of the DISTRICT for the size meter requested by the OWNER.
- F. Maintain all lines and appurtenances from the master meter throughout the Mobile Home Park.
- G. Pay the DISTRICT for water used, based on the larger of:
 - (1) The number of mobile home sites in the park times the minimum water charge per unit, based on a 5/8" X 3/4" meter minimum charge, or;
 - (2) The amount based on the average gallons used per mobile home site at the current rate schedule times the number of mobile home sites in the park.

2. DISTRICT Agrees to:

- A. Permit one master meter at a point adjacent to the mobile home park.
- B. Install the master meter after payment of the required fees for said water service connection.
- C. Provide water service in accordance with the DISTRICT's By-Laws, Rules and Regulations, and Policies. Water service will be provided after the installation is complete and title to all lines and appurtenances between the DISTRICT's mains and the master meter is vested to the DISTRICT.

3. It is further understood and agreed that the DISTRICT has entered into a loan agreement with the Farmers Home Administration, U.S. Department of Agriculture, for financing the construction of its central water system and the DISTRICT's obligations hereunder are contingent on its obtaining or having obtained said financing.

IN WITNESS WHEREOF, we have executed this agreement this _____ day of _____, 19____.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

OWNER

MOUNTAIN WATER DISTRICT

MAY 07 1987

BY: _____
TITLE

BY: _____
CHAIRMAN

PURSUANT TO KY KAR 5:011,
SECTION 9(1),
BY: George Arlie
PUBLIC SERVICE COMMISSION MANAGER

AGREEMENT FOR MOBILE HOME PARK SERVICE

SITES WITH INDIVIDUAL METERS

This agreement, dated this _____ day of _____, 19____, entered into between _____ whose address is _____, hereinafter called "OWNER", and MOUNTAIN WATER DISTRICT, hereinafter called "DISTRICT";

WITNESSETH:

WHEREAS, DISTRICT has undertaken to establish and operate a central water system for domestic, livestock, lawn, garden, and other uses.

WHEREAS, OWNER has undertaken to establish a Mobile Home Park for the sale or rental of mobile home sites within the DISTRICT's service area and desires that water service be provided to such Mobile Home Park.

NOW, THEREFORE, in consideration of the premises and mutual covenants and conditions hereinafter set out, it is agreed between DISTRICT and OWNER as follows:

1. OWNER Agrees to:

- A. Obtain or show the approval of the Kentucky Department of Human Resources of the Mobile Home Park plant, showing the location and size of the proposed pipelines and appurtenances.
- B. Install the pipelines and appurtenances in accordance with specifications of the DISTRICT's existing or planned system or show proof that this has been done.
- C. Pay all costs of materials and installation of the proposed lines, including any lines and appurtenances outside the Mobile Home Park, which may be needed to tie into the existing DISTRICT's waterlines. This includes paralleling or replacing DISTRICT's waterlines in order to tie into a main line of sufficient size to provide an adequate amount of water within the Mobile Home Park.
- D. Convey to the DISTRICT, fee and unencumbered ^{PUBLIC SERVICE COMMISSION OF KENTUCKY} the pipeline distribution system and appurtenances ^{EFFECTIVE} installed by the OWNER after the system is installed, tested, and acceptable to the DISTRICT.

MAY 07 1987

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: George L. Hill
PUBLIC SERVICE COMMISSION MANAGER

E. Pay to the DISTRICT the service connection fees for each service fee, as required by the governing body of the DISTRICT.

2. DISTRICT Agrees to:

A. Permit one tap for each and every mobile home site reached by the said pipeline distribution system within the Mobile Home Park, and render water service to the mobile homes in accordance with the regular schedule of rates for customers of the DISTRICT.

B. Install one tap and meter for each water subscription contract purchased within a reasonable time after payment of the required fees for said water tap.

C. Provide water service, after the system is accepted by the DISTRICT and title vested to the DISTRICT, in accordance with the DISTRICT's By-Laws, Rules and Regulations, and Policies. This includes all items of operation and maintenance of the sytem.

3. It is further understood and agreed that the DISTRICT has entered into a loan agreement with the Farmers Home Administrations, U.S. Department of Agriculture, for financing the construction of its central water system and the DISTRICT's obligations hereunder are contingent on its obtaining or having obtained said financing.

IN WITNESS WHEREOF, we have executed this agreement this ____ day of _____, 19__.

OWNER _____ MOUNTAIN WATER DISTRICT _____

BY: _____
TITLE _____ CHAIRMAN _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 1987

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Sharon A. Hill
PUBLIC SERVICE COMMISSION MANAGER

AGREEMENT FOR SPECIAL SERVICE

SPRINKLER SYSTEM AND FIRE SERVICE CONNECTION

This agreement, entered into between _____,
whose address is _____ herein-
after called "CUSTOMER" and the Mountain Water District, P.O.
Box 1469, Pikeville, Kentucky 41501, hereinafter called
"DISTRICT".

WHEREAS, the DISTRICT has undertaken to establish and operate
a central water system for domestic, livestock, lawn garden,
and other uses.

WHEREAS, the DISTRICT has undertaken to provide fire
protection to facility (ies) and desires that a connection
the DISTRICT'S water distribution line be permitted.

NOW, THEREFORE, in consideration of the premises and the
mutual covenants and conditions hereinafter set out, it is
agreed between DISTRICT and CUSTOMER as follows:

1. CUSTOMER Agrees to:

- A. Take the necessary steps to have fire protection
plans and specifications approved by the
appropriate County, City, and State Agency. A copy
of approved plans and specifications are attached.
- B. Obtain the approval of the Kentucky Department of
Health of the proposed means of prevention of
cross-connection or backflow prevention and other
pertinent approvals. A copy of such approval is
attached.
- C. CUSTOMER warrants that system will be maintained in
a good and correct condition, preventing water loss
or contamination of facilities. Should CUSTOMER
fail to properly maintain or adequately protect
interest of DISTRICT, the DISTRICT may, without
notice of _____ recourse, terminate service to
CUSTOMER. CUSTOMER agrees to pay ~~PUBLIC SERVICE COMMISSION~~
due to line breaks or equipment failure ~~OF KENTUCKY~~
DISTRICT'S engineers estimate. **EFFECTIVE**
- D. Install the pipelines and appurtenances in
accordance with specifications of the DISTRICT'S
existing or planned system.

MAY 10 1987
PURSUANT TO 807 KAR 5:011,
SECTION 9 (1),
BY: George A. Hill
PUBLIC SERVICE COMMISSION MANAGER

- E. Pay all costs of materials and installation of the proposed service lines including any lines and appurtenances outside CUSTOMER'S property which may be needed to tie into the existing DISTRICT'S waterlines. This includes paralleling or replacing DISTRICT'S waterlines in order to tie into a main line of sufficient size to provide adequate design pressure and volume at the point of connection to DISTRICT'S main line.
- F. Make provision for payment to tap fees and monthly charge to the DISTRICT.
- G. Convey to the DISTRICT fee and unencumbered title to the pipeline distribution system and appurtenances installed by the CUSTOMER between the DISTRICT main, to and including main valve pit.
- H. Pay the DISTRICT for services and potential services rendered the CUSTOMER, as a result of CUSTOMER having available such water, as currently available when needed by being connected to DISTRICT'S lines, a fee as hereinafter set out. It is mutually agreed and understood that fee stated hereinafter is for one (1) service tap only and any additional tap or service for CUSTOMER'S property or facility will be contracted for by execution of a separate agreement.

Size of Service _____

Service Connection Fee _____

- I. CUSTOMER agrees to indemnify and hold harmless any claim for damages toward the DISTRICT for any loss suffered by the CUSTOMER because of nonavailability of water, loss of pressure, reduced flow, or any other act, omission or responsibility of/by the DISTRICT.

2. DISTRICT Agrees to:

- A. Permit a valve pit at a point adjacent or near the CUSTOMER'S facility.
- B. Provide water service in accordance with the DISTRICT'S By-laws, Rules and Regulations, and Policies.
- C. Water service will be provided after installation is complete and title to all lines and appurtenances between the DISTRICT'S mains, and including the valve pit is vested to the DISTRICT

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 1987

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1),

BY: Steve L. Lee
PUBLIC SERVICE COMMISSION MANAGER

It is mutually agreed and understood that if service is dependant on extension or construction of a new main by DISTRICT that service by DISTRICT will not be available until such construction is complete.

- D. DISTRICT will maintain and operate that part of system which CUSTOMER has vested title to DISTRICT.
3. It is further understood and agreed that DISTRICT, in no way, guarantees or implies that DISTRICT'S system is adequate for fire protection. DISTRICT only offers to CUSTOMER such service as to availablility of water and pressure as may be, at the exact time when CUSTOMER demands. Further, DISTRICT does not agree nor warrant that design pressures and flows will not change, in fact, DISTRICT expects to add additional customers and expect that flow and pressure will decrease.
4. It is mutually agreed and understood that the distribution system installed, or to be installed by SUPPLIER, is basically a water distribution system for residential potable water supply. Design for fire protection has in no way been considered, nor does SUPPLIER warrant non-interruption of service.

IN WITNESS WHEREOF, we have executed this agreement this _____ day of _____, 19____.

WITNESS:

_____ Water User

ATTEST:

Mountain Water District
BY: _____

Title

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 1987

PURSUANT TO 2007 KAR 5:011,
SECTION 9 (1)

BY: Sharon L. Hill
PUBLIC SERVICE COMMISSION MANAGER

Form for filing Rate Schedules

For Community, Town or City

P.S.C. NO. _____

SHEET NO. _____

CANCELLING P.S.C. NO. _____

SHEET NO. _____

Name of Issuing Corporation _____

CLASSIFICATION OF SERVICE

RATE PER UNIT

MOUNTAIN WATER DISTRICT

P.O. BOX 3157
PIKEVILLE, KY 41502-3157 PHONE: (606) 831-9162

ADDRESS CORRECTION REQUESTED

ACCOUNT 100-100-01 11/30 TO 12/30

SERVICE AT 100 Humingbird Lane-White House

TYPE	PRESENT	PREVIOUS	USAGE	CHARGES
WT	2000	1000	1000	14.25
SC				.90
Sch Tax				.42

(606) 456-9170 (606) 353-8190
Payments received after the due date will incur a 5% late charge.

MOUNTAIN WATER DISTRICT

P.O. BOX 3157
PIKEVILLE, KY 41502-3157

BOARD MEETING: THIRD THURSDAY OF EACH MONTH AT 10:00 A.M.

OFFICE HOURS: 8:00 TO 4:30 PM
MONDAY-FRIDAY

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE PAID
PIKEVILLE, KY 41502
PERMIT NO. 12

RATES AVAILABLE UPON REQUEST

MAIL TO

John Doe
100 Humingbird Lane
Pikeville, KY 41501

ACCOUNT	DUE DATE	
100-100-01	01/28/97	
AMOUNT DUE ON OR BEFORE DUE DATE	SAVE THIS	AMOUNT DUE AFTER DUE DATE
15.57	.71	16.28

Please Return This Stub With Payment

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JAN 22 1997

PURSUANT TO 807 KAR 5.011,
SECTION 9(1)

DATE OF ISSUE _____

DATE EFFECTIVE Jordan C. Noel

ISSUED BY _____
Name of Officer

TITLE _____
FOR THE PUBLIC SERVICE COMMISSION

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. _____ dated _____

SEWER

P.S.C. KY No. 4

Cancels P.S.C. KY No. 3

MOUNTAIN WATER DISTRICT

OF

Pike County, Kentucky

Rates, Rules and Regulations for Furnishing

Sewer Service

IN

Pike County, Kentucky

Filed with the PUBLIC SERVICE COMMISSION OF
KENTUCKY

ISSUED: NOVEMBER 14, 2012 EFFECTIVE: JANUARY 12, 2013

ISSUED BY: MOUNTAIN WATER DISTRICT

BY: /S/ JOHN COLLINS
VICE CHAIRPERSON

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<i>Brent Kirkley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 2

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 2

RULES AND REGULATIONS

Sewer Rates

Monthly Rates

First 2,000 Gallons \$14.00 Minimum Bill
Over 2,000 Gallons \$ 6.00 Per 1,000 Gallons

Connection Fee

Gravity Sewer

Standard Residential Gravity Sewer Connection \$750.00*

Other Than Standard Residential Gravity Sewer Connection AT COST

Pressure Sewer

Standard Residential Pressure Sewer Connection \$2,600.00*

Other Than Standard Residential Pressure Sewer Connection AT COST

All additional size connections -- Actual Cost

Any customer receiving a free or reduced tap fee as a result of project funding or government appropriated funds must connect their plumbing and begin using the DISTRICT'S sewer service within sixty (60) days and shall begin receiving a bill at the current sewer rates.

Note: Any customer applying for a sewer connection may pay the connection fee on an installment plan at 0% interest. The installment plan may be for a length of up to 24 months at the customers choosing; however, the sewer connection will not be installed until the installment plan is paid in full.

***Note:** Any extra depth requirements and rock, which cannot be excavated by normal means (backhoe, etc.) and any additional length of service lateral will be charged at cost.

Standard Connections requiring a road bore or creek crossing shall be accessed the additional actual cost.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 3

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 3

RULES AND REGULATIONS

Monthly Usage Charge for Special Service

Multi-Unit Facility

The monthly charge for customers who have sewer service at a multi-unit facility shall be the amount based on the average gallons of water usage per housing unit at the current sewer rate schedule times the number of housing units in the multiple facility. Should water service not be available at the facility, the monthly charge shall be the amount based on the water system average at the current sewer rate schedule times the number of housing units in the multiple facility.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 4

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 4

RULES AND REGULATIONS

Monthly Charge for Special Service

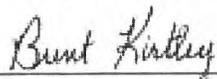
Sewer Customer Without Metered Water Service

For customers who do not receive water service from Mountain Water District, the usage will be based on the DISTRICT'S water system residential customer average usage and then calculated using the current sewer rate schedule to derive the total bill due.

Sewer Customer With Metered Water Service

Any customer with both the DISTRICT'S sewer and water service will be billed at the current sewer rates based on the number of gallons of water consumed.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year
DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year
ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)
TITLE VICE CHAIRPERSON
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH 
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 5

SHEET NO. 5

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 4

SHEET NO. 5

RULES AND REGULATIONS

Charges for Non-Recurring Services

1. When a check is accepted for payment of a bill and the check is not honored by the financial institution, a return check fee of \$25.00 shall be charged.
2. A charge of \$30.00 shall be made for all service connections made during regular working hours except there shall be no connection charge made for service on the original installation of facilities.
3. A charge of \$30.00 shall be made for a trip to terminate service. When a customer's service has been discontinued for non-payment of bills and the delinquent customer has paid his or her outstanding bill for service and requested reconnection, the DISTRICT shall assess a service connection charge of \$30.00 in addition to a delinquent service charge to re-establish sewer service.
4. Any disconnection or reconnection as a result of non-payment of service that requires the District to take extraordinary means to perform said disconnection/reconnection (i.e. digging up and re-pavement of blacktop) shall be charged to the customer at actual cost.
5. A charge of \$30.00 shall be made for service investigation during regular working hours if interruption of service or service problem is associated with the customer's own plumbing facility and beyond the DISTRICT'S delivery point and is not caused by a failure of DISTRICT facilities. The charge for investigation after working hours will be \$75.00 per trip. Any maintenance and repair of facilities beyond the DISTRICT'S delivery point is the responsibility of the customer.
6. When an investigation of facilities on customer's premises reveals an unauthorized use of the sewer system, an investigation fee of \$75.00 shall be charged. The actual cost of repairing damage and correcting the improper service connection, if any, shall be charged and the customer's bill shall be charged for the amount of service rendered.
7. Any customer requesting the DISTRICT'S line or appurtenance be moved shall be charged for such action at the DISTRICT'S cost.

DATE OF ISSUE May 22, 2013
Month / Date / Year

DATE EFFECTIVE June 22, 2013
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 6/22/2013 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 6

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 6

RULES AND REGULATIONS

This schedule of Rules and Regulations governs the furnishing of sewage service by the Mountain Water District, hereinafter referred to as the DISTRICT and applies to all service rendered from the DISTRICT. No employee or individual Director of the DISTRICT is permitted to make any exception to Rates, Rules or Regulations. All Rules and Regulations are to be in effect so long as they are not in conflict with Public Service Commission Rules and Regulations. The DISTRICT is further subject to all Rules and Regulations of the Public Service Commission even though not contained herein.

REVISIONS

These Rules and Regulations may be revised, amended, supplemented or otherwise changed from time to time subject to approval of the Public Service Commission, and shall have the same force as the present Rules and Regulations.

SERVICE AREA

The DISTRICT furnishes sewage service to all of Pike County, Kentucky with the exception of the City of Pikeville and the City of Elkhorn service areas.

AVAILABILITY

Sewer service is available to any domestic consumer within the DISTRICT area. Those wastewater treatment plants not owned by the DISTRICT but lying within Pike County shall not be the responsibility of the DISTRICT unless agreed upon by both parties.

MAINTENANCE

The DISTRICT shall make all reasonable efforts to eliminate interruption of service and when such interruptions occur will endeavor to reestablish service with the shortest possible delay. When service is interrupted, all consumers affected by such interruption will be notified in advance whenever it is possible to do so.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year
DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year
ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)
TITLE VICE CHAIRPERSON
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR All Territories Served

Community, Town or City

P.S.C. KY. NO. 5

SHEET NO. 7

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 4

SHEET NO. 7

RULES AND REGULATIONS

The DISTRICT shall be responsible for the maintenance of that portion of the service lateral installed by the DISTRICT and the consumer shall be responsible for the maintenance of that portion thereof installed by the consumer on gravity systems. On pressurized systems, the customer shall be responsible for that portion of sewer lateral beyond the grinder station. The DISTRICT shall be responsible for the maintenance and replacement of all grinder pump equipment used in connection with its pressurized sewer system with the exception of malfunctions caused by abuse on the part of the customer, including, but not limited to, subjecting the system to excessive amounts of grease. For a more comprehensive list of disapproved items, please visit the following webpage: www.mountainwaterdistrictky.com/links.php

BILLING, COLLECTION, PENALTIES

Bills and notices relating to the conduct of the business of the DISTRICT will be mailed to the customer at the address listed on the user's agreement unless change of address has been filed in writing with the DISTRICT, and the DISTRICT shall not otherwise be responsible for delivery of any bill or notice nor will the customer be excused from the payment of any bill or any performance required in said notice.

Bills for sewer service are due and payable at the office of the DISTRICT, or to any designated agent, by the 15th day after the date of issue. All accounts not paid in full 5 days after the due date shall be considered past due and an additional charge of 10 percent of the unpaid portion of the bill will be made. Payments may be made in the form of cash, check, credit/debit card, or online at www.mountainwaterdistrictky.com. Customers choosing to pay by credit/debit card or online shall be assessed a fee at a rate equal to the rate being charged to the DISTRICT to process such transactions. The fee is generally calculated using a formula applied to the balance of the amount being paid, but may be a flat fee per transaction. Prior to processing the transaction, the customer will be informed of the fee amount and, upon request by the customer, the formula employed to arrive at this fee amount.

All bills not paid on or before the past due date shall be deemed delinquent. Any said delinquent bill shall be disconnected fifteen (15) days after the due date, but not before at least five (5) days written notice of termination is provided. Said termination notice shall be exclusive of and separate from the original bill. Included on the notice will be a statement that the DISTRICT plans to terminate service and the date in which the DISTRICT plans to terminate service if the balance is not paid in full. However, if, prior to discontinuance of service, there is delivered to the DISTRICT a written certificate signed by a physician, registered nurse, or a public health officer that, in the opinion of the certifier, discontinuance of service will aggravate an existing illness or infirmity at the affected premises, service shall not be discontinued until the affected resident can make other living arrangements or until thirty (30) days elapse from the time of the DISTRICT'S receipt of said certification, whichever occurs first. Such certificates shall not be accepted in consecutive months.

The DISTRICT will disconnect sewer service for non-payment of sewer service. Any and all applicable disconnect/reconnect charges, in addition to the bill owed, must be paid before service may be restored.

DATE OF ISSUE May 22, 2013
Month / Date / Year

DATE EFFECTIVE June 22, 2013
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<u>[Signature]</u>
EFFECTIVE 6/22/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 8

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 8

RULES AND REGULATIONS

Deposits.

1. The utility requires a cash deposit to secure payment of bills, an equal amount for each class of customers, not to exceed 2/12 of the average annual bill when billed monthly, 3/12 when billed every 2 months, and 4/12 when billed every 3 months.
2. Deposit amount(s) shall be as follows:
Residential Accounts \$73.00
Commercial Accounts \$146.00
3. Service will be refused or discontinued if payment of deposit is not made.
4. Deposits may be waived for a customer showing satisfactory credit or payment history with the following criteria being considered: (a) Previous history with the utility. If the customer has no previous history with the utility, statements from other utilities, banks, etc., may be presented by the customer as evidence of good credit; (b) Whether the customer has an established income or line of credit; (c) Length of time the customer has resided or been located in the area; (d) Whether the customer owns the property to be served; (e) Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit
5. Interest will accrue on all deposits at the rate prescribed by law beginning on the date of the deposit. Interest accrued will be refunded to the customer or credited to the customer's bill on an annual basis. If interest is paid or credited to the customer's bill prior to twelve (12) months from the date of deposit or the last interest payment date, the payment or credit shall be on a prorated basis.
6. Deposits will be refunded to customers:
 upon termination of service.
 after 24 months if customer has established a satisfactory payment history or upon termination of service.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kistley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 9

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 9

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

SUBSTANCES NOT TO BE DISCHARGED INTO SEWERS

No substances shall be placed or discharged into the sanitary sewer system which will create a combustible, gaseous, explosive or flammable condition in such sewer system nor shall any substances or objects be placed or discharged into the sewer system which will not dissolve and which will thus create an obstruction and clogging within the system. No petroleum products shall be placed or discharged into the sewer system.

No swimming pool, storm water or surface drain shall be connected with the sanitary sewer system nor shall any pool, storm or surface water be otherwise introduced into the sewer system.

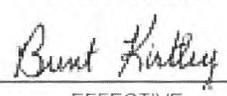
DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH 
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5 011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 10

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 10

RULES AND REGULATIONS

PROTECTION BY CONSUMER

Consumer shall protect the equipment of the DISTRICT on his/her premises and shall not interfere with DISTRICT property or permit interference except by duly authorized representative of the DISTRICT.

NOTICE OF TROUBLE

Consumer shall give immediate notice to the DISTRICT of any irregularities or unsatisfactory service and of any defects known to consumer.

When a customer or applicant refuses or neglects to provide reasonable access to the premises for the purpose of installation, operation, maintenance or removal of DISTRICT property, the DISTRICT may discontinue or refuse service only after the customer or applicant shall have been given at least fifteen (15) days written notice of such intention.

The DISTRICT shall not be required to furnish service to any applicant when such applicant is indebted to the DISTRICT for service furnished until such applicant shall have paid such indebtedness.

The DISTRICT may refuse or discontinue service to a customer or applicant if the customer or applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.

1. For Nonpayment of Bills

The DISTRICT shall not discontinue service to any customer for nonpayment of bills (including delayed charges) without first having made a reasonable effort to induce the customer to pay same.

The customer shall be given at least five (5) days written notice, but the cut-off shall not be affected before twenty days after the mailing date of the original bill. Such termination notice shall be exclusive of and separate from any bill. The termination notice shall include notification to the customer in writing of the existence of local, state and federal programs providing for the payment of DISTRICT

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year
DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year
ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)
TITLE VICE CHAIRPERSON
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

**KENTUCKY
PUBLIC SERVICE COMMISSION**
JEFF R. DEROUEN
EXECUTIVE DIRECTOR
TARIFF BRANCH
Brent Kintley
EFFECTIVE
1/12/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 11

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 11

RULES AND REGULATIONS

bills under certain conditions and of the offices to contact for such possible assistance. If prior to discontinuance of service, there is delivered to the DISTRICT office payment of the amount in arrears, then discontinuance of service shall not be made.

2. For Fraudulent or Illegal Use of Service

When the DISTRICT has discovered evidence that by fraudulent or illegal means a customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, including having more than one residence or business connected to one sewer service without authorization, the service to the customer may be discontinued without notice. The DISTRICT shall not be required to restore service until the customer has complied with all rules of the DISTRICT and regulations of the COMMISSION and the DISTRICT has been reimbursed for the estimated amount of the service rendered and the cost to the DISTRICT incurred by reason of the fraudulent use.

Leak Adjustment

Any customer who has both sewer and water service with the DISTRICT may request a leak adjustment on their sewer bill at the same time they request a leak adjustment on their water bill. The customer's sewer shall be adjusted to the customer's average bill for the three months prior to the water leak. If the customer's average cannot be determined due to insufficient history, the average shall be considered to be the systems current average monthly usage. Customers may only receive one leak adjustment per twelve (12) month period.

Swimming Pool Adjustment

Any customer who has both sewer and water service with the DISTRICT may request a swimming pool adjustment on their sewer bill once per twelve (12) month period provided the request is made within two (2) months of the service being billed. To receive the adjustment the customer's usage in the month of the requested adjustment must exceed the customer's average usage for the three (3) month period immediately preceding filling the pool by a minimum of 8,000 gallons. If the customer has insufficient history to determine their average usage, the DISTRICT'S system average will be used. If the period of the requested adjustment exceeds the average usage by 8,000 gallons, the customer's usage and bill for the requested period will be adjusted to said average at the DISTRICT'S current sewer rates.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 12

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 12

RULES AND REGULATIONS

Legal Disclaimers

1. The District shall in no event be held responsible for any claims made against it for reasons of system failure or interruption of service. No persons shall be entitled to damages nor for any portion of a payment refunded for any system failure or interruption of service, which in the opinion of the DISTRICT is deemed necessary.
2. No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, tamper with, or build a structure over any appurtenance or equipment, which is a part of the DISTRICT'S system. Any person violating this provision will be subject to immediate arrest and/or discontinuance of water/sewer service and shall pay the cost of repairing and or replacing the DISTRICT'S facilities and all legal fees.
3. If any loss or damage to the property of the DISTRICT or any accident or other injury to persons or property is caused by or results from the negligence or wrongful action of a customer, members of his/her household, his/her agent or employee, the cost of necessary repairs or replacements shall be paid by the customer of the DISTRICT and any liability otherwise resulting shall be that of the customer.
4. Any person, firm, or organization working around or near the DISTRICT'S distribution mains, appurtenances, or other property may request the DISTRICT to indicate the location of same. However, location by DISTRICT of same does not relieve such person of complete responsibility and liability for any and all damages, liability, and loss to the DISTRICT'S property resulting from any act of such person or his assigns and/or agent.

DATE OF ISSUE NOVEMBER 14, 2012
Month / Date / Year

DATE EFFECTIVE JANUARY 12, 2013
Month / Date / Year

ISSUED BY /S/ JOHN COLLINS
(Signature of Officer)

TITLE VICE CHAIRPERSON

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 1/12/2013
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

PROPOSED TARIFFS – WATER

Sheets 2 and 32

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 4

ORIGINAL SHEET NO. 2

CANCELLING P.S.C. KY. NO. 3

SHEET NO. 2

Mountain Water District
(Name of Utility)

RATES AND CHARGES

5/8" x 3/4" Meters: (includes multi-meters)		T
First 2,000 gallons	\$25.09 minimum bill	I
Next 8,000 gallons	\$8.79 per 1,000 gallons	
All over 10,000 gallons	\$7.80 per 1,000 gallons	
1" Meters:		
First 5,000 gallons	\$52.64 minimum bill	I
Next 5,000 gallons	\$8.79 per 1,000 gallons	
All over 10,000 gallons	\$7.80 per 1,000 gallons	
2" Meter:		
First 20,000 gallons	\$162.93 minimum bill	I
All over 20,000 gallons	\$7.80 per 1,000 gallons	
3" Meter:		
First 30,000 gallons	\$238.13 minimum bill	I
All over 30,000 gallons	\$7.80 per 1,000 gallons	
4" Meter:		
First 50,000 gallons	\$375.99 minimum bill	I
All over 50,000 gallons	\$7.80 per 1,000 gallons	
6" Meter:		
First 100,000 gallons	\$745.71 minimum bill	I
All over 100,000 gallons	\$7.80 per 1,000 gallons	
Martin County Water District	\$3.01 per 1,000 gallons	I
Mingo County Public Service District	\$4.70 per 1,000 gallons	
Jenkins Utilities		
First 50,000 gallons per day	\$3.01 per 1,000 gallons	I
All over 50,000 gallons per day	\$3.45 per 1,000 gallons	
City of Elkhorn City		
First 215,000 gallons per day	\$2.82 per 1,000 gallons	I
All over 215,000 gallons per day	\$3.01 per 1,000 gallons	

Water withdrawn from a hydrant and water withdrawn for construction shall be charged at the lowest rate in the current rate schedule.

DATE OF ISSUE November 20, 2014
Month / Date / Year

DATE EFFECTIVE December 20, 2014
Month / Date / Year

ISSUED BY Roy Sawyers
(Signature of Officer)

TITLE Administrator

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 1

ORIGINAL SHEET NO. 32

CANCELLING P.S.C. KY. NO. _____

SHEET NO. _____

Mountain Water District
(Name of Utility)

RULES AND REGULATIONS

35. FIRE DEPARTMENTS

N

Any city, county, urban-county, charter county, fire protection district, or volunteer fire protection district (“User”) may withdraw water from the utility’s water distribution system for fighting fires or training firefighters at no charge on the condition that it maintains estimates of the amount of water used for fire protection and training during the calendar month and reports the amount of this water usage to the utility no later than the 15th day of the following month.

Any User that withdraws water from the utility’s water distribution system for fire protection or training purposes and fails to submit the required report on water usage in a timely manner shall be assessed the cost of this water. A User shall submit a monthly report even if it withdraws no water for fire protection or training purposes

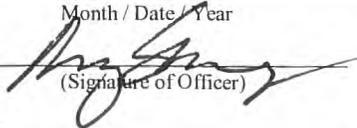
A non-reporting User’s usage shall be presumed to be 0.03 percent of the utility’s total water sales for the calendar month. A non-reporting User may present evidence of its actual usage to rebut the presumed usage. The utility shall consider this evidence and shall adjust the presumed usage amount accordingly.

The non-reporting User shall be billed for this usage at the lowest usage block rate regardless of customer classification and that the utility charges.

A non-reporting User shall also be assessed a penalty of \$50.00 for each failure to submit a report in a timely manner.

DATE OF ISSUE November 20, 2014
Month / Date / Year

DATE EFFECTIVE December 20, 2014
Month / Date / Year

ISSUED BY Roy Sawyers 
(Signature of Officer)

TITLE Administrator

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

PROPOSED TARIFFS –SEWER

Sheets 2, 5 and 32

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 5

SHEET NO. 2

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 4

SHEET NO. 2

RULES AND REGULATIONS

Sewer Rates

Sewer Customer With Metered Water Service

Any customer with both the DISTRICT'S sewer and water service will be billed at the current sewer rates based on the number of gallons of water consumed per month. T

Monthly Rates

First 2,000 Gallons \$36.25 Minimum Bill I

Over 2,000 Gallons \$ 15.54 Per 1,000 Gallons I

Connection Fee

Gravity Sewer

Standard Residential Gravity Sewer Connection \$750.00*

Other Than Standard Residential Gravity Sewer Connection AT COST

Pressure Sewer

Standard Residential Pressure Sewer Connection \$2,600.00*

Other Than Standard Residential Pressure Sewer Connection AT COST

All additional size connections – Actual Cost

Any customer receiving a free or reduced tap fee as a result of project funding or government appropriated funds must connect their plumbing and begin using the DISTRICT'S sewer service within sixty (60) days and shall begin receiving a bill at the current sewer rates.

Note: Any customer applying for a sewer connection may pay the connection fee on an installment plan at 0% interest. The installment plan may be for a length of up to 24 months at the customers choosing; however, the sewer connection will not be installed until the installment plan is paid in full.

***Note:** Any extra depth requirements and rock, which cannot be excavated by normal means (backhoe, etc.) and any additional length of service lateral will be charged at cost.

Standard Connections requiring a road bore or creek crossing shall be accessed the additional actual cost.

DATE OF ISSUE 11/20/14
Month / Date / Year

DATE EFFECTIVE 12/20/14
Month / Date / Year

ISSUED BY Roy Sawyers
(Signature of Officer)

TITLE Administrator

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR All Territories Served
Community, Town or City

P.S.C. KY. NO. 5

SHEET NO. 5

Mountain Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. 4

SHEET NO. 5

RULES AND REGULATIONS

Monthly Charge for Special Service

Sewer Customer Without Metered Water Service (traditional sewers) T

For customers who do not receive water service from Mountain Water District, the usage will be based on the DISTRICT'S water system residential customer average usage and then calculated using the current sewer rate schedule to derive the total bill due.

Flat Rate : \$75.10 per month I

Sewer Customer With Metered Water Service

~~Any customer with both the DISTRICT'S sewer and water service will be billed at the current sewer rates based on the number of gallons of water consumed.~~

D

Big Creek Sewer Customers Without Water Service-Traditional or Aerator Systems T (non-traditional sewers – exempt from PSC regulation per Case No. 2009-0405, April 12, 2010.)

~~Any customer in the Big Creek Area of Pike County that is not on the District's water system and has a traditional septic system or aerator system shall be billed a flat rate bill in the amount of \$ 75.10 \$86.62 per month.~~

DATE OF ISSUE 11/20/14
Month / Date / Year

DATE EFFECTIVE 12/20/14
Month / Date / Year

ISSUED BY Roy Sawyers
(Signature of Officer)

TITLE Administrator

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

NOTICE OF PROPOSED CHANGES IN WATER AND SEWER RATES

Notice is given that Mountain Water District (Mountain), a public utility furnishing water and sewer service within the Commonwealth of Kentucky, on the 20th day of November, 2014 pursuant to Kentucky Revised Statute 278.180 and the Rules of the Public Service Commission of Kentucky, filed its notice with the Kentucky Public Service Commission (“KPSC”), proposing to change its water and sewer rates and adding a tariff provision related to fire department withdrawal policy and penalty effective December 20th, 2014.

The present and proposed water rates charged in all territory served by Mountain are as follows:

Retail						
	Present Rates		Proposed Rates		Percent Change	
5/8" x 3/4" Meter:						
First 2,000 gallons	\$ 20.02	minimum bill	\$ 25.09	minimum bill	25%	
Next 8,000 gallons	\$ 7.01	per 1,000 gallons	\$ 8.79	per 1,000 gallons	25%	
All over 10,000 gallons	\$ 6.22	per 1,000 gallons	\$ 7.80	per 1,000 gallons	25%	
1" Meter:						
First 5,000 gallons	\$ 42.00	minimum bill	\$ 52.64	minimum bill	25%	
Next 5,000 gallons	\$ 7.01	per 1,000 gallons	\$ 8.79	per 1,000 gallons	25%	
All over 10,000 gallons	\$ 6.22	per 1,000 gallons	\$ 7.80	per 1,000 gallons	25%	
2" Meter:						
First 20,000 gallons	\$ 130.00	minimum bill	\$ 162.93	minimum bill	25%	
All over 20,000 gallons	\$ 6.22	per 1,000 gallons	\$ 7.80	per 1,000 gallons	25%	
3" Meter:						
First 30,000 gallons	\$ 190.00	minimum bill	\$ 238.13	minimum bill	25%	
All over 30,000 gallons	\$ 6.22	per 1,000 gallons	\$ 7.80	per 1,000 gallons	25%	
4" Meter:						
First 50,000 gallons	\$ 300.00	minimum bill	\$ 375.99	minimum bill	25%	
All over 50,000 gallons	\$ 6.22	per 1,000 gallons	\$ 7.80	per 1,000 gallons	25%	
6" Meter:						
First 100,000 gallons	\$ 595.00	minimum bill	\$ 745.71	minimum bill	25%	
All over 100,000 gallons	\$ 6.22	per 1,000 gallons	\$ 7.80	per 1,000 gallons	25%	
Multi-Meter (Note 1):						

First 2,000 gallons	\$ 20.02	minimum bill	\$ 25.09	minimum bill	25%
Next 8,000 gallons	\$ 7.01	per 1,000 gallons	\$ 8.79	per 1,000 gallons	25%
All over 10,000 gallons	\$ 6.22	per 1,000 gallons	\$ 7.80	per 1,000 gallons	25%

Wholesale					
	Present Rates		Proposed Rates		Percent Change
Martin County Water District	\$ 2.40		\$ 3.01	per 1,000 gallons	25%
Mingo County Public Services District	\$ 3.75		\$ 4.70	per 1,000 gallons	25%
Jenkins Utilities					
First 50,000 gallons per day	\$ 2.40	per 1,000 gallons	\$ 3.01	per 1,000 gallons	25%
All over 50,000 gallons per day	\$ 2.75	per 1,000 gallons	\$ 3.45	per 1,000 gallons	25%
City of Elkhorn City					
First 215,000 gallons per day	\$ 2.25	per 1,000 gallons	\$ 2.82	per 1,000 gallons	25%
All over 215,000 gallons per day	\$ 2.40	per 1,000 gallons	\$ 3.01	per 1,000 gallons	25%
Notes:					
1. Multi-Meters charged as 3/4" meter					

All other charges not specifically mentioned shall remain the same as those presently in effect. The proposed rates will result in an overall approximate increase in the amount of \$10,691,958.00 or 25% with increases of approximately 25% for residential consumers, 25% for commercial consumers and 25% for industrial consumers. Charges from other water revenue will not increase. The average monthly bill for residential consumers will increase approximately \$8.12 or 25%. The average monthly bill for commercial consumers will increase approximately 25%. The average monthly bill for industrial customers will increase approximately 25%. The impact on each customer's average bill will vary according to individual consumption.

The present and proposed sewer rates charged in all territory served by Mountain are as follows:

	Present Rates		Proposed Rates		Percent Change
Metered Sewer Customers: <u>Sewer Customer With Metered Water Service</u>					
Any customer with both Mountain Water District's sewer and water service will be billed at the current sewer rates based on the number of gallons of water consumed per month.					
First 2,000 gallons	\$ 14.00	minimum bill	\$ 36.25	minimum bill	159%
All over 2,000 gallons	\$ 6.00	per 1,000 gallons	\$ 15.54	per 1,000 gallons	159%
Flat Rate Customers:					
<u>Sewer Customer Without Metered Water Service (traditional sewers)</u>					
For customers who do not receive water service from Mountain Water District, usage will be based on the DISTRICT'S water system residential customer average usage and then calculated using the current sewer rate schedule to derive the total bill due.					
	\$ 29.00	flat rate	\$ 75.10	flat rate	159%
<u>Big Creek septic sewer</u> without MWD water service, traditional sewer or aerator systems – non-traditional sewers – exempt from PSC regulation per Case 2009-00405.	\$ 33.45	flat rate	\$ 86.62	flat rate	159%

The average monthly bill for metered residential sewer consumers will increase approximately \$38.47 or 159% for customers that have water service from Mountain Water District. The impact

on the average bill may vary due to individual water usage. For customers that do not have water service from Mountain Water District, the average bill will increase \$53.17 per month or 159%. Septic system customer's rate will increase \$53.17 or 159% per month.

The rates contained in this notice are the rates proposed by Mountain, however, the KPSC may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for customers other than the rates included in this notice.

Any corporation, association, or person with a substantial interest in this matter may by written request to the KPSC within thirty (30) days after publication or mailing of this notice of the proposed rate changes, request to intervene; intervention may be granted beyond the thirty (30) day period for good cause shown. Requests to intervene should set forth the grounds for the request including the status and interest of the party and be submitted to the KPSC at the address listed below. Any person who has been granted intervention by the Commission may obtain copies of the rate application and any other filings made by the utility from the utility's website or by contacting Mountain at the address listed below or from the KPSC's office or website listed below.

Any person may obtain a copy of the application, testimony or other documents or examine the rate application and any related filings at the offices of Mountain listed below or at its website or the Commission office or its website listed below. Written comments regarding the proposed rate may be submitted to the Public Service Commission by mail or through the Public Service Commission's web site. A copy of the application and all related documents are available for public review at the offices and websites of Mountain and the KPSC listed below:

Mountain Water District
Roy Sawyers, District Administrator
6332 Zebulon Highway
P. O. Box 3157
Pikeville, KY 41502-3157
rsawyers@mtwater.org
(606) 631-4000 Phone
(606) 631-3087 Fax
www.mountainwaterdistrictky.com

Public Service Commission of Kentucky
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602
(502) 564-3940
www.psc.ky.gov

Michael R. Spears, CPA, PSC

Certified Public Accountant

MOUNTAIN WATER DISTRICT

June 30, 2014

PROFORMA FINANCIAL STATEMENTS AND ACCOUNTANTS' REPORT

Michael R. Spears, C.P.A., P.S.C.

Certified Public Accountant
To the Board of Commissioners

Mountain Water District
Pikeville, KY 41501

We have compiled the accompanying pro form balance Sheet of Mountain Water District as of June 30, 2014, and the related statement of pro forma income for the fiscal year then ended, with the application of Public Service Commission's required Exhibit B, under PSC regulations. We have not audited or reviewed the accompanying pro forma financial information and, accordingly, do not express an opinion or provide any assurance about whether the pro forma financial information is in accordance with accounting principles generally accepted in the United States of America.

The accompanying presentation and this report were prepared for the Water District's application to the Commonwealth of Kentucky before the Public Service Commission to increase rates to fund improvements to existing facilities.

Management is responsible for the preparation and fair presentation of the pro forma financial information in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the pro forma financial information.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of pro forma financial information without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the pro forma financial information.

The objective of this pro forma financial information is to show what the significant effects on the historical information might have been had the application of Exhibit B occurred at an earlier date. However, the pro forma financial information is not necessarily indicative of the results of operations or related effects on financial position that would have been attained had the above-mentioned transaction actually occurred earlier.

Management has elected to omit the statements of retained earnings, cash flows and a complete summary of significant accounting policies. If the omitted pro forma financial statements and disclosures were included in the pro forma presentation, they might influence the user's conclusions about the District's results of operations for the period... Accordingly, this pro forma is not designed for those who are not informed about such matters.

We have also compiled the Statement of Income Pro Forma –Water and compiled the Statement of Income Pro Forma – Sewer and, accordingly do not express an opinion, or any other form of assurance, on such information.

We are not independent with respect to Mountain Water District because we perform certain monthly accounting services that impaired our independence.


Prestonsburg, KY
October 30, 2014

MOUNTAIN WATER DISTRICT
BALANCE SHEET- Pro Forma
June 30, 2014

ASSETS

	Pro Forma 30-Jun-14	Application of Exhibit B	Extension after Application of Exhibit B
Current Assets			
Cash in Bank	\$ 353,287	\$ (485,028)	\$ (131,741)
Cash in Bank - Restricted	2,549,677		2,549,677
Accounts Receivable	703,801		703,801
Receivable UMG Repair and Maintenance	103,367		103,367
FEMA Receivable - 2010 Flood	14,562		14,562
Other Current Assets	625		625
Total Current Assets	3,725,319	(485,028)	\$ 3,240,291
Non Current Assets			
Plant in Service	130,591,674		130,591,674
Less: Accumulated Depreciation	(46,190,486)		(46,190,486)
Net Plant in Service	84,401,188	-	84,401,188
Bond Refinancing costs - net	92,316		92,316
Construction in Progress	6,008,417		6,008,417
Total Non Current Assets	90,501,921		90,501,921
Total Assets	\$ 94,227,240	\$ (485,028)	\$ 93,742,212

See Summary of Significant Assumptions and Accountants' Report

MOUNTAIN WATER DISTRICT
BALANCE SHEET- Pro Forma
June 30, 2014

LIABILITIES & EQUITY

	Pro Forma 30-Jun-14	Application of Exhibit B	Extension after Application of Exhibit B
Current Liabilities:			
Accounts Payable	\$ 613,931		\$ 613,931
Current Portion Due - Notes Payable	747,605		747,605
Customer Deposits	309,252		309,252
Accrued Payroll and Related Expenses	4,935		4,935
Accrued Interest on Long Term Debt	171,278		171,278
Other Current Liabilities	21,616		21,616
Total Current Liabilities	1,868,617	-	1,868,617
Long-Term Liabilities:			
Notes Payable	6,259,524		6,259,524
Notes Payable - Ky Infrastructure Authority	3,348,008		3,348,008
Bonds Payable - Rural Development	3,851,500		3,851,500
Less: Current Portion Due	(747,605)		(747,605)
Total Long-Term Liabilities	12,711,427	-	12,711,427
Net Assets	79,647,196	(485,028)	79,162,168
Total Equity & Liabilities	\$ 94,227,240	\$ (485,028)	\$ 93,742,212

See Summary of Significant Assumptions and Accountants' Report

MOUNTAIN WATER DISTRICT
Statement of Income - Pro Forma (Combined)
Fiscal year ended June 30, 2014

	Pro Forma 30-Jun-14	Application of Exhibit B	Extension after Application of Exhibit B
Operating Revenue			
Metered Sales - Residential Water	\$ 6,396,413	\$ -	\$ 6,396,413
Metered Sales - Commercial Water	676,112		676,112
Metered Sales - Industrial Water	44,366		44,366
Metered Sales - Public Authority Water	239,040		239,040
Metered Sales - Multi Family Water	264,966		264,966
Fire Protection Revenue	1,200		1,200
Customer Late Payment Charges	165,153		165,153
Other Water Service Revenue	244,741		244,741
Service Connection Fees Water	146,700		146,700
Sewer Revenues - Residential	672,652		672,652
Sewer Revenues - Commercial	215,842		215,842
Service Connection Fees Waste Water	1,245		1,245
Total Operating Revenue	<u>9,068,430</u>	<u>-</u>	<u>9,068,430</u>
Operating Expenses			
Depreciation Expense	2,673,688		2,673,688
Amortization Expense	3,444		3,444
Depreciation Expense - Sewer	970,013		970,013
Payroll Taxes	11,816		11,816
Commissioners Salaries	30,000		30,000
Salaries	124,224		124,224
Materials and Supplies	20,077		20,077
Accounting	72,550		72,550
Legal	39,034		39,034
Contract Service- UMG Management	5,812,428	58,124	5,870,552
Contract Service- UMG Electric		29,762	29,762
Contract Service- Repair and Maintenance	465,864	4,659	470,523
Contract Service- Expenses Assumed by UMG	(350,460)		(350,460)
Rate Case Expense		41,500	41,500
Sewer Contract Services - UMG Management	1,224,409	12,245	1,236,654
Sewer Contract Services - UMG Electric		3,526	3,526
Sewer Contract Services - Repair and Maintenance	98,136	981	99,117
Sewer Contract Service - Expenses Assumed by UMG	(73,830)		(73,830)
Rental of Building - Real Property	100		100
Advertising	3,963		3,963
Other Legal PSC Expense	4,918		4,918
Education, Dues and Meetings	31,397		31,397
Settlement Expense	3,010		3,010
Service Fee Expense	3,730		3,730
Bank Service Fees	23,857		23,857
Retirement Expense	20,760		20,760
Tank Painting and Repair Contract		334,231	334,231
R & M Overage (Underage) Water	(40,056)		(40,056)
R & M Overage (Underage) Sewer	213,168		213,168
Total Operating Expenses	<u>11,386,240</u>	<u>485,028</u>	<u>11,871,268</u>
Operating Income (Loss)	<u>(2,317,810)</u>	<u>(485,028)</u>	<u>(2,802,838)</u>
Other Income (Expense)			
Interest Income Water	3,040		3,040
Interest Income Sewer	19		19
Gain(Loss) on Sale of Fixed Assets	2,800		2,800
Interest Expense Water	(375,237)		(375,237)
Interest Expense Sewer	(52,296)		(52,296)
Total Other Income (Expense)	<u>(421,674)</u>	<u>-</u>	<u>(421,674)</u>
Changes in Net Assets	<u>\$ (2,739,484)</u>	<u>\$ (485,028)</u>	<u>\$ (3,224,512)</u>

See Summary of Significant Assumptions and Accountants' Report

Mountain Water District
Notes to the Pro Forma Financial Statements
As of June 30, 2014

Note 1 – Summary of Significant Assumptions Underlying the Pro Forma

The June 30, 2014 pro forma financial information is based upon actual income and expenses for the fiscal year ended June 30, 2014 and financial information extracted from Exhibit B, stated on the pro forma basis.

- **Contract Services- UMG Management** is adjusted for a 1% increase as per the current management contract in the amount of \$58,124, which represents approximately 83% of the increase allocated to the Water Department. The 1% increase is the amount the district is currently contractually obligated to under the last contract signed in 2014.
- **Contract Services- UMG Electric** is adjusted by 3%, the lowest rate increase available per AEP to be adjusted January of 2015. The amount adjusted is \$29,762, which represents approximately 83% of the increase allocated to the Water Department.
- **Contract Services- Repair and Maintenance** is adjusted for a 1% increase as per the current management contract for repair and maintenance in the amount of \$4,659, which represents approximately 83% of the increase allocated to the Water Department.
- **Rate Case Expense** is adjusted for the estimated amount of \$41,500, the expenses associated with the filing of this Rate application to the PSC.
- **Sewer Contract Services- UMG Management** is adjusted for a 1% increase as per the current management contract in the amount of \$12,245, which represents approximately 17% of the increase allocated to the Sewer Department. The 1% increase is the amount the district is currently contractually obligated to under the last contract signed in 2014.
- **Sewer Contract Services - UMG Electric** is adjusted by 3%, the lowest rate increase available per AEP to be adjusted January of 2015. The amount adjusted is \$3,526, which represents approximately 17% of the increase allocated to the Sewer Department.
- **Sewer Contract Services- Repair and Maintenance** is adjusted for a 1% increase as per the current management contract for repair and maintenance in

Mountain Water District
Notes to the Pro Forma Financial Statements
As of June 30, 2014

**Note 1 – Summary of Significant Assumptions Underlying the Pro Forma
(continued)**

the amount of \$981, which represents approximately 17% of the increase allocated to the Sewer Department

- **Tank Painting and Repair Contract** is adjusted by \$334, 231, which is the annual payment on the Southern Corrosion contract which is currently on hold due to financial constraints as agreed upon. The contract is to be continued as soon as the cash flow will allow. The repair and maintenance of these tanks is vital to the ongoing ability to provide water to the customers of Mountain Water District. This amount is allocated to the Water Department.

MOUNTAIN WATER DISTRICT
Statement of Income - Pro Forma (Water)
Fiscal year ended June 30, 2014

	Pro Forma 30-Jun-14	Application of Exhibit B	Extension after Application of Exhibit B
Operating Revenue			
Metered Sales - Residential Water	\$ 6,396,413	\$ -	\$ 6,396,413
Metered Sales - Commercial Water	676,112		676,112
Metered Sales - Industrial Water	44,366		44,366
Metered Sales - Public Authority Water	239,040		239,040
Metered Sales - Multi Family Water	264,966		264,966
Fire Protection Revenue	1,200		1,200
Customer Late Payment Charges	165,153		165,153
Other Water Service Revenue	244,741		244,741
Service Connection Fees Water	146,700		146,700
Total Operating Revenue	<u>8,178,691</u>	<u>-</u>	<u>8,178,691</u>
Operating Expenses			
Depreciation Expense	2,673,688		\$ 2,673,688
Amortization Expense	3,444		3,444
Payroll Taxes	11,816		11,816
Commissioners Salaries	30,000		30,000
Salaries	124,224		124,224
Materials and Supplies	20,077		20,077
Accounting	72,550		72,550
Legal	39,034		39,034
Contract Service- UMG Management	5,812,428	58,124	5,870,552
Contract Service- UMG Electric		29,762	29,762
Contract Service- Repair and Maintenance	465,864	4,659	470,523
Contract Service- Expenses Assumed by UMG	(350,460)		(350,460)
Share Case Expense		41,500	41,500
Rental of Building - Real Property	100		100
Advertising	3,963		3,963
Other Legal PSC Expense	4,918		4,918
Education, Dues and Meetings	31,397		31,397
Settlement Expense	3,010		3,010
Service Fee Expense	3,730		3,730
Bank Service Fees	23,857		23,857
Retirement Expense	20,760		20,760
Tank Painting and Repair Contract		334,231	334,231
R & M Overage (Underage) Water	(40,056)		(40,056)
Total Operating Expenses	<u>8,954,344</u>	<u>468,276</u>	<u>9,422,620</u>
Operating Income (Loss)	(775,653)	(468,276)	(1,243,929)
Other Income (Expense)			
Interest Income Water	3,040		3,040
Gain(Loss) on Sale of Fixed Assets	2,800		2,800
Interest Expense Water	(375,237)		(375,237)
Total Other Income (Expense)	<u>(369,397)</u>	<u>-</u>	<u>(369,397)</u>
Changes in Net Assets	<u>\$ (1,145,050)</u>	<u>\$ (468,276)</u>	<u>\$ (1,613,326)</u>

See Summary of Significant Assumptions and Accountants' Report

MOUNTAIN WATER DISTRICT
Statement of Income - Pro Forma (Sewer)
Fiscal year ended June 30, 2014

	Pro Forma 30-Jun-14	Application of Exhibit B	Extension after Application of Exhibit B
Operating Revenue			
Sewer Revenues - Residential	\$ 672,652	\$ -	\$ 672,652
Sewer Revenues - Commercial	215,842		215,842
Service Connection Fees Waste Water	1,245		1,245
Total Operating Revenue	<u>889,739</u>	<u>-</u>	<u>889,739</u>
Operating Expenses			
Depreciation Expense - Sewer	970,013		970,013
Sewer Contract Services - UMG Management	1,224,409	12,245	1,236,654
Sewer Contract Services - UMG Electric		3,526	3,526
Sewer Contract Services - Repair and Maintenance	98,136	981	99,117
Sewer Contract Service - Expenses Assumed by UMG	(73,830)		(73,830)
R & M Overage (Underage) Sewer	213,168		213,168
Total Operating Expenses	<u>2,431,896</u>	<u>16,752</u>	<u>2,448,648</u>
Operating Income (Loss)	(1,542,157)	(16,752)	(1,558,909)
Other Income (Expense)			
Interest Income Sewer	19		19
Interest Expense Sewer	(52,296)		(52,296)
Total Other Income (Expense)	<u>(52,277)</u>	<u>-</u>	<u>(52,277)</u>
Changes in Net Assets	<u>\$ (1,594,434)</u>	<u>\$ (16,752)</u>	<u>\$ (1,611,186)</u>

See Summary of Significant Assumptions and Accountants' Report

1
2
3 **COMMONWEALTH OF KENTUCKY**
4 **BEFORE THE PUBLIC SERVICE COMMISSION**
5

6 In the Matter of:

7 APPLICATION OF MOUNTAIN
8 WATER DISTRICT FOR
9 AN ADJUSTMENT OF WATER AND
10 SEWER RATES

Case No. 2014-00342

11
12
13 EXHIBIT 'G'

14 TESTIMONY
15

16 WITNESS: KEVIN HOWARD, P.E.
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36 **1. Q. Please state your name and address.**

37 Kevin Howard, P.E., L.S.

38 Summit Engineering Inc.

39 3205 Summit Square

40 Lexington, KY 40509

41

42 **2. Q. By who are you employed?**

43 Summit Engineering Inc.

44 131 Summit Drive

45 Pikeville, KY 41501

46

47 **3. Q. What is your position with Summit Engineering, Inc., and what are your general duties and**
48 **responsibilities?**

49 I have been in the continuous employ of Summit Engineering Inc. since January 1981.

50 I am a Vice President (share-holder).

51 My role is Civil Unit Leader.

52 Counting myself as a team member, my team includes 12 employees (7 PEs, 1 EIT, 2 construction
53 inspectors, 1 clerical).

54 The civil unit leader is responsible for team profit/loss, new business development, contracting, quality
55 control, and adherence to work plan/schedule.

56 **4. Q. Have you presented testimony in rate proceedings before a regulatory agency?**

57 No. I have served as a consultant to the Mountain Water District for 18 years (since '96). My projects
58 with the District have included both potable and sanitary line extensions, pump stations, storage tanks,
59 the Russell Fork WTP, and rehab of the Douglas WWTP. The District asked me to prepare the cost study
60 for this case because of my familiarity with both the District's operations and its personnel.

61 **5. Q. What is your educational background and your professional associations?**

62 BSCE University of Kentucky 1979

63 MSCE University of Kentucky 1982

64 KY PE 13,515

65 KY LS 2,798

66

67

68 **6. Q. What is the purpose of your testimony in this proceeding?**

69 I have prepared a cost of service study to determine the appropriate revenue requirement and
70 customer rates for the district for both water and sewer. The results of my study are shown in Exhibit
71 'B' of the application. The purpose of the study was to allocate the total cost of service, which is the
72 total revenue requirement, to the several customer classifications. The cost of service includes
73 operation and maintenance expenses, depreciation expense and amortizations, taxes other than
74 income, and debt service costs. In the study, the total costs were allocated to the residential,
75 commercial, multi-family, industrial, public authority, and wholesale classifications in accordance with
76 generally-accepted principles and procedures. Because of the difference in the way some of the water
77 and sewer accounts are handled, there are differences in the details between the two studies, which I
78 will describe in the following testimony.

79 **7. Q. Please describe the method of cost allocation that was used in the water system analysis.**

80 The base-extra capacity method, as described in the Water Rates Manual (MI) published by the
81 American Water Works Association (AWWA), was used to allocate the pro forma costs. The method is a
82 recognized method for allocating the cost of providing water service to customer classifications in
83 proportion to the classifications' use of the commodity, facilities and services. It is generally accepted as
84 a sound method for allocating the cost of water service.

85 **8. Q. Describe the methodology you used to develop the water rates.**

86 The rate methodology is described in the text of Exhibit 'B'. The initial step in the process was the
87 derivation of the customer based revenue required to maintain District function/service. Financials
88 were secured for the historic test year. The historic financials were adjusted for anticipated changes in
89 expenses (such as UMG contract escalation) to create the pro forma revenue requirement for the
90 system as a whole. The pro formed expenses (revenue needs) were then allocated to system function
91 and to customer class using procedures outline in the aforementioned AWWA Manual M1. The goal of

92 the cost of service based rate is for the rate system to recover the revenue requirement for each
93 customer class with the customers of that class.

94 In summary, the AWWA Manual M-1 techniques were applied to allocate the revenue requirement to
95 each of the customer classes (residential, commercial, etc.). Two rate alternates were then developed.
96 Alternate 1 is simply an across the board rate increase for the current rate system. This rate alternate
97 raises the systems total revenue requirement by uniformly adjusting the existing rate tariff. The
98 District's existing rate tariff charges water customers by meter size. For each meter class there are three
99 rate tiers: a base rate (aka a minimum bill), a volumetric rate for relatively normal use, and a volumetric
100 rate for use above normal.

101 Rate Alternate 2 is a cost of service based rate. Rate alternate 2 would charge all customers a service
102 fee and a uniform volumetric rate.

103 The District opted for the across the board rate increase for reasons that will be outlined in subsequent
104 testimony.

105 **9. Q. What are the key differences in the two water rate alternates that influenced the final selection
106 of rate system?**

107 Both rate alternates recover the required revenue. The rate increase for alternate 1 is simply an across
108 the boards increase for the existing tariff. As the existing rate system (alternate 1) has been in place for
109 well over a decade. It is accepted and understood by the customers.

110 The existing rate system (alternate 1) is a three tier system that relies on a base rate. All customers
111 consuming less than 2,000 gallons per month pay the base rate (or minimum bill). The base rate
112 generates half of the required revenue regardless of customer consumption (because about 30 percent
113 of system customers are minimum bill customers). Consequently, this rate alternate distributes system
114 revenue more evenly throughout the year.

115 The cost of service based rate (alternate 2) is slightly better at placing cost on the customers that create
116 the cost. This system also produces a slight rate reduction for very low volume users.

117 **10 Q. Explain what factors were employed in the water cost allocations.**

118 Seventeen (17) allocation factors were utilized. The factors provided a rationale for distribution of costs
119 among the customer classes. Some factors allocate based on average day demand, max day demand,
120 and peak hour demand. Other factors are merely based on percent of average daily consumption or are
121 derived from ratios of actual costs.

122
123 The average day and maximum day demand could be determined from production reports. However,
124 the District did not have a demand study that would compare peaks between customer classes.
125 Consequently, we relied upon published references – specifically a table entitled 'Typical Demand
126 Factors' in a power point presentation by Mr. Robert Pitt of the University of Alabama (Water Demand
127 and Water Distribution System Design).

128

129 **11. Q. The AWWA methodology generally involves allocating costs to functions. Did you follow that**
130 **procedure in the allocations for the water costs?**

131 Yes – There was an allocation of costs to function and then an analysis of costs to customer class. Some
132 of the factors in Item 9 rely on the functional analysis to pro rate between customer classes.

133 **12. Q. How did you reflect the contract with Utility Management Group (UMG) in the allocation of**
134 **water costs?**

135 The District does not have audited financials for UMG. UMG provided a split of direct costs and
136 overhead which is reproduced in Table C-1 of Appendix 'C'. This 'split' was analyzed to deduce the
137 summary of UMG costs which is provided in Table 3 of Schedule W-B of Exhibit 'B'. These costs were
138 then assigned a uniform account code and entered in the cost of service spreadsheet Table 1 of
139 Schedule W-C of Exhibit 'B'. To aid Commission review we flagged each UMG cost with a code to
140 indicate whether it was obtained from UMG summary, from District's financial, or other source.

141 **13. Q. Can you describe how the UMG costs for the water system were divided among the cost of**
142 **service allocation categories?**

143 The allocation spreadsheets were set up for standard water system account organization. We were
144 provided with two summaries of UMG costs. These are reproduced in Appendix C as Tables C-1 and C-2,
145 respectively. The first summary was UMG costs for the historic year with a split between water and
146 sewer systems. The second cost summary was a six month ledger of UMG's income statement for the
147 last six months of the test year.

148 The UMG data was not organized in standard account format. Consequently, it was necessary to
149 abstract the costs from the first summary and then use the second summary to determine the
150 appropriate account for the allocation. The following table gives an example of how we interpreted
151 UMG cost information and translated to the allocation accounts:

	<u>UMG Account</u>	<u>Direct Cost</u>	<u>Account No.</u>	<u>PSC Account</u>
	Payroll & Admin - Transmission	\$ 1,422,899	635.5	Contractual Services - UMG - Labor (Trans and Dist)
	Payroll & Admin - Treatment	\$ 182,299	635.3	Contractual Services - UMG - Labor (Water Treatment)
	Direct Operations - Transmission	\$ 1,149,635	635.5	Contractual Services - UMG - Purchased Water
	Direct Operations - Treatment	\$ 113,410	635.3	Contractual Services - UMG - Materials and Supplies
152	Power	\$ 992,059	635.5	Contractual Services - UMG - Purchased Power

153 To make things simple for PSC, we flagged each UMG cost with a super script on the main allocation
154 spreadsheet.

155 The summary of UMG costs for the historic test year (Table C-1 Appendix C) also noted costs that are
 156 shared between water and sewer. Shared costs were pro-rated using ratios of the direct costs noted
 157 above (83% water and 17% sewer). Examples of the shared cost pro rata are as follows:

<u>UMG Account</u>	<u>Water Cost</u>	<u>Account No.</u>	<u>PSC Account</u>
Payroll & Admin - General Admin	\$ 12,126	635.8	Contractual Services - UMG - Retirement
Payroll & Admin - Administrative	\$ 599,613	635.8	Contractual Services - UMG - Labor (Administrative and General)
Payroll & Admin - Customer Service	\$ 428,601	635.7	Contractual Services - UMG - Account Service
Direct Operations - General Admin	\$ (3,609)	635.3	Contractual Services - UMG - Materials and Supplies
Direct Operations - Administrative	\$ 136,000	635.7	Contractual Services - UMG - Meter Reading
Direct Operations - Customer Service	\$ 1,176	635.8	Contractual Services - UMG - General Overhead
Corporate and Other - Administrative	\$ 634,608	635.8	Contractual Services - UMG - General Overhead

158
159

160 **14. Q. How were the District's wholesale customers addressed in the cost of service analysis?**

161 The District wholesales very little water. There were only two active wholesale customers in the test
 162 year: Elkhorn City (\$173,752 annually) and Mingo PSD (\$5,328 annually).

163 The wholesale customer allocation factors provided low peak hour impacts (mostly base demand) for
 164 the wholesale customer class. The calculated revenue requirement for the class was roughly double
 165 current revenue.

166 The District opted for an 'across the board' wholesale rate increase.

167

168 **15. Q. How were the water and sewer system revenue requirement determined?**

169 The revenue requirement developed for this filing is based on financial results for the historic test year
 170 with known and measurable adjustments (Appendix 'F' of Exhibit 'B'). The adjustments (provided to me
 171 by the District) are reflected as pro forma adjustments in Table 1 of Schedule W-B for water and in Table
 172 1 of Schedule S-B for sewer.

173 **16. Q What types of adjustments is the District applying to water and sewer test year expenses, and
 174 what is the impact to revenue requirements of these adjustments?**

175 Certain known and measurable adjustments were made to the test year to reflect more appropriately an
 176 adjusted revenue requirement for the District (Table 1 of Schedules W-B and S-B, respectively). Total
 177 adjustments to the water test year are \$468,276. Total adjustments to the sewer test year are \$16,752.

178 I will address some of the more significant adjustments as part of this testimony.

179 There were two adjustments that were common to both water and sewer (UMG contract and AEP
180 power). These adjustments were applied the same for both water and sewer.

181 The UMG contract anticipates a 1% increase in calendar 2015 (Appendix 'C'). The adjustment applies to
182 both the UMG base contract and UMG's repair and maintenance (R&M) allowance. An adjustment is
183 also made to account for an anticipated increase in AEP electric rates. The District has requested that
184 AEP provide an estimate of the anticipated impact on its annual electrical cost. As of the submission of
185 this study, the District was not in receipt of the AEP study. In the interim, the District is operating under
186 the assumption that rates will increase 3% next year.

187 The District has a contract with Southern Corrosion to provide water storage tank maintenance and
188 painting. This contract is an 'adjustment' to the water year because it was 'inactive' in the historic test
189 year.

190 **17. Q How much of the SEWER revenue requirements are for Contract Operations to UMG and how**
191 **did you reflect the UMG contract in the study of the SEWER rates?**

192 The District does not have audited financials for UMG. We were provided a split of their direct costs and
193 overhead which is reproduced in Exhibit 'B' in Appendix 'C'. This 'split' was analyzed to deduce the
194 summary of UMG costs provided in the allocation of revenue requirement Table 1 of Schedule S-B of
195 Exhibit 'B'.

196 Net UMG costs for the sewer system (including R&M overage and deducting expenses assumed by
197 UMG) total \$1,473,633.85. This represents 57.90% of the sewer system revenue requirement.
198 Depreciation accounts for 37.99% of the sewer system revenue requirement.

199 **18. Q Explain how you developed the sewer rates.**

200 The sewer rates projects is described in Exhibit 'B'. I applied the adjustments provided by the District to
201 the historic test year financial to derive the revenue requirements for the pro forma period. The
202 procedure used is similar to that employed in AWWA Manual M-1 except the functional cost
203 components are: volume, Infiltration & Inflow (I&I), billing & collections, and meter reading. I simplified
204 this procedure because:

- 205 1. There is limited data to support a detailed analysis
- 206 2. The customer base is predominantly residential
- 207 3. The existing rate system does not make distinctions in customer class. It is basically a
208 minimum bill and uniform rate per thousand for all users.
- 209 4. The District expressed a strong desire to stay with the existing rate concept and apply an
210 across the board increase.

211 Referring to Table 1 of Schedule S-C of Exhibit 'B', the four functional cost components were reduced to
212 two. Volume and I&I were combined into Volume. Billing and Meter Reading were combined into
213 Customer Service. The revenue requirements were then allocated to these categories using judgment.

214 Depreciation and Debt service were split between volumetric and service, 90/10, respectively. UMG
215 direct operations were 100% volumetric. UMG overhead was weighted towards customer service.

216 Two rate alternates were then developed. Alternate 1 is simply an across the board rate increase for
217 the current rate system. This rate alternate raises the systems total revenue requirement by uniformly
218 adjusting the existing rate tariff. With the exception of a small group of customers that must be billed
219 flat rate (no water service), the District's existing rate tariff makes essentially no rate distinction
220 between sewer customer classes. All customers pay the same base rate for the first 2,000 gallons and
221 the same volumetric rate for use in excess of 2,000 gallons. The flat rate bill is derived by applying the
222 sewer rates to the average monthly water consumption for the historical system average residential
223 water bill.

224 Rate Alternate 2 is a cost of service based rate. Rate alternate 2 would charge all customers a service
225 fee and a uniform volumetric rate for sewer use. Obviously, the service fee is based on the revenue
226 requirement for service and the volumetric rate is based on the volumetric revenue requirement.

227 The District opted for the across the board rate increase for reasons that will be outlined in subsequent
228 testimony.

229 **19. Q. What are the key differences in the two sewer rate alternates that influenced the final**
230 **selection of rate system?**

231 Both rate alternates recover the required revenue. Both rate alternates apply a uniform cost per
232 thousand to all customers. The only difference between the alternates is that alternate 1 (an across the
233 board increase for the existing rate tariff) relies on the base rate (minimum bill) concept and charges all
234 customers using less than 2,000 gallons per month a minimum charge while alternate 2 (cost of service)
235 replaces this minimum bill with a service fee.

236 Alternate 1 will impact all customers by the same percentage. Alternate 2 will give very low volume
237 customers a slight rate reduction.

238 **20. Q. Are the allocations for the sewer contract expenses with UMG the same as for the water**
239 **expenses?**

240 The UMG expenses were allocated 17% sewer and 83% water by UMG based on direct costs. A full
241 allocation of costs by function and customer class was performed for the water system. Consequently,
242 some effort was made to extract the cost breakdown from the UMG summary. However, as the historic
243 test year information provided by UMG really didn't distinguish customer class --- we did not think the
244 effort to glean additional cost breakdown from the UMG summary was warranted for the sewer study.

245

246 **21. Q. Have you summarized the results of your water and sewer cost allocation study?**

247 For the water system --- yes. A 'Summary of Revenues under Present and Proposed Rates' is provided in
248 Table 1 of Schedule W-A in Exhibit 'B'.

249 For the sewer system – no. The analysis is so straight forward when there is no distinction between
250 customer classes that a summary is not warranted.

251 **22. Do the proposed rates recover the revenue requirement needed by the district for both water and**
252 **sewer rates?**

253 Yes. The study includes a revenue sufficiency test using the historic test year. The proposed rate system
254 covered the required revenue.

255 **23. Does this conclude your testimony?**

256 Yes.

257

258 **Affidavit**

259 Kevin Howard, P.E., after being sworn, states that he is authorized to submit this testimony on
260 behalf of the Mountain Water District and that the information contained in the testimony is true and
261 accurate to the best of his knowledge, information and belief, after a reasonable inquiry, and as to those
262 matters that are based on information provided to him, he believes to be true and correct.

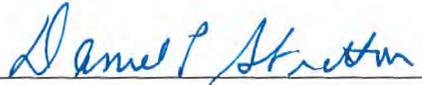
263

264  _____ Kevin Howard, P.E.

265

266 This instrument was produced, signed, acknowledged and declared by Kevin Howard, P.E. to be his act
267 and deed the 7 day of Nov, 2014.

268

269  _____ Notary Republic

270 403718 _____ Registration Number

271

272 My commission expires 8/28/2017

273

COMMONWEALTH OF KENTUCKY
BEFORE THE
PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

Petition for Adjustment of Water)
And Sewer Rates) Case No. 2014-00342

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TESTIMONY OF ROY SAWYERS

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Q.1 State your name.

A. Roy B. Sawyers.

Q.2 Where are you employed?

A. I am employed by Mountain Water District as District Administrator. My address is Box 3157, Pikeville, KY 41502.

Q.3 How long have you worked for Mountain Water District?

A. I have worked with the District for 3+ years.

Q.4 What is your educational and professional background?

A. I have an associate's degree in Mechanical Drafting from Mayo State Vocational Technical School. I have approximately thirty five years of experience in the engineering field pertaining to the mining industry, transportation, water and wastewater utilities.

Q.5 What are your duties as Administrator?

A. Plan, organize, and evaluate the work of all District departments to ensure that operations and contractor services including Utility Management Group comply with local, state, federal laws and regulations, and policies set by the Board of Commissioners.

Q.6 Explain the operations of the District

1 A. The District is a combined water and sewer district serving
2 approximately 17,300 water customers and 2,400 sewer customers and three
3 wholesale customers. The District is comprised of eight hundred and seventy
4 (870) miles of water main, 995,400 ft. of service line, 16,590 meter installations,
5 27 master meters, 42 pressure regulator stations, 135 water storage tanks
6 ranging in capacity from five thousand (5,000) gallons to one million (1,000,000)
7 gallons with total storage capacity of 8,432,000 gallons, 135 booster pumping
8 stations with a total pumping capacity of 12,917 gallons/minute ranging in size
9 from 10 gallons/minute to 500 gallons/minute, and one (1) three million
10 (3,000,000) gallon per day water treatment plant located on Harless Creek at
11 Marrowbone. In addition, the district purchases water from the City of Pikeville
12 and the City of Williamson

13 It also has two sewage treatment plants, eight package sewage plants
14 and two wholesale agreements for sewage treatment.

15 Other than myself, the District has only one other employee. It has a
16 contract with Utility Management Group (UMG) for the operation and
17 maintenance of the water and sewer facilities, which provides for all other
18 necessary employees. The initial contract with UMG was executed on July 03,
19 2005, for an initial five year term. It has since been amended or renewed on
20 multiple dates. Please refer to the response of Request No. 3C for the dates of
21 amendment to the agreement. The current contract extension expires on
22 December 2016. A copy of the contract is attached as exhibit O to the
23 application.

24 Q.7 Why is the District seeking a rate increase?

25 A. The last general rate increase for water was 1997, since that time
26 the District has had rate adjustments associated with Rural Development (RD)
27 projects. The last rate adjustment for sewer was in 2006. The District needs

1 increases for both water and sewer. We must have rate relief to be able to
2 continue to provide the level of service that the Commission and our customers
3 expect. The primary reason for the water increase is operational expenses. The
4 cost of service has risen to the point that revenues simply do not meet our
5 financial requirements. There is not one factor that has caused the need for the
6 increase, but a general rise in costs and a lack of rate increase to match that
7 rise. Additionally, the District has had no recent customer growth and does not
8 anticipate any.

9 Wholesale rates also need to be adjusted based on the cost study. Sewer
10 rates similarly have not kept up with costs. But, unlike water, the cost of
11 maintenance and replacement of residential grinder pumps has severely
12 impacted our sewer operations expenses. For example, we are now at the point
13 that many of the residential grinder pumps are in need of replacement and are
14 out of their warranty period. The cost of maintaining the residential grinder
15 pumps and replacing them is a significant financial drain.

16 Q.8 What other factors have led to the need for an increase?

17 A. The District has a service contract with UMG, which provides for
18 the operation and maintenance of the District's water and sewer facilities. That
19 contract requires periodic increases in payments and for the District to fund
20 certain costs in excess of an agreed amount. Those required payments to UMG
21 have reached a level that the District cannot meet without additional revenue.

22 Q.9 Explain how the UMG contract works

23 A. The contract requires UMG to provide employees for the
24 maintenance and operation of the water and sewer systems. This includes
25 O&M, customer service, meter reading, purchased water, electricity, billing and
26 administrative functions. Please reference to the response of Request No. 3C
27 for detailed information regarding the contract. For services described in the

1 contract agreement, UMG is currently being paid an annual fee of
2 \$7,680,850.08.

3 Q.10 How does the District monitor the activities of UMG?

4 A. UMG submits a monthly report to the District that breaks down the
5 allocation of costs among the water and sewer operations, line loss prevention
6 activities, project status reports and other information as requested of the
7 District. I am in daily contact to ensure that Utility Management Group complies
8 with policies set by the Board of Commissioners.

9 Q.11 Does the District have regular, direct oversight of UMG's activities?

10 A. Yes. Part of my responsibilities is to monitor UMG's day to day
11 operation of the District's facilities and to make sure that the systems are
12 operated in a safe, efficient manner and in compliance with applicable
13 regulations. I am in daily contact with UMG personnel and report regularly to
14 the Board of Commissioners of the status of their operations.

15 Q. 12 Does UMG provide funds for capital projects?

16 A. No, the District funds all capital expenditures over \$1,500.

17 Q.13 How has the District addressed the need for additional rates?

18 A. The District hired Summit Engineering, Inc. to prepare a cost of
19 service study to determine the need for a rate increase for both water and sewer
20 customers. Based on that study, we need to raise both water and sewer rates.

21 Q.14 Why is such an increase needed?

22 A. To offset our increased costs of operations, the costs associated
23 with the UMG contract and to financially assist the District in repairs and
24 replacement of failing infrastructure. Please remember that based on the Rate
25 Study, the customers have been receiving service for a number of years at
26 below our costs. We are now trying to set rates to cover our costs.

1 Q.15 How did the District determine the rate option to propose in this
2 case?

3 A. After reviewing the Rate Study, it was decided that the across the
4 board increase would be the better option.

5 Q. 16 Can you explain the reasons for that decision?

6 A. There are two reasons: first, the across the board increase
7 maintains the same customer classifications, rate structure and billing format.
8 Our customers are familiar with the current billing structure. This avoids the
9 possible confusion that might result from implementing a new rate structure with
10 a customer or service charge and a volumetric rate. Second, this option
11 provides more revenue stability throughout the year, which helps the cash flow
12 and helps minimize the need to defer expenses or take other action to meet
13 current operating expenses during low volume months.

14 Q.17 Can the District continue to operate at current rates?

15 A. No. We are facing a revenue shortage that will have a direct
16 impact on our operations. Even now, we are not able to meet the payment date
17 to UMG or to fund capital projects. Our revenues simply are not adequate.

18 Q.18 Do these rates recover only the known increases in costs for your
19 operations?

20 A. Yes, as can be seen from the cost study the only adjustments to
21 our expenses are a 1% increase in the UMG contract, a projected 3% electricity
22 rate increase and the inclusion of some additional funds for maintenance. We
23 are seeking only funds to meet existing needs.

24 Q.19 Have you proposed a tariff change for fire department water
25 withdrawals?

26 A. Yes, to clarify the use and reporting of fire department usage, a
27 new tariff section has been added.

1 Q. 20 Does this conclude your testimony?

2 A. Yes.

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AFFIDAVIT

COMMONWEALTH OF KENTUCKY

COUNTY OF PIKE

Affiant, Roy Sawyers, after being first sworn, deposes and says that he is the District Administrator of Mountain Water District, that he is authorized to submit this testimony on behalf of Mountain Water District and that the information contained in the testimony is true and accurate to the best of his knowledge, information and belief, after a reasonable inquiry and as to those matters that are based on information provided to him, he believes to be true and correct.


Roy Sawyers

This instrument was produced, signed, acknowledged and declared by Roy Sawyers to be his act and deed the 7 day of Nov, 2014.


Notary Public
Registration Number: 403718

My Commission expires: 8/08/2013

COMMONWEALTH OF KENTUCKY
BEFORE THE
PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

Petition of Mountain Water District)
for Adjustment of Water)
And Sewer Rates) Case No. 2014-00

.....

TESTIMONY OF MICHAEL R. SPEARS

Q.1 State your name.

A. Michael R Spears, CPA

Q.2 Where are you employed?

A. I am self employed as a certified public accountant. My address is 107 S Arnold Ave #
201, Prestonsburg, Kentucky 41653

Q.3 What is you educational and professional background?

A. Bachelor of Science in Accounting from the University of Kentucky,
License number 5619 to practice as a Certified Public Accountant since March 1993.

Q.4 What services to you provide for the Mountain Water District?

A. Review of monthly financial reports for board meetings, prepare year end information
for the independent Auditors, and prepare payroll checks for the districts' two employees
and commissioners. General accounting analysis as required.

Q.5 Have you participated in the preparation of this rate application?

A. Yes. I worked closely with Mr. Kevin Howard P.E. in the preparation of the cost study
and assisted the District in preparing and compiling certain financial information that is filed
in the case.

Q.6 What exhibits did you prepare or provide to other witnesses?

A. Exhibit F - pro forma adjustments; Exhibit H - chart of accounts; Exhibit I -

independent auditor's report; Exhibit J – depreciation schedule; Exhibit L - the monthly management reports; Exhibit M – the balance sheet and income statement; Exhibit N – capital budget and operating budget.

Q. 7 Is all of the financial information included in the rate application audited by the District?

A. No. To the extent that the information is from the books of the District, it is indicated in the document or the cost study. The historical period is a fiscal year and the Audit was prepared on a calendar year. Much of the financial data about the revenue and expensed for both water and sewer operations comes from the contract operator of the water and sewer services, which is Utility Management Group or UMG. Mountain Water District does not audit that information and nor does it have an audit of the information from UMG.

Q.8 How has the District shown the UMG financial information in this case?

A. The cost study has taken the UMG contract financial data and inserted it into the study in the proper category. For some of the expenses or revenue items that the contract separates, the District has reflected that amount. For other items, the District has taken the contract total and used that amount rather than reflecting the specific expense or revenue category.

Q.9 Do you think that fairly represents the District's costs of operations?

A. Yes, I believe all of the costs incurred by the District, whether direct costs to the District or contract costs associated with the UMG contract, are included in the determination of the revenue requirement.

Q. 10 Is there separate accounting and financial information for the water and sewer operations?

A. To the extent of Revenues there is separate accounting in the financial information for water and sewer. Depreciation, interest expense and interest income are accounted for separately in the financials between water and sewer. Contract Service expenses associated to the UMG contract are allocated as a percentage of actual expenses as provide by UMG personnel broken out between water and sewer.

Q. 11 Do those records allow you to determine the expenses and revenues for each of those divisions?

A. Yes, based on the allocation as previously mentioned.

Q.12 Why is one cost of service study being submitted to justify the rates for both water and sewer?

A. The financial information that supports both operations is reflected in the same financial records kept by the District and provided by UMG. One study provides a complete analysis of the District's operations and financial condition. The study separates the revenue and expenses for each operation, but uses the same total financial data.

Q.13 What will be the financial impact to the District if the proposed rates are not approved?

A. Without immediate rate relief, the District will have to adjust its operations to conserve its inadequate revenue in order to continue to meet its service and financial obligations. It will not have adequate cash flow to pay its obligations. It will also be unable to borrow funds in the future for much needed capital projects. Also, it will be unable to do the routine maintenance and long term maintenance projects that need to be done to continue to provide potable water to the water customers.

Q. 14 Have you considered the impact of the proposed rates and the effect on the District's financial condition?

A. Yes, the revenue proposed in this case is necessary for the District to continue to operate in a financially responsible condition. The proposed rates will provide needed funds for cash flow, capital project funding and operating funds.

Q. 15 Does this conclude your testimony?

A. Yes

AFFIDAVIT

Affiant, Michael Spears, CPA, after being sworn, states and affirms that the testimony submitted is true and correct to the best of his knowledge, belief and information.


Michael Spears

Sworn and subscribed before me on the 7th day of November, 2014.

Donald P. Strawn
Notary Public
Registration Number: 403718

My Commission expires: 8/28/2017

SECTION H – CHART OF ACCOUNTS

The attached chart of accounts are inclusive of both the Water and Sewer departments. All Sewer accounts have the suffix “.17”. All others accounts with a suffix other than “.17” are accounts of the Water Department.

MOUNTAIN WATER DISTRICT
Chart of Accounts

Account	T	Account Description	Tax Code
120.00	A		
900	A	WATER DEPREC. - CLEARING	
901	A	SEWER DEPREC. - CLEARING	
902	A	AMORT. EXP - CLEARING	
903	A	WATER INT EXP - CLEARING	
904	A	SEWER INT EXP - CLEARING	
905	A	WATER MGMNT FEE - CLEARING	
906	A	SEWER MGMNT FEE - CLEARING	
907	A	SEWER CONT MGMNT EXP ASSUMED	
908	A	COMMISSIONER PR CLEARING	
909	A	CONT MGMNT EXP ASSUMED	
910	A	BANK FEES - CLEARING	
911	A	OVERAGE CLEARING	
912	A	MAT & SUPPLIES CLEARING	
913	A	SERVICE FEE EXP CLEARING	
914	A	R & M OVERAGE CLEARING	
999	E	Undistributed	
1003.02	A	LAND AND LAND RIGHTS	
1003.03	A	LAND AND LAND RIGHTS	
1003.04	A	LAND AND LAND RIGHTS	
1003.05	A	LAND AND LAND RIGHTS	
1003.17	A	LAND AND LAND RIGHTS	
1004.02	A	STRUCTURES AND IMPROVEMENTS	
1004.03	A	STRUCTURES AND IMPROVEMENTS	
1004.04	A	STRUCTURES AND IMPROVEMENTS	
1004.05	A	STRUCTURES AND IMPROVEMENTS	
1004.17	A	STRUCTURES AND IMPROVEMENTS	
1005.02	A	COLLECTING/IMPOUND RESERVOIRS	
1005.17	A	COLLECTION SEWERS	
1011.02	A	PUMPING EQUIPMENT	
1011.17	A	PUMPING EQUIPMENT	
1020.03	A	WATER TREATMENT PLANT	
1020.17	A	TREATMENT AND DISPOSAL EQUIP.	
1030.04	A	DISTRIBUTION RESERVOIRS/STANDS	
1031.04	A	TRANSMISSION/DISTRIBUTION MAINS	
1033.04	A	WATER SERVICES	
1033.17	A	SEWER SERVICES	
1034.04	A	WATER METERS & INSTALLATIONS	
1034.17	A	SEWER METERS & INSTALLATIONS	
1035.04	A	HYDRANTS	
1040.05	A	OFFICE FURNITURE & EQUIPMENT	
1040.17	A	OFFICE FURNITURE & EQUIPMENT	
1041.05	A	TRANSPORTATION EQUIPMENT	
1041.17	A	TRANSPORTATION EQUIPMENT	
1043.05	A	TOOLS, SHOP & GARAGE EQUIPMENT	
1043.17	A	TOOLS & MISC. EQUIPMENT	
1044.05	A	LABORATORY EQUIPMENT	
1045.05	A	POWER OPERATED EQUIPMENT	
1045.17	A	POWER OPERATED EQUIPMENT	
1046.05	A	COMMUNICATION EQUIPMENT	
1047.00	A	Bond Refinancing Cost	
1050.00	A	CONSTRUCTION IN PROGRESS	
1052.02	A	acct. not on file	
1055.00	A	CIP-MATERIALS & SUPPLIES	
1057.00	A	not on file	
1057.17	A	CONSTRUCTION IN PROGRESS	
1060.00	A	A/R - SV WW GRINDER PUMP	
1064.00	A	not on file	
1064.02	E	Created while posting txs	
1064.03	A	not on file	
1064.11	E	Created while posting txs	
1084.00	E	Created while posting txs	
1096.00	E	Created while posting txs	

MOUNTAIN WATER DISTRICT
Chart of Accounts

Account	T	Account Description	Tax Code
1097.00	E	Created while posting txs	
1098.00	E	Created while posting txs	
1104.00	E	Created while posting txs	
1104.02	A	A/D STRUCTURES & IMPROVEMENTS	
1104.03	A	A/D STRUCTURES & IMPROVEMENTS	
1104.04	A	A/D STRUCTURES & IMPROVEMENTS	
1104.05	A	A/D - STRUCTURES & IMPROVEMENT	
1104.17	A	A/D STRUCTURES & IMPROVEMENTS	
1105.02	A	A/D COLLECT/IMPOUND RESERVOIRS	
1105.17	A	A/D COLLECTION SEWERS	
1107.00	E	Created while posting txs	
1109.00	E	Created while posting txs	
1111.00	E	Created while posting txs	
1111.02	A	A/D PUMPING EQUIPMENT	
1111.17	A	A/D PUMPING EQUIPMENT	
1114.00	E	Created while posting txs	
1115.00	E	Created while posting txs	
1116.00	E	Created while posting txs	
1117.00	E	Created while posting txs	
1118.00	E	Created while posting txs	
1119.00	E	Created while posting txs	
1120.00	A	account not on file	
1120.03	A	A/D WATER TREATMENT PLANT	
1120.17	A	A/D TREATMENT & DISPOSAL EQUIP	
1121.00	E	Created while posting txs	
1122	E	Created while posting txs	
1123.00	E	Created while posting txs	
1128.00	E	Created while posting txs	
1130.04	A	A/D DISTRIB RESERVOIRS/STANDS	
1131.04	A	A/D TRANS/DISTRIBUTION MAINS	
1133.04	A	A/D SERVICES	
1133.17	A	A/D - SERVICES FOR SEWER	
1134.04	A	A/D METERS/METER INSTALLATIONS	
1134.17	A	A/D - METERS/INSTALLS SEWER	
1135.04	A	A/D HYDRANTS	
1140.05	A	A/D OFFICE FURNITURE/EQUIPMENT	
1140.17	A	A/D OFFICE FURNITURE/EQUIPMENT	
1141.05	A	A/D TRANSPORTATION EQUIPMENT	
1141.17	A	A/D TRANSPORTATION EQUIPMENT	
1143.05	A	A/D TOOLS, SHOP, GARAGE EQUIP	
1143.17	A	A/D TOOLS & MISC. EQUIPMENT	
1144.05	A	A/D LABORATORY EQUIPMENT	
1145.05	A	A/D POWER OPERATED EQUIPMENT	
1145.17	A	A/D POWER OPERATED EQUIPMENT	
1146.05	A	A/D COMMUNICATION EQUIPMENT	
1147.00	A	A/AMORT - BOND REFINANCING COS	
1222.00	E	Created while posting txs	
1223.00	E	Created while posting txs	
1227.00	E	Created while posting txs	
1228.00	A	acct. not file	
1229.00	A	not on file	
1230.00	A	acct. not on file	
1231.00	A	account not on file	
1232.00	A	acct. not on file	
1250.00	A	MWD INTERCOMPANY TRANSFERS	
1255.00	A	Regions Bank Escrow	
1261.00	A	BB & T - DEPRECIATION RESERVE	
1262.00	A	CTB - SHELBY COAL DEVELOPMENT	
1263.00	A	BB & T - Sinking Fund	
1265.00	A	FERRELLS CREEK AML PROJECT	
1267.00	A	Comm Trust - Feds creek #1	
1268.00	A	CTB - JOHNS CREEK WATER PROJ.	
1269.00	A	BB&T - Special Projects	

MOUNTAIN WATER DISTRICT
Chart of Accounts

Account	T	Account Description	Tax Code
1270.00	A	Community Trust Bank	
1271.00	A	CTB - CUSTOMER DEPOSIT ESCROW	
1272.00	A	CTB - FEMA Receivables	
1272.17	A	CTB-SEWER CUSTOMER DEPOSIT ACC	
1273.00	A	CTB - O & M RESERVES	
1274.00	A	Community Trust Bank - Misc Line Extensi	
1276.17	A	CTB - PHELPS SEWER PROJECT	
1280.00	A	CTB - DIST. WIDE TAP FEES	
1283.00	A	CTB - MALL CHARGE ESCROW	
1285.17	A	CTB - R & M RESERVE	
1286.00	A	CTB - RUSSELL FORK WATER PLANT	
1287.17	A	CTB - Shelby Sewer Project	
1288.00	A	Created while posting txs	
1288.17	A	Created while posting txs	
1290.00	A	CTB - Phelps Water Line Extension	
1293.17	A	CTB - Cowpen Sewer Project	
1311.00	A	Petty Cash	
1312.00	A	CTB - Operating Account	
1313.00	A	US BANK - PAYROLL ACCOUNT	
1314.00	A	CTB-MWD Payroll Account	
1318.17	A	Phelps Sewer Tap Fees	
1319.17	A	CTB - Dist Wide WW Tap Fees	
1322.17	A	CTB - PHELPS GOLD GRANT	
1323.17	A	CTB - Phelps/Buskirk WW RD	
1324.00	A	WATER TEATMENT PLANT UPGRADE	
1325.17	A	BIG CREEK SEWR PROJECT-PRIDE	
1326.00	A	CTB. Water Treatment Raw Water Intake P.	
1327.17	A	CTB- Majestic Sewer Project	
1328.17	A	CTB - HENRY CLAY SEWER PROJECT	
1329.00	A	CTB-MWD Hurricane AML	
1340.17	A	BIG CREEK SEWER PROJECT-PRIDE	
1341.17	A	BIG CREEK SEWER-COAL SETTLEMEN	
1342.00	A	Penny Rd Water and Sewer	
1343.00	A	CTB-LMI Service Connection 08-09	
1345.00	A	CTB-Variou Short Line Ext.	
1346.00	A	CTB-Variou Water Line Ext.	
1347.00	A	CTB.M.W.D. Telemetry Project	
1348.00	A	CTB-M.W.D. Watson Hill Waterline Ext. P	
1349.17	A	CTB.Long Fork Of Virgie Sewer Project Ac	
1350.00	A	M.W.D. Jonican Project	
1350.17	A	M.W.D. Belfry Pond Sewer	
1351.00	A	M.W.D. 2nd Magistrial-Variou	
1351.17	A	MWD PHELPS UPGRADE ACCT.	
1360.00	A	CTB- Recycling Revenue Acct.	
1360.17	A	CTB-Smith Fork WW Phase II	
1380.00	A	M.W.D. CAM Mining EEC	
1381.00	A	CTB. PCFC Projects	
1382.00	A	CTB - R & M REIMBURSEMENT ACCT.	
1383.00	A	CTB.-M.W.D. Rehab Project	
1399.00	A	M.W.D. Bad Fork AML Project	
1400.00	A	FEMA REC. 2010 FLOOD	
1411.00	A	RECEIVABLE - WATER SALES	
1413.00	A	RECEIVABLE - RETURNED CHECKS	
1418.00	A	RECEIVABLE - OTHER FEES, ETC..	
1419.17	A	A/R - CIP - SEWER	
1420.00	A	A/R - US RENTALS	
1421.17	A	A/R - JOHNS CR RD GRANT	
1425.00	A	RECEIVABLE- UMG R AND M	
1426.00	A	RECEIVABLE-H2O Construction	
1427.17	A	RECEIVABLE - SEWER REVENUE	
1431.00	A	PROVISION FOR UNCOLLECTIBLES	
1623.00	A	PREPAID MGT. FEES	
1841.00	A	ELECTRONIC DEPOSIT CLEARING	

MOUNTAIN WATER DISTRICT
Chart of Accounts

Account	T	Account Description	Tax Code
1847.00	A	CLEARING - TRANSPORTATION	
1862.00	A	OTHER DEFERRED DEBTS	
2000.00	L	Accounts Payable	
2012	L	ACCOUNTS PAYABLE UMG 2012 R & M	
2012.00	L	A/P UMG R&M OVERAGE 2012	
2013.00	L	A/P - UMG OVERAGE (JUL TO DEC 201	
2014.00	L	A/P - UMG OVERAGE 2014	
2150.00	L	RETAINED EARNINGS (DEFICIT)	
2167.17	L	RETAINED EARNINGS (SEWER)	
2200.00	L	RD Loan -WTP	
2201.00	L	ACCT. NOT ON FILE	
2202.00	L	Note Payable Ky. Rural Water	
2205.00	L	RD Bond 91-33	
2206.17	L	RD Bond - Shelby Sewer Project	
2208.00	L	RD BOND 91-23 RACCOON/PC	
2209.17	L	RD BOND 92-19 MOSSY BOTTOM	
2210.00	L	RD BOND 91-16 ELKHORN CREEK	
2211.00	L	RD BOND 91-14 INDIAN CREEK	
2212.00	L	RD BOND 91-12 SHELBY WATER	
2213.17	L	RD Bond - 91-01 Phelps Sewer	
2214.00	L	RD BOND 91-01 GRAPEVINE	
2215.00	L	RD BOND 91-32 AMR PROJECT	
2216.00	L	RD BOND 91-06 DORTON	
2217.00	L	KIA LOAN B90-11 MTN TOP BAKING	
2218.00	L	KIA LOAN B291-07 MULTI AREA	
2219.00	L	KIA LOAN B291-01 INDIAN CREEK	
2220.00	L	RD Loan 91-40 Water Treatment Upgrade	
2220.17	L	KIA LOAN A95-16 MOSSY BOTTOM	
2221.00	L	KIA LOAN F01-07 WATER PLANT	
2222.17	L	KIA LOAN A00-03 MOSSY BOTTOM	
2223.00	L	RD BOND 91-24 RUSSELL FK WTP	
2224.17	L	KIA LOAN A03-06 SO WMSN III	
2225.17	L	KIA Shelby III Phase II	
2230.00	L	N/P CTB CONS (\$8393.78)	
2231.00	L	CTB-FEMA loan 60100599434-N	
2232.00	L	N/P CTB NEW (\$9,547.16)	
2240.00	L	COMM TRUST INST - VEH #96 60M	
2241.00	L	COMM TRUST INST - VEH #97 60M	
2242.00	L	CTB LOC - COAL SEV 2005	
2244.00	L	BANK OF NY - JOHNS CK INT FIN	
2248.00	L	LESS AMOUNT DUE WITHIN ONE YEA	
2248.17	L	LESS AMT DUE WITHIN 1 YR	
2251.00	L	COMM TRUST 60100463101/3 #99	
2255.00	L	CTB-2006 F-250 V#101	
2256.00	L	CTB - 2006 FORD RANGER V#104	
2257.00	L	CTB - 2006 FORD RANGER V# 105	
2258.00	L	CTB - 2006 FORD RANGER V# 108	
2259.00	L	CTB - 2006 FORD F250 V# 106	
2260.00	L	CTB - 2006 FORD F250 V# 107	
2261.00	L	CTB - 2006 FORD F250 V# 111	
2262.00	L	2008 Colorado #112	
2263.00	L	Unit #113	
2264.00	L	2008 Nissan #116	
2265.00	L	set up new note 2007	
2266.00	L	2007 new note	
2276.00	L	CHRYSLER FIN 60M LEASE VEH #83	
2277.00	L	CHRYSLER FIN 60M LEASE VEH #84	
2279.00	L	GMAC 60M LEASE 2002 CHEVY #85	
2280.00	L	CHRYSLER FIN 60M LEASE VEH.# 86	
2281.00	L	CHRYSLER FIN 60M LEASE VEH.# 87	
2283.00	L	Note (500,000) paid from UMG 2009	
2284.00	L	CTB- WTP line of credit	
2285.00	L	N/P - WTP LOC NEW	

MOUNTAIN WATER DISTRICT
Chart of Accounts

Account	T	Account Description	Tax Code
2287.00	L	GMAC 60M 0% VEH. 91	
2288.00	L	New Loan Citiziten Bank V # 118,119 & 12	
2289.00	L	CTB-LN OF COMMITMENT - FEMA RI	
2290.17	L	5th3rd Bank - Phelps Interim	
2291.00	L	COMM TRUST - 60M - VEH #92	
2292.00	L	COMM TRUST 60M - VEH #93	
2293.00	L	COMM TRUST LN - VEH #94	
2294.00	L	LEASE PAYABLE KOMATZU	
2294.17	L	BANK OF NY - SHELBY SEWER INT.	
2295.00	L	CASE CREDIT 60M 5.5%/BH #11	
2296.00	L	CTB - NEW NOTE (500,000)	
2297.00	L	CTB LOC - FLOOD DAMAGE 2004	
2298.17	L	CTB - Barrenshee LOC	
2299.00	L	COMM TRUST INSTALLMENT - VEH. #	
2299.17	L	CTB - LOCAL - COWPEN WW	
2300.00	L	N/P - CTB VEH.#124	
2301.00	L	N/P - CTB VEH. #125	
2302.00	L	N/P - CTB (KOMATSU)	
2303.00	L	2011 Silberado 388340	
2304.00	L	#135 2011 Nissan	
2305	L	#136 2011 Silverado	
2306.00	L	#137 2012 Colorado	
2307.00	L	N/P - CTB VEH.#138 2012 SILVERADO	
2308.00	L	N/P - CTB VEH. # 139 2012 SILVERADO	
2309.00	L	N/P - CTB VEH.#140 2012 SILVERADO	
2310.00	L	ACCOUNTS PAYABLE	
2311.00	L	A/P - UMG PER CONTRACT	
2312.00	L	N/P - CTB VEH.#141 2012 SILVERADO	
2313.00	L	A/P - UMG R & M OVERAGE	
2314.00	L	N/P - CTB VEH #142	
2317.00	L	A/P - CIP WATER	
2317.17	L	A/P - CIP - SEWER	
2318.17	L	A/P - H20 - SV WW	
2319.17	L	A/P - CIP - CALLOWAY SEWER	
2320.17	L	CIP - HENRY CLAY SEWER	
2321.17	L	A/P - OSPREY - SV WW	
2322.00	L	A/P - UTILITY MGMNT GROUP LLC	
2323.00	L	A/P - UMG Fema	
2326.00	L	A/P - MALL CHARGE COLLECTED	
2328.00	L	TERM NOTES - CURRENT PORTION DI	
2328.17	L	SEWER NOTES - CURR PORTION	
2330.00	L	LOAN PAYMENT CTB 60100508207-3	
2350.00	L	CUSTOMER WATER DEPOSITS	
2350.17	L	Customer Sewer Deposit	
2371.00	L	ACCRUED INTEREST	
2371.17	L	ACCRUED INTEREST - SEWER	
2411.00	L	FICA TAXES WITHHELD	
2412.00	L	FEDERAL INCOME TAX WITHHELD	
2413.00	L	KY INCOME TAX WITHHELD	
2414.00	L	ACCRUED SUTA	
2415.00	L	ACCRUED FUTA	
2416.00	L	Accrued CERS	
2418.00	A	MIS.TAX EXPENSE	
2421.00	L	SPECIAL CHG COLLECTED - S.W.D.	
2423.00	L	TAXES COLLECTED ON CUST. BILLS	
2520.00	L	ADVANCES FOR CONSTRUCTION	
2527.17	L	ADVANCES FOR CONSTRUCTION - SE	
2711.00	L	TAP ON FEES - CUSTOMERS	
2711.17	L	TAP ON FEES -WASTEWATER CUST	
2712.00	L	CONTRIBUTIONS - GOVT GRANTS	
2712.17	L	CONTRIBUTIONS IN AID - SEWER	
2713.00	L	CONTRIBUTIONS - OTHER AID	
2717.17	L	CONTRIBUTION IN AID - SEWER	

MOUNTAIN WATER DISTRICT
Chart of Accounts

Account	T	Account Description	Tax Code
2820.00	L	INTERFUND TRANSFER (AUDIT)	
2820.17	L	INTERFUND TRANSFER (AUDIT)	
3900.00	L	Retained Earnings	
3901.00	A	CSA created O.O.B. Account	
4030.00	E	DEPRECIATION EXPENSE	
4030.02	E	AMORTIZATION EXPENSE	
4030.17	E	DEPRECIATION EXPENSE - SEWER	
4083.00	E	PAYROLL TAXES - FICA & U.C.	
4083.17	E	PAYROLL TAXES - FICA & U.C.	
4140.00	R	GAIN (LOSS) ON DISPOSITIONS	
4140.17	R	GAIN (LOSS) ON DISPOSITIONS	
4191.00	R	INTEREST INCOME	
4191.17	R	INTEREST INCOME	
4200.00	E	Created while posting txs	
4273.00	E	INTEREST EXPENSE - TERM DEBT	
4273.17	E	INTEREST EXPENSE - TERM DEBT	
4274.00	E	INTEREST EXPENSE - CUSTOMER DEF	
4274.17	E	INTEREST EXPENSE - CUSTOMER DEF	
4611.00	R	METERED SALES - RESIDENTIAL	
4612.00	R	METERED SALES - COMMERCIAL	
4613.00	R	METERED SALES - INDUSTRIAL	
4614.00	R	METERED SALES - PUBLIC AUTH.	
4615.00	R	METERED SALES - MULTI FAMILY	
4616.00	R	METERED SALES - ELKHORN CITY	
4621.00	R	FIRE PROTECTION REVENUE	
4710.00	R	CUSTOMER LATE PAYMENT CHARGE	
4718.00	R	OTHER WATER SERVICE REVENUE	
4719.17	R	MISC. REVENUE	
4741.00	R	SERVICE CONNECTION FEES	
4741.17	R	SERVICE CONNECTION FEES FOR WA	
5211.17	R	SEWER REVENUE -RESIDENTIAL	
5212.17	R	SEWER REVENUE - COMMERCIAL	
6031.00	E	COMP COMMISSIONERS - AUTO DIST	
6031.03	E	COMPENSATION - COMMISSIONERS	
6031.04	E	COMPENSATION - COMMISSIONERS	
6031.05	E	COMPENSATION - COMMISSIONERS	
6031.06	E	COMPENSATION - COMMISSIONERS	
6031.07	E	COMPENSATION - COMMISSIONERS	
6031.08	E	COMPENSATION COMMISSIONERS	
6031.09	E	COMPENSATION - ADMINISTRATOR	
6200.08	E	MATERIALS AND SUPPLIES USED	
6225.08	E	rate study	
6320.08	E	CONTRACT SERVICE - ACCOUNTING	
6330.08	E	CONTRACT SERVICE - LEGAL	
6360.08	E	CONTRACT SERVICE - UMG MANAGE	
6360.09	E	CONTRACT SERVICES - R & M	
6361.08	E	CONTRACT MGMNT EXP ASSUMED	
6362.17	E	CONTRACT SERVICES - UMG MANAG.	
6363.17	E	CONTRACT SERVICES - R & M	
6364.17	E	CONTRACT MANAGEMENT - EXP ASS	
6410.05	E	RENTAL OF BLDG - REAL PROPERTY	
6500.08	E	AUTO & TRANSPORTATION EXPENSE	
6600.08	E	ADVERTISING	
6670.03	E	Bad Debts Charged to Expense	
6701.00	E	OTHER LEGAL PSC EXPENSE	
6752.08	E	EDUCATION, DUES, MEETINGS, ETC.	
6756.08	E	Easements	
6758.09	E	SETTLEMENT EXPENSES	
6759.00	E	SERVICE FEE EXPENSE	
6759.08	E	BANK SERVICE FEES EXP	
6800.00	E	Retirement Expense	
7000.06	E	Major Equipment R & M	
7000.17	E	Major Equipment R & M Sewer	

MOUNTAIN WATER DISTRICT
Chart of Accounts

Account	T	Account Description	Tax Code
7001.06	E	Hand Tools R & M	
7001.17	E	Hnad Tools R & M Sewer	
7002.06	E	PS/LS R & M	
7002.17	E	PS/LS R & M Sewer	
7003.06	E	Vehicle R & M	
7003.17	E	Vehicle R & M Sewer	
7004.06	E	Miscellaneous R & M	
7004.17	E	Miscellaneous R & M Sewer	
7005.06	E	Flood Expense	
7005.17	E	Flood Expense Sewer	
7006.06	E	General R & M	
7006.17	E	General R & M Sewer	
7007.06	A	Capital Assets	
7008.06	E	R & M OVERAGE/UNDERAGE	
7008.17	E	R & M OVERAGE SEWER	
9080.02	E	MISC. TAX EXPENSE	
9999.00	A	CSA created O.O.B. Account	
9999.99	E	Undistributed	

MOUNTAIN WATER DISTRICT

REPORT OF AUDIT

DECEMBER 31, 2013

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RICHARD F. PAULMANN, CPA, LLC
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CRESTWOOD, KY 40014
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e-mail: Richardpaulmann@twc.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Mountain Water District
Pikeville, Kentucky

Report on the Financial Statements

I have audited the accompanying financial statements of the business-type activities of Mountain Water District, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Mountain Water District's basic financial statement listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement are free from material misstatement.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentations of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the evidence I obtained is sufficient and appropriate to provide a basis for my audit opinions.

Mountain Water District
Opinion letter
Pg. 2

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Mountain Water District, as of December 31, 2013, and the respective changes in financial position and where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information on pages 3-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide assurance.

Other Reporting Required by Governmental Auditing Standards

In accordance with Governmental Auditing Standards, I have also issued my report dated August 30, 2014, on my consideration of Mountain Water District's internal control over financial reporting and on tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards in considering Mountain Water District's internal control over financial reporting and compliance.

The financial statements for the year ended December 31, 2012 are being presented for comparison purposes only. They were audited by Griffith Delaney, Hillman & Company dated September 25, 2013 in which an Unmodified Opinion was expressed.

Richard F. Paulmann CPA, LLC

Richard F. Paulmann CPA-MBA

Crestwood, KY
September 4, 2014

MOUNTAIN WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Our discussion and analysis of the Mountain Water District's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2013. Please read it in conjunction with the accompanying basic financial statements. It is our intent that this discussion provide all parties interested in the District's financial condition, especially the users of the facilities, a better understanding of the District's operations and financial status.

The District reports its financial statements in a required model format issued by the Governmental Accounting Standards Board.

Financial Highlights

- Net assets decreased this year by \$2,465,242 from operating activities and before capital contributions.
- The District's total long-term debt decreased by \$728,878 with additional loan proceeds of \$181,572 and payment on the outstanding principal of \$802,049, plus \$108,401 of debt cancelled per the agreement with the management service company.
- The District acquired several vehicles through financing.
- The District was able to make the following purchases:
 1. Significant water and sewer line extensions to the outlying areas of Pike County.
 2. Assorted new equipment for treatment plant and distribution system to facilitate daily operations.

Overview of the Financial Statements

The District's basic financial statements include: (1) fund financial statements, and (2) notes to the financial statements. These financial statements present information about business-type activities, which consists principally of the fees the District charges its users to cover all or most of the cost of the services it provides.

MOUNTAIN WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(CONTINUED)

Fund Financial Statements

The fund financial statements provide detailed information about the proprietary fund. When the District charges customers for services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the District's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows for proprietary funds.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Reporting on the District as a Whole

One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of this year's activities?" The statements of Fund Net Assets and the Statement of Revenue, Expenses and Changes in Fund Net Assets report information about the District as a whole and about its activities in a way that helps answer this question.

Our discussion begins with an analysis of overall revenues and expenses and their treatment. An overwhelming majority of the District's revenue is received from charges for services.

The District's total revenues increased from a year ago by \$92,244 (1.0%). The increase was the result of an incline in residential usage, while total cost of all programs and services (including depreciation) increased by \$55,242 (0.5%). Interest expense decreased by \$99,767 due in large part to the refinancing of bonds in 2012, at lower interest rates. This trend is expected to remain approximately the same through the next fiscal year end.

Financial Analysis of the District's Proprietary Fund

At year-end, the District's proprietary fund reported total net assets of \$74,743,148, which is an increase of \$2,686,561 or (3.7%) from last year.

Capital Assets

As noted above, the District was able to

make several capital asset purchases without additional debt.

MOUNTAIN WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(CONTINUED)

Debt/Advances in Construction

At year-end, the District had various bond/notes payables to various lenders with a combined remaining balance of \$13,779,446 to be paid from utility revenues.

As of December 31, 2013, the District had received advances for construction towards projects not completed in the amount of \$5,401,265. During 2012, various construction projects were completed allowing the advances for construction from the prior year in the amount of \$5,000,431 to be transferred to capital contributions from government grants.

Contacting the District's Financial Management

This financial report is designed to provide our customers, creditors, and other users with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Treasurer, at the Mountain Water District, P. O. Box 3157, Pikeville, KY 41502, telephone number (606) 631-9162.

STATEMENT OF FINANCIAL POSITION
, December 31, 2013
(with prior year data for comparison purposes only)

	2013	2012
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash and Cash Equivalents	\$ 204,752	\$ 275,671
Accounts Receivable (Net of Allowance for Delinquencies of \$49,000 in 2013 and \$52,000 in 2012)	970,349	1,006,435
TOTAL CURENT ASSETS	\$ 1,175,101	\$ 1,282,106
<u>NONCURRENT ASSETS</u>		
Restricted Assets		
Cash-Depreciation Reserve	575,742	456,678
Cash-Construction	687,233	670,973
Cash-Customer Deposits	380,296	361,731
Cash-Recycling Account	1,262	3,629
Cash-Operation and Maintenance Reserve	16,534	16,517
Cash-Wastewater Operation and Maintenance Reserve	565,514	428,941
Cash-Sinking Fune	439,048	321,513
TOTAL RESTRICTED CASH	2,665,629	2,259,982
Capital Assets		
Supply & Pumping	3,372,662	3,368,712
Water Treatment Equipment	9,231,954	9,231,954
Transmission & Distributiion	84,751,581	82,774,724
General Plant	4,321,613	4,298,594
Land and Land Rights	534,875	534,875
Sewer Utility Plant	27,597,671	24,402,155
Sewer General Plant	582,125	445,891
Total Capital Assets	130,392,481	125,056,905
Less: Accumulated Depreciation	(44,368,333)	(40,759,599)
Net Capital Assets	86,024,148	84,297,306
Construction in Progress	5,008,870	8,063,672
OTHER ASSETS		
Deposit on Leased Vehicles	625	625
Bond refinancing Cost-Net of Amortization	88,002	91,442
TOTAL OTHER ASSETS	88,627	92,067
<u>TOTAL NONCURRENT ASSETS</u>	93,787,274	94,713,027
<u>TOTAL ASSETS</u>	\$ 94,962,375	\$ 95,995,133

See Accompanying notes to the basic financial statements

MOUNTAIN WATER DISTRICT
STATEMENT OF FINANCIAL POSITION
, December 31, 2013
(with prior year data for comparison purposes only)

	2013	2012
<u>LIABILITIES</u>		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	\$ 526,713	\$ 576,066
Other Accrued Liabilities	27,112	29,370
Accrued Interest	172,606	162,579
Customer Deposits	312,035	291,742
Bonds Payable, Current	43,266	51,000
Notes Payable and Capital Leases, Current	904,227	928,895
TOTAL CURRENT LIABILITIES	1,985,959	2,039,652
<u>LONG-TERM LIABILITIES</u>		
Bonds Payable, long-Term	3,870,234	3,914,154
Notes Payable and Capital Leases, Long-Term	8,961,769	9,614,325
Advances For Construction	5,401,265	8,373,415
TOTAL LONG-TERM LIABILITES	18,233,268	21,901,894
<u>TOTAL LIABILITIES</u>	20,219,227	23,941,546
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	71,852,257	69,479,189
Restricted for:		
Construction	687,233	670,973
Depreciation, Maintenance and Replacement	1,311,730	1,056,073
Customer Deposits	68,262	69,988
Unrestricted	823,666	780,364
<u>TOTAL NET ASSETS</u>	74,743,148	72,056,587
<u>TOTAL LIABILITIES AND NET ASSETS</u>	\$ 94,962,375	\$ 95,998,133

See Accompanying notes to the basic financial statements

MOUNTAIN WATER DISTRICT
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2013
 (With prior year data for comparison purposes only)

	<u>2013</u>	<u>2012</u>
<u>OPERATING REVENUE</u>		
Metered Sales-Residential	\$6,565,930	\$6,403,370
Metered Sales-Commercial	705,969	701,329
Sewage Revenue	917,414	936,239
Metered Sales-Multi-Family	260,990	256,103
Metered Sales-Public Authorities	268,995	284,208
Customer Late Payment Charges	192,896	209,655
Other Water Service Revenue	129,633	216,486
Service Connection Fees	165,658	91,916
Metered Sales-Industrial	41,469	57,404
Fire Protection Revenue	1,200	1,200
	<hr/>	<hr/>
<u>TOTAL OPERATING REVENUE</u>	9,250,154	9,157,910
<u>OPERATING EXPENSES</u>		
Contract Service-Management	7,258,888	7,138,394
Depreciation	3,608,734	3,451,970
Material and Supplies	43,097	240,463
Wages	153,080	141,600
Contract Service-Accounting	70,901	70,462
Education, Dues and Meetings	39,100	39,748
Contract Service-Legal	47,225	35,928
Rate Study	-	17,698
Taxes & Licenses	-	15,964
Payroll Taxes	8,625	15,735
Retirement Expense	19,513	14,639
Auto and Transport Expense	5,956	12,017
Settlement Fees	510	8,429
Advertising	7,464	4,370
Bad Debt	-	3,000
Amortization Expense	3,440	874
	<hr/>	<hr/>
<u>TOTAL OPERATING EXPENSE</u>	11,266,533	11,211,291
	<hr/>	<hr/>
<u>OPERATING LOSS</u>	(2,016,379)	(2,053,381)
<u>NON-OPERATING REVENUE (EXPENSES)</u>		
Gain On Sale of Assets	2,800	3,500
Interest Income	2,886	2,838
Interest Expense	(454,549)	(554,316)
	<hr/>	<hr/>
<u>TOTAL NON-OPERATING REVENUE (EXPENSES)</u>	(448,863)	(547,978)
	<hr/>	<hr/>
<u>LOSS BEFORE CAPITAL CONTRIBUTIONS AND OTHER CHANGES IN NET ASSETS</u>	(2,465,242)	(2,601,359)

See Accompanying notes to the basic financial statements

MOUNTAIN WATER DISTRICT
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2013
 (With prior year data for comparison purposes only)

	<u>2013</u>	<u>2012</u>
<u>CAPITAL CONTRIBUTIONS AND OTHER CHANGES</u>		
<u>IN NET ASSETS</u>		
Capital Contributions from:		
Government Grants	5,000,430	5,681,812
Customers through Tap-on Fees	<u>151,373</u>	<u>195,725</u>
<u>TOTAL CAPITAL CONTRIBUTIONS AND</u>		
<u>OTHER CHANGES IN NET ASSETS</u>	<u>5,151,803</u>	<u>5,877,537</u>
<u>CHANGE IN NET ASSETS</u>	<u>2,686,561</u>	<u>3,276,178</u>
<u>NET ASSETS, BEGINNING OF YEAR</u>	<u>72,056,587</u>	<u>68,780,409</u>
<u>NET ASSETS, END OF YEAR</u>	<u>\$ 74,743,148</u>	<u>\$ 72,056,587</u>

See Accompanying notes to the basic financial statements

MOUNTAIN WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013
(with prior year data for comparison purposes only)

	<u>2013</u>	<u>2012</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Receipts from Customers	\$9,286,240	\$9,123,616
Payment to Suppliers	(7,552,890)	(7,254,147)
Payment to Employees	<u>(153,080)</u>	<u>(141,600)</u>
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	<u>1,580,270</u>	<u>1,727,869</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCIING ACTIVITIES</u>		
Increase (Decrease) In Customer Deposits	<u>18,565</u>	<u>6,378</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITES</u>		
Proceeds From Tap-On Fees	151,373	195,725
Construction in Aid of Construction	5,000,430	5,681,812
(Decrease) Increase in Advances for Construction	(2,972,150)	(4,302,648)
Purchases of Plant & Equipment	(5,336,534)	(218,922)
Increase in Construction in Progress	3,054,802	(1,330,269)
Principal Payments	(910,450)	(1,288,134)
Interest Payments	(438,836)	(633,485)
Proceeds of Bank Loan	181,572	425,963
Debt Issuance Costs		(92,316)
Proceeds from Sale of Vehicles	<u>2,800</u>	<u>3,500</u>
<u>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</u>	<u>(1,266,993)</u>	<u>(1,558,774)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITES</u>		
Interest Income	<u>2,886</u>	<u>2,838</u>
<u>NET INCREASE IN CASH</u>	<u>334,728</u>	<u>178,311</u>
<u>CASH, BEGINNING OF YEAR</u>	2,535,653	2,357,342
<u>CASH, END OF YEAR</u>	<u>\$ 2,870,381</u>	<u>\$ 2,535,653</u>

See Accompanying notes to the basic financial statements

MOUNTAIN WATER DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(with prior year date for comparison purposes only)
"Continued"

	<u>2013</u>	<u>2012</u>
<u>RECONCILIATION OF OPERATING LOSS</u>		
<u>TO NET CASH PROVIDED BY</u>		
<u>OPERATING ACTIVITIES</u>		
Operating Loss	\$ (2,016,379)	\$ (2,053,381)
Adjustments to Reconcile operating Loss to Net Cash Provided by Operating Activities		
Depreciation	3,608,734	3,451,970
Amortization	3,440	874
Cancellation of Debt Payments		(103,126)
(Decrease) Increase in Provision for Uncollectible Accounts	3,000	(3,000)
Decrease (Increase) In:		
Customer Accounts Receivable	(22,058)	(20,650)
Other Accounts Receivable	55,144	57,943
Prepaid Expenses	-	-
Increase (Decrease) In:		
Accounts Payable:		
Trade	(49,353)	395,900
Construction in progress	-	(551)
Other Accrued Liabilities	(2,258)	1,890
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 1,580,270</u>	<u>\$ 1,727,869</u>
<u>NON-CASH CAPITAL AND RELATED FINANCINGS ACTIVITIES</u>		
During the period the Company purchased Vehicles in exchange for long term debt.	<u>\$ 20,039</u>	<u>\$ 124,087</u>
During the period the Company Completed Certain construction projects that were transferred to capital assets.	<u>\$ 5,044,706</u>	<u>\$ 6,874,838</u>
Refinance of Bonds	<u>\$ -</u>	<u>\$ 6,270,000</u>
Gain on Sale of Assets	<u>\$ (2,800)</u>	<u>\$ (3,500)</u>

See Accompanying notes to the basic financial statements

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Mountain Water District ("the District") conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant policies:

A. Organization

Mountain Water District is a political subdivision of the Pike County Fiscal Court, organized under chapter 74 of the Kentucky Revised Statutes. It was formed from a merger of four existing water districts-Marrowbone Water District, Shelby Valley Water District, Pond Creek Water District, and John's Creek Water District- on June 30, 1986 and at that time assumed all assets and liabilities of the existing water districts.

The territorial limits of Mountain Water District, set by the Pike County Judge/Executive on January 20, 1987, are all of Pike County except; (1) the territory of that portion of the Sandy Valley Water District located in Pike County (2) the water services area of the City of Pikeville, and (3) special financing relationships.

B. Reporting Entity

The District is the basic level of government which has financial accountability and control over all activities related to the District. The District is not included in any other governmental "reporting entity" as defined by GASB pronouncement. The Board of Commissioners have decision making authority, the power to designate management, the ability to influence operations, and the primary accountability for fiscal matters. There are no component units as defined in GASB Statement 14 which included in the District's reporting entity.

C. Basis of Presentation-Fund Accounting

The accounts of the District are organized on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate.

Proprietary Funds/Enterprises Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises-where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for accountability, capital maintenance, public policy, management control, or other purposes.

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

All proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when obligations are incurred.

E. Encumbrance Accounting

The District does not use encumbrance accounting. Since effective budgetary control and accountability and cash planning and control can be facilitated without encumbrance accounting, this is not considered departure from generally accepted accounting principles. There were no unperformed contracts in process at year end which otherwise might have resulted in the need to encumber estimated expenditures.

F. Customer Accounts Receivable

Customer accounts receivable are stated at face value, less allowance for uncollectible accounts. Changes in the allowance are charged to operating expenses.

G. Capital Assets

Capital Assets, which included property, plant and equipment, are reported in the fund financial statements at historical cost.

Depreciation is recorded as an allocated expense in the Statement of Revenues, Expenses and Changes in Fund Net Assets with accumulated depreciation reflected in the Statement of Fund Net Assets. Depreciation is computed using straight-line method over the estimated useful lives of the related assets. Estimated useful lives range from 3 to 40 years.

Capital additions improvements and major renewals are capitalized, whereas maintenance, repairs and minor renewals are charged to expenses when they are incurred. In the case of disposals, the assets and related reserves are removed from the accounts and the net amount less any proceeds from disposals, is charged or credited to revenues.

H. Cash and Cash Equivalents

For purpose of the statement of cash flows, the District considered all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

As of December 31, 2013, cash consisted of the following:

Petty Cash	\$ 320
Cash in Bank	204,432
Restricted Cash	<u>2,665,629</u>
Total Cash	<u>\$ 2,870,381</u>

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Bad Debts

Bad debts are recognized using the reserve method of accounting for uncollectible accounts.

J. Inventory

Inventory is valued at lower of cost or market on a First-In, First-Out Basis. The management service company took over ownership of the inventory and its maintenance until the contract with them is completed.

K. Investment Policy

The District's policy is to invest available funds in the following:

1. Obligations of the U.S. and its agencies and Instrumentalities.
2. Obligations and contract for future delivery of purchases of obligations backed by the full faith and credit of the U.S. or a U.S. Government agency, including but not limited to"
 - a) United States Treasury
 - b) Export-Import Bank of the United States.
 - c) USDA-Rural Development
 - d) Government National Mortgage Corporation, and
 - e) Merchant Marine Bonds
3. Obligations of any corporation of the U.S. Government.
4. Certificate of Deposit issued by other interest bearing accounts of any bank or savings and loan institutions which are issued by the Federal Deposit Insurance Corporation or similar entity of which are collateralized, to the extent uninsured, by any obligation permitted by section 41.240(4) of the Kentucky revised statutes.
5. Uncollateralized certificates of deposits issued by any bank or savings and loans institution rated in one of the three highest categories by a national recognized rating agency.
6. Bankers' Acceptance for banks rated in one of three highest categories by a nationally recognized rating agency.
7. Commercial paper rated in the highest categories by a nationally recognized rated agency.
8. Bonds or certified of indebtedness of the Commonwealth of Kentucky and of its agencies or instrumentalities.
9. Securities issued by a state or local government, or any instrumentality or agency thereof, in the U.S. , and rated in one the three highest categories by a nationally recognized rating agency.
10. Shares of mutual funds, which contain certain characteristics.

Limits on investments transactions are limited in amount in one category to 20% of the total funds invested and no investment shall be purchased on a margin basis.

The District is currently invested only in interest bearing accounts of local federal insured financial institutions, including interest bearing checking accounts and certificates.

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Leave Policy-Vacation/Leave Policy-Sick Leave

The District allows full-time employees to accrue vacation leave as follows: (a) ten (10) days during the first year of employment. Employees can accrue vacation time up to a maximum of twice the annual entitlement. If an accrual of twice the annual vacation entitlement is attained, additional vacation days do not accrue. Upon termination of employment, an employee shall be paid for all accrued vacation leave.

Employees shall accrue sick leave at the rate of ten (10) days per year. Employees can accrue sick leave up to a maximum of 160 hours, after the maximum is obtained no additional sick leave is accrued. Upon termination, resignation, retirement or voluntary leave, the employee shall not be reimbursed for the accrued leave hours.

As of December 31, 2013 and December 31, 2012, the accrued liability for vacation leave was -0- and -0-, respectively.

M. Advertising

The company expenses advertising costs as incurred. Total advertising costs charged to expense for the years ended December 31, 2013 and 2012 are \$7,464 and \$4,370, respectively.

N. Equity Classifications

In the fund financial statements, equity classified as net assets and displayed in three components.

- Invested in capital assets, net of related debt-Consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net assets-Consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets-All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

2. EMPLOYEE RETIREMENT SYSTEMS

The District has elected to participate in the County Employee Retirement System (CERS) pursuant to KRS 78.530, administered by the Board of Trustees of the Kentucky Retirement System. This is a multiple employer public retirement system which covers all eligible full-time-employees. Benefit contributions and provisions are established by statute. Non-hazardous covered employees are required to contribute 5 percent of their salary to the Plan. The District's contribution rate for non-hazardous employees was 18.96 percent.

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

2. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Benefits fully vest on reaching five years of service for non-hazardous employees. Aspects of benefits for non-hazardous employees included retirement after 27 years of service or age 65.

The District's payroll for the year ended December 31, 2013 was \$153,080. The payroll for employees covered under CERS was \$113,577. The contributions required for CERS for the year was \$27,504 which consisted of \$21,829 of District contributions and \$5,675 of employee contributions.

The District's payroll for the year ended December 31, 2012 was \$141,600. The payroll for employees covered under CERS was \$111,600. The contributions required for CERS for the year was \$14,639 which consisted of \$9,059 of District contributions and \$5,580 of employee contributions.

3. FIXED ASSETS

The following is a summary of changes in fixed asset:

Description	Balance			Balance	
	January 1			December 31	
	<u>2013</u>	<u>Additions</u>	<u>Dispositions</u>	<u>2013</u>	
Supply & Pumping	\$3,368,712	\$ 3,950	\$ -0-	\$3,372,662	
Water Treatment Equipment	9,231,954	-0-	-0-	9,231,954	
Transmission & Distribution	82,774,724	1,976,857	-0-	84,751,581	
General Plant	4,298,594	23,019	-0-	4,321,613	
Land and Land Rights	534,875	-0-	-0-	534,875	
Sewer Utility Plant	24,402,155	3,195,516	-0-	27,597,671	
Sewer General Plant	<u>445,891</u>	<u>136,234</u>	<u>-0-</u>	<u>582,125</u>	
Totals	125,056,905	5,335,576	-0-	130,392,481	
Accumulated Depreciation	<u>(40,759,999)</u>	<u>(3,608,734)</u>	<u>- 0-</u>	<u>(44,368,333)</u>	
Net Utility Plant	<u>\$84,297,306</u>	<u>\$1,726,842</u>	<u>\$(-0-)</u>	<u>\$86,024,148</u>	

Description	January 1			December 31	
	2012			2012	
	<u>2012</u>	<u>Additions</u>	<u>Dispositions</u>	<u>2012</u>	
Supply & Pumping	\$3,358,362	\$ 10,350	\$ -0-	\$3,368,712	
Water Treatment Equipment	6,380,590	2,581,364	-0-	9,231,954	
Transmission & Distribution	80,434,366	2,340,358	-0-	82,774,724	
General Plant	4,243,436	124,087	(68,929)	4,298,594	
Land and Land Rights	534,875	-0-	-0-	534,875	
Sewer Utility Plant	22,663,261	1,738,894	-0-	24,402,155	
Sewer General Plant	<u>383,095</u>	<u>62,796</u>	<u>-0-</u>	<u>445,891</u>	
Totals	117,997,985	7,127,849	(68,929)	125,056,905	
Accumulated Depreciation	<u>(37,376,558)</u>	<u>(3,451,970)</u>	<u>68,929</u>	<u>(40,759,905)</u>	
Net Utility Plant	<u>\$80,621,427</u>	<u>\$3,675,879</u>	<u>\$(-0-)</u>	<u>\$84,297,306</u>	

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

3. FIXED ASSETS (Continued)

Depreciation expense was \$3,608,734 and \$3,451,970 for the years ended December 31, 2013 and 2012, respectively.

4. CONSTRUCTION IN PROGRESS

Mountain Water District has overseen several construction projects. As of December 31, 2013, the following projects were in progress.

Water Projects

Tank Rehab Southern Corrosion	\$ 675,433
Jonican	584,807
Bad Fork	231,397
Russell Fork Treatment Plant	266,631
Majesterial District 2	5,801
Various In House Projects	642,958

Sewer Projects

Phelps/Buskirk	168,513
Henry Clay	138,708
Belfry Pond Sewer	281,707
Douglas	55,174
Sewer Rehabilitation	71,361
Sandy Valley 201	49,900
Various In-House Projects	<u>1,836,480</u>

Total Construction in Progress **\$ 5,008,870**

5. CUSTOMER DEPOSIT FUND

Deposits required from customers when they sign up for the water service are deposited into the customer deposit escrow account. When services are terminated or a customer has paid in a timely fashion, a refund of the deposit plus interest is given after a year of water service. Customer deposits as of December 31, 2013 and December 31, 2012 were \$312,035 and \$291,742, respectively, and are currently held in escrow.

6. COMMITMENTS AND CONTINGENCIES

The District has been committed to several construction projects that have not been either started or completed as of the date of this report.

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

7. CONSTRUCTION FUNDS

Mountain Water District has several construction accounts used for the water projects. These are as follows:

	<u>2013</u>	<u>2012</u>
Big Creek Sewer Coal Settlement	\$ 24,134	\$ 24,135
District Wide Tap Fees	258,501	268,765
Misc. Line Extensions	7,970	7,949
MWD Special Porjects	1,405	1,538
Phelps/Buskirk Waste Water	14,632	14,545
Shelby Waste Water	61,117	60,934
Penny Road Water and Sewer	44,868	44,868
Cowpen Waste Water Project	1,860	1,860
Elk Creek Project	2,372	2,374
Water Treatment Plant Upgrade	1	(20)
Water Treatment Raw Water Intake	25	25
LMI Service Contract	656	104
Various Short Line Extensions	175	162
Telemetry Project	100	100
Watson Hill Water Line	85	85
Long Fork Virgie Sewer Project	100	100
Belfry Pond Sewer Project	100	100
Smith Fork Waste Water Phase II	100	100
Pike County Fiscal Court Projects	226,173	228,077
Repair and Maintenance Reimbursement	991	30
MWD Rehabilitation Project	23,550	110
Sewer Customer Deposit	<u>18,318</u>	<u>15,032</u>
<u>Total Construction Funds</u>	<u>\$ 687,233</u>	<u>\$ 670,973</u>

8. SUBSEQUENT EVENTS

In Preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through September 4, 2014 the date the financial statements were available to be issued.

9. RECLASSIFICATIONS

Certain amounts in prior year financial statements have been reclassified for comparative purposes to conform with presentation in the current year financial statements.

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

10. DEPOSITS WITH FINANCIAL INSTITUTIONS

At December 31, 2013, the carrying amount of the District's deposits with financial institutions was \$2,870,381 and the bank balance, per statements was \$2,994,132. The Bank balance is categorized as follows:

Amount insured by FDIC	\$ 750,000
Amount collateralized by securities held by third party trust company in the District's name	<u>2,256,385</u>
Total Bank Balance	<u>\$ 3,006,385</u>

Pledged collateral was obtained for amounts up to \$1,693,665 for money on deposit at Community Trust Bank in the name of Mountain Water District.

Pledged Collateral was obtained for accounts up to \$562,720 for money on deposit with BB&T and Community Trust Bank in the name of Mountain Water District.

11. RESTRICTED ASSETS AND RESERVE NET ASSETS

Each of the proprietary funds has a portion of its net assets restricted in connection with assets restricted in uses, such as bond interest and redemption, depreciation, and customer deposits. Restricted net assets includes excess of restricted cash over liabilities payable from restricted cash.

As of December 31, 2013 and 2012 restricted cash were as follows:

	<u>2013</u>	<u>2012</u>
Depreciation Reserve	\$ 575,742	\$ 456,678
Sinking Fund	439,048	321,513
Customer Deposit Escrow Account	380,296	361,731
Operation & Maintenance reserve	16,534	16,517
Waste Water O & M Reserve	565,514	428,941
Recycling Account	1,262	3,629
Construction Account (Note 7)	<u>687,233</u>	<u>670,973</u>
Total Restricted Cash	<u>\$2,665,629</u>	<u>\$2,259,982</u>

The District is required by debt covenants to pay into and maintain a Depreciation Reserve Fund, a Repair and Maintenance Fund and Operation and Maintenance Fund. These Amounts may be used for extraordinary maintenance expenses related to the project or for costs of replacing worn obsolete portions or the project. If Amounts are withdrawn from said funds, the District must make required periodic deposits until the required balance is reinstated.

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

11 RESTRICTED ASSETS AND RESERVE NET ASSETS (Continued)

	Maximum Required Balance	Required Balance at 12/31/13	Actual Balance At 12/31/13
Depreciation Reserve Funds	\$851,400	\$ 700,425	\$ 575,742
Repairs and Maintenance Funds	866,168	<u>848,043</u>	<u>582,048</u>
Total		<u>\$1,548,468</u>	<u>\$1,157,790</u>

The Repair and Maintenance Funds required by Kentucky Infrastructure Authority (KIA) loan agreements are underfunded by \$265,995. This deficiency resulted from not making scheduled deposits to the reserve and from transfers to the operating account to make loan payments on several debt obligations. Such disbursements do not meet the criteria for appropriate withdrawals indicated by the KIA loan agreements.

The Depreciation Reserve Funds Required by USDA-Rural Development (RD) loan requirements are underfunded by \$124,683. This deficiency resulted from not making scheduled deposits to the reserve and from transfers to the operating account to make loan payments on several debt obligations. Such disbursements do not meet the criteria for appropriate withdrawals indicated by the RD loan agreements.

Mountain Waters management stated during the field work that there is verbal agreement to transfer \$11,000 to Kentucky Infrastructure Authority reserves and \$9,000 monthly to Rural Development Reserves until the deficit is made up. These payments were transferred during 2013.

The USDA-Rural Development (RD) loan agreements also include a requirement for an Operation and Maintenance Fund. The funding of this reserve is secondary to the Depreciation Reserve Funds.

12. BONDS PAYABLE

	<u>2013</u>	<u>2012</u>
Shelby Waste Water Project Fund		
The 4.125% sewer system revenue bonds issued July 22, 2005 in the original amount of \$740,000 are payable to USDA-Rural Development to the year 2045. The bonds are secured by a statutory Mortgage lien on the utility plant service and a pledge of all water revenues from the system	\$678,500	\$688,500

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

12 BONDS PAYABLE (Continued)

	<u>2013</u>	<u>2012</u>
Phelps Waste Water Project Bond The 4.5% sewer system revenue bonds issued October 23, 2003 in the original amount of \$426,000 are payable to USDA-Rural Development to the year 2043. The bonds are secured by a statutory mortgage lien on the utility plant in service and a pledge of all water revenues from the system.	\$ 384,000	\$390,000
Feds creek Project The 3.5% revenue bonds issued July 2002 in the original amount of \$800,000 are payable to USDA-Rural Development to the year 2035. The bonds are secured by a secondary statutory mortgage lien on the utility plant in service and a pledge of all water revenues from the system.	\$688,000	\$702,000
Johns Creek The 4.125% revenue bonds issued November 2005 in the original amount of \$1,650,000 are payable to USDA-Rural Development to the year 2027. The bonds are secured by a secondary statutory mortgage lien on the utility plant in service and a pledge of all water revenues from the system.	\$1,534,000	\$1,555,654
Russell Fork Water Plant Project The 4.5% revenue bonds issued April 2009 in the original amount of \$650,000 are payable to USDA-Rural Development to the year 2047. The bonds are secured by a secondary statutory mortgage lien on the utility plant in service and pledge of all water revenue from the system.	\$ 629,000	\$ 629,000
Total bonds	\$3,913,500	\$ 3,965,154
Less current portion	(43,266)	(51,000)
Long Term Bonds Payable	<u>\$3,870,234</u>	<u>\$3,915,154</u>

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

12 BONDS PAYABLE (Continued)

Maturities of these long-term bonds are as follows:

	Principal	Interest
2014	62,000	158,151
2015	63,500	155,911
2016	66,500	153,040
2017	70,000	150,328
2018	73,000	147,462
2019-2023	410,500	690,218
2024-2028	506,000	598,603
2029-2033	621,500	485,815
2034-2038	766,500	346,395
2039-2043	905,500	175,877
2044-2048	368,500	30,487
	<u>\$3,913,500</u>	<u>\$3,092,287</u>

13. NOTES PAYABLE AND CAPITAL LEASES

	<u>2013</u>	<u>2012</u>
Kentucky Rural Water Finance Corporation The 3.14% note issued August 2012 120 the original amount of \$6,270,000, payable in monthly installments, with payments through August 2039, secured by water revenues from the system.	\$ 6,100,000	\$ 6,270,000
Kentucky Infrastructure Authority-Multi-Area The 2.9% note issued June 1994 in the original Amount of \$5,165,093, payable in semi-annual Installments of \$129,479, with payments through the year 2023, secured by water revenues from the system.	2,233,980	2,424,010
Kentucky Infrastructure Authority-Indian Creek The 3% note issued June 1994 in the original amount of \$377,760, payable in semi-annual installments of \$8,577, with payments though the year 2023, secured by water revenue from the system.	147,254	159,709
Kentucky Infrastructure Authority-F01-07 The 1.8% note issued January 2002 in the original amount of \$1,197,072 payable in semi-annual of \$35,769, with payments through the year 20024 secured by water revenues from the system.	681,655	740,123

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2013 AND 2012

13 NOTES PAYABLE AND CAPITAL LEASES (Continued)

	<u>2013</u>	<u>2012</u>
Kentucky Infrastructure Authority A03-06 The 1% note issued June 2004 in the original Amount of \$226,776, payable in semi-annual Installments of \$6,846 with payments through the year 2023, secured by water revenues from the system.	106,123	115,206
Kentucky Infrastructure Authority A209-32 The 1% note issued January 2010 in the original amount of \$750,000 with \$390,750 in principle forgiveness, payable in semi-annual installments of \$5,212, with payments through the year 2031, secured by water revenues from the system.	325,186	342,109
<u>Community Trust Bank</u> A purchase agreement, original balance \$22,588 at 5.08% interest; secured by a vehicle; payments are \$678 for 36 months, maturing September 2014.	5,960	13,644
<u>Community Trust Bank</u> A purchase agreement, original balance \$20,710 at 3.36% interest, secured by vehicle; payments are \$462 for 48 months, maturing November 2015	10,301	15,462
<u>Community Trust Bank</u> A purchase agreement, original balance \$30,105 at 4.75% interest; secured by vehicle; payments are \$690 for 45 months maturing July 2015.	11,905	19,482
<u>Community Trust Bank</u> A purchase agreement, original balance \$30,105 at 4.75% interest; secured by vehicle; payments are \$690 for 48 months maturing July 2015	11,909	19,478
<u>Community Trust Bank</u> The District has a line of credit providing for a maximum borrowing of \$400,000. Interest and principle on this note is payable monthly at the rate of 6%. The line of credit is secured by assets of the District.	-0-	39,898

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

13 NOTES PAYABLE AND CAPITAL LEASES (Continued)

	<u>2013</u>	<u>2012</u>
<u>Community Trust Bank</u>		
The District has a line of credit providing for maximum borrowing of \$275,000. Interest on this note is payable monthly at the rate of 4.5%. The lone of credit is secured by assets of the District.	90,953	113,367
<u>Utility Management Group</u>		
A note payable, original balance of \$500,000 at 5% interest; secured by assets of the District; Payments are \$9,436 for 60 months, maturing April 2014.	37,353	145,754
<u>Community Trust Bank</u>		
A lease purchase agreement, original balance \$34,251; at 5.22% interest; secured by a vehicle; Payments are \$792 for 48 months, maturing October 2013.	-0-	6,926
<u>Community Trust Bank</u>		
A lease purchase agreement, original balance \$34,625; at 3.99% interest; secured by a vehicle; Payments are \$638 for 23 months and a final Balloon payment of \$22,246, maturing April 2014.	23,838	30,400
<u>Community Trust Bank</u>		
A lease purchase agreement, original balance \$34,625; at 3.99% interest; secured by a vehicle; Payments are \$638 for 23 months and a final Balloon payment of \$22,246, maturing April 2014.	23,633	30,400
<u>Chrysler Financial</u>		
A lease-purchase agreement, original balance \$37,580 at 0% interest; secured by a vehicle; Payments are \$792 for 48 months, maturing October 2013.	-0-	6,926

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

13 NOTES PAYABLE AND CAPITAL LEASES (Continued)

Community Trust Bank

A lease purchase agreement, original balance \$27,580; at 3.99% interest; secured by a vehicle; payments are \$623 for 23 months with a final balloon payment of \$14,970, maturing September 2014.

19,413 25,961

Community Trust Bank

A lease purchase agreement, original balance \$27,256; at 3.99% interest; secured by vehicle; payments are \$503 for 23 months with a final balloon payment of \$17,511, maturing May 2014.

19,216 24,355

Community Trust Bank

A lease purchase agreement, original balance \$20,039; at 3.99% interest; secured by a vehicle; Payments are \$453 for 23 months with a final balloon payment of \$13,294, maturing May 2015.

	17,317	-0-
Total Notes Payable	9,865,996	10,543,220
Less current portion	(904,227)	(928,859)
Total Line term Debt	\$8,961,769	\$9,614,325

Maturity of the long term debt and capital leases are as follows:

	Principal	Interest
2014	\$ 976,412	\$ 259,152
2015	702,776	242,192
2016	701,412	223,926
2017	696,775	209,506
2018	701,821	193,400
2019-2023	3,152,949	691,910
2024-2028	1,352,016	376,484
2029-2033	984,999	192,929
2034-2038	537,911	65,558
2039-2041	58,925	2,376
	\$9,865,996	\$ 2,457,433

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

14. ADVANCES FOR CONSTRUCTION

Water Projects

Bad Fork	
Abandoned Mine Land	\$ 231,397
In House Projects	835,619
Debt Service money	
Coal Severance	582,527
Tank Rehabilitation	
Coal Severance	1,254,807

Sewer Projects

Phelps Waste Water	
Kentucky Infrastructure Authority	122,441
Douglas WTP	
LGEDF Funds	50,174
Henry Clay Sewer Projects:	
COE Section 531	45,391
LGEDF Funds	92,641
Belfry Pond	
Coal Severance	281,707
Private Funding	1,833,110
Water Waste Rehab	
Coal Severance	<u>71,451</u>
<u>Total Advances for Construction</u>	<u>\$5,401,265</u>

15. MANAGEMENT SERVICE AGREEMENT

In January, 2011 the District entered into another five (5) year agreement with a management service company to manage the daily operations, water facilities and waste water facilities for the District. Each period during the term commencing January 1 and ending the following December 31 shall be referred to as an "Agreement Year". Either party shall have the right, without cause, to terminate the agreement at the end of the third agreement year. Notice of termination shall be given in writing no less than 120 days in advance of the effective date of termination. The management service company compensation under the agreement shall consist of an annual fee. The annual fee for the first year, which shall be the period January 1, 2011 through December 31, 2011, shall be \$7,632,000. The annual fee shall be adjusted annually to provide that management service company will be paid 70% of the increase in total operating revenue based on the District's two most recent prior year's audits. If the annual revenue decreases, there will likewise be a downward adjustment in the fee based on the same ratio. Included in the annual fee is the allowance for maintenance and repair, which shall initially be \$564,000. The maintenance and repair budget shall adjust annually in direct proportion with any adjustment in the annual fee.

MOUNTAIN WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

On March 27, 2014 the District renewed another three (3) year agreement with a management service company to manage the daily operations, water facilities and waste water facilities for the District. Each period during the term commencing January 1 and ending the following December 31 shall be referred to as an "Agreement Year". Either party shall have the right, without cause, to terminate the agreement at the end of the third agreement year. Notice of termination shall be given in writing no less than 120 days in advance of the effective date of termination. The management service company compensation under the agreement shall consist of an annual fee. The annual fee for the first year, which shall be the period January 1, 2014 through December 31, 2014, shall be \$7,680,850. The annual fee for 2015 and 2016, shall be \$7,757,660.

Total management fees paid for this service for the year ended December 31, 2013 were \$7,602,935 less certain expenses assumed by the management service company totaling \$344,047, resulting in net payment of \$7,258,888.

In April 2009 certain amendments to the management service agreement contract were agreed to as follows:

- 1.) Management service company will provide the District a \$500,000 loan. This loan will be amortized over a period of five (5) years at a simple interest rate of 5% per annum. For each full month that the contract remains in effect or is extended or renewed, the management service company agrees to "forgive" or otherwise not require that a payment actually be made from the District to the management service company. Should the contract or any renewal or extension not be in place between the District and the management service company the total amount of the unamortized balance of the loan at the time of the contract has ended or is no longer in effect. Should repayment of the loan be required, the loan will be repaid at \$9,436 per month and matures as follows:

	Principal	Interest
2014	<u>37,353</u>	<u>390</u>
	<u>\$ 37,353</u>	<u>\$ 390</u>

INDEPENDENT AUDITORS'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Mountain Water District
Pikeville, KY

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; the financial statement of the business type activities of Mountain Water District as of and for the year December 31, 2013, and the related notes to the financial statements, which collectively comprise Mountain Water District's basic financial statements and have issued my report thereon dated September 4, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Mountain Water District's internal control over financial reporting (internal control); to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mountain Water District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented; or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies; in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mountain Water District's financial statements are free from material misstatement, I performed test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements; noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results to that testing; and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richard F. Paulmann, CPA, LLC.

Richard F. Paulmann CPA-MBA

Crestwood, KY
September 4, 2014

Water and Sewer Assets are separate files and each are tabbed separately.

Sewer Assets

MT WATER DISTRICT
 FIXED ASSETS CALCULATION (SEWER)
 PERIOD 7-01-2013 TO 6-30-2014

ACCT. #	CATEGORY	ACCUM. DEPREC. FOR 12 MONTHS ENDED 12/31/13	LESS: ACCUM. DEPREC. FOR 6 MONTHS ENDED 6/30/13	DEPREC. EXPENSE FOR 7-1-2013 THRU 12-31- 2013	DEPREC. EXPENSE FOR 6 MONTHS ENDED 6-30-2014	ACCUM. DEPREC. AT 6/30/14
1005-17	COLLECTION	3,875,376.31	3,510,209.23	365,167.08	375,358.16	4,250,734.47
1011-17	TRANSPORTATION	18,200.00	15,578.63	2,621.37	2,578.63	20,778.63
1020-17	WATER TREATMENT	1,772,704.07	1,668,130.80	104,573.27	104,082.75	1,876,786.82
1033-17	SERVICES	26,574.69	22,650.34	3,924.35	3,926.46	30,501.15
1034-17	METERS & INSTALLS SEWER	14,081.78	12,492.14	1,589.64	1,583.62	15,665.40
1040-17	OFFICE	30,458.51	30,012.31	446.20	674.09	31,132.60
1041-17	VEHICLES	12,579.38	12,579.38	-	-	12,579.38
1043-17	EQUIPMENT	27,360.52	26,159.35	1,201.17	2,287.26	29,647.78
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	TOTALS	5,777,335.26	5,297,812.18	479,523.08	490,490.97	6,267,826.23

TOTAL DEPREC. EXP FOR PERIOD	970,014.05
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MWD SEWER ASSETS (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1005-17 COLLECTION									
1	BRANHAM HEIGHTS	01/01/93	ST LINE	40/00	N	5,000.00	2,562.50	61.99	2,624.49
2	COLLEY HILLS	01/01/93	ST LINE	40/00	N	5,000.00	2,562.50	61.99	2,624.49
3	KEENE VILLAGE	01/01/94	ST LINE	40/00	N	2,000.00	975.00	24.79	999.79
4	WILLOW PLACE	01/01/94	ST LINE	40/00	N	5,000.00	2,437.50	61.99	2,499.49
5	MAPLE VALLEY	01/01/94	ST LINE	40/00	N	5,000.00	2,437.50	61.99	2,499.49
6	CENTENNIAL	08/24/95	ST LINE	40/00	N	29,294.21	13,548.59	363.17	13,911.76
99	South Williamson Sewer	07/01/04	ST LINE	40/00	N	3,384,986.13	803,934.18	41,964.55	845,898.73
113	FORREST HILLS CONNECTOR	12/31/05	ST LINE	40/00	N	285,667.22	57,153.01	3,541.49	60,694.50
126	SUNSHINE LANE CONNECTOR	12/31/05	ST LINE	40/00	N	27,451.90	5,833.55	340.33	6,173.88
127	MT. VIEW CONNECTOR	12/31/05	ST LINE	40/00	N	63,000.99	13,387.70	781.04	14,168.74
128	MCCARR SENIOR HOUSING	02/28/06	ST LINE	40/00	N	58,200.00	10,912.50	721.52	11,634.02
129	RED ROBBIN	11/01/06	ST LINE	40/00	N	30,457.52	5,710.80	377.59	6,088.39
157	SHELBY GRINDER PUMPS	01/15/08	ST LINE	10/00	N	976,107.85	536,859.31	48,404.25	585,263.56
158	SHELBY LINES	01/15/08	ST LINE	40/00	N	5,022,943.34	690,654.73	62,270.74	752,925.47
160	PHELPS GRINDER PUMPS	01/15/08	ST LINE	10/00	N	1,255,119.10	690,315.51	62,240.15	752,555.66
161	PHELPS LINES	01/15/08	ST LINE	40/00	N	5,887,317.50	809,506.18	72,986.61	882,492.79
194	ON SITE SEWAGE TANKS	01/31/10	ST LINE	40/00	N	629,801.40	55,107.64	7,807.81	62,915.45
215	2011 CIP LINES CALLOWAY	01/15/11	ST LINE	40/00	N	652,785.47	40,799.10	8,092.75	48,891.85
217	2011 CIP PRIDE ON THE RIVER	05/23/11	ST LINE	40/00	N	275,000.00	17,187.50	3,409.25	20,596.75
242	LINES - SV PHASE II	01/01/12	ST LINE	40/00	N	44,993.83	1,687.27	557.80	2,245.07
240	GRINDER PUMPS - SV PHASE III	04/24/12	ST LINE	40/00	N	125,200.00	4,695.00	1,552.14	6,247.14
241	LINES - SV PHASE III	04/24/12	ST LINE	40/00	N	624,902.55	23,433.85	7,747.08	31,180.93
243	SV LONG FORK GRINDER PUMP	05/01/12	ST LINE	10/00	N	126,300.00	18,945.00	6,263.10	25,208.10
245	LINES - SV LONG FORK	05/01/12	ST LINE	40/00	N	717,620.96	26,910.79	8,896.54	35,807.33
246	LINES - SV	05/01/12	ST LINE	40/00	N	29,876.21	1,120.36	370.39	1,490.75
276	SMITH FORK LINES	01/01/13	ST LINE	40/00	N	1,683,153.00	21,039.41	20,866.49	41,905.90
268	SMITH FORK GRINDER UNITS	03/01/13	ST LINE	40/00	N	344,400.00	4,305.00	4,269.62	8,574.62
274	GRINDER	03/01/13	ST LINE	40/00	N	24,000.00	300.00	297.53	597.53
265	62 GRINDER PUMPS - SV SEWER	03/25/13	ST LINE	40/00	N	148,800.00	1,860.00	1,844.71	3,704.71
266	SV SEWER PROJECT LINES	03/25/13	ST LINE	40/00	N	735,546.42	9,194.33	9,118.76	18,313.09
	Total for (COLLECTION)					23,204,925.60	3,875,376.31	375,358.16	4,250,734.47
1011-17									
192	PUMPER TRUCK	06/03/10	ST LINE	05/00	N	26,000.00	18,200.00	2,578.63	20,778.63
	Total for (1011-17)					26,000.00	18,200.00	2,578.63	20,778.63
1020-17 WATER TREATMENT									
7	BRANHAM HEIGHTS	01/01/93	ST LINE	20/00	N	10,000.00	10,000.00	0.00	10,000.00
8	COLLEY HILLS	01/01/93	ST LINE	20/00	N	10,000.00	10,000.00	0.00	10,000.00
9	KEENE VILLAGE	01/01/94	ST LINE	20/00	N	10,000.00	9,750.00	248.63	9,998.63
10	WILLOW PLACE	01/01/94	ST LINE	20/00	N	15,000.00	14,625.00	372.94	14,997.94
11	MAPLE VALLEY	01/01/94	ST LINE	20/00	N	10,000.00	9,750.00	248.63	9,998.63
12	CENTENNIAL	08/24/95	ST LINE	20/00	N	65,947.33	60,948.09	1,652.72	62,600.81
25	GENERATOR	05/01/98	ST LINE	20/00	N	50,000.00	40,856.16	1,239.73	42,095.89
27	CHLORONATOR SYSTEM	05/01/98	ST LINE	20/00	N	75,000.00	61,284.25	1,859.59	63,143.84
28	PLANT/ELECTRICAL	05/01/98	ST LINE	20/00	N	450,000.00	367,705.48	11,157.53	378,863.01

MWD SEWER ASSETS (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1020-17 WATER TREATMENT									
29	FENCING / YARD IMPROVEMENT	05/01/98	ST LINE	20/00	N	85,000.00	66,583.33	2,107.53	68,690.86
30	FENCING / YARD IMPROVEMENT	05/01/98	ST LINE	20/00	N	3,275.00	2,676.08	81.20	2,757.28
24	MCCARR/PRIDE SEWER	09/05/98	ST LINE	20/00	N	129,395.00	101,229.43	3,208.29	104,437.72
18	TRASH PUMP	09/30/98	ST LINE	20/00	N	1,107.00	858.46	27.45	885.91
19	WATER JET DRAIN CLEANER	09/30/98	ST LINE	20/00	N	4,328.44	3,301.44	107.32	3,408.76
73	MOSSY BOT III TREATMENT PLA	01/01/01	ST LINE	20/00	N	346,313.89	225,103.97	8,586.68	233,690.65
74	YARD IMPROVEMENT	01/01/01	ST LINE	20/00	N	49,642.26	32,267.43	1,230.85	33,498.28
156	SHELBY PLANT @ DOUGLAS	01/15/08	ST LINE	20/00	N	1,095,865.00	301,362.88	27,171.45	328,534.33
159	PHELPS WASTE WATER TREATI	01/15/08	ST LINE	20/00	N	1,620,454.91	445,625.10	40,178.40	485,803.50
195	LIQUID COLLECTION FACILITY -	01/31/10	ST LINE	40/00	N	31,800.00	2,782.50	394.23	3,176.73
244	LIFT STATION - SV LONG FORK	05/01/12	ST LINE	40/00	N	70,000.00	2,625.00	867.81	3,492.81
269	PUMP FOR LIFT STATION	03/01/13	ST LINE	40/00	N	41,000.00	512.50	508.29	1,020.79
272	CONTROL PANEL FOR LIFT STA	03/01/13	ST LINE	40/00	N	29,000.00	362.50	359.52	722.02
275	CONTROLS FOR LIFT STATION	03/01/13	ST LINE	40/00	N	29,947.00	374.34	371.26	745.60
264	SHELBY VALLEY SEWER LIFT S	03/25/13	ST LINE	40/00	N	158,250.00	1,978.13	1,961.87	3,940.00
247	MID STATE EQUIPMENT	05/29/13	ST LINE	05/00	N	1,420.00	142.00	140.83	282.83
Total for (WATER TREATMENT)						4,392,745.83	1,772,704.07	104,082.75	1,876,786.82
1033-17 SERVICES									
5	SERVICES SEWER	01/01/99	ST LINE	40/00	N	1,714.57	642.90	21.25	664.15
7	SERVICES SEWER	07/01/99	ST LINE	40/00	N	320.00	116.03	3.97	120.00
38	SERVICES SEWER	08/01/99	ST LINE	40/00	N	99.56	35.90	1.23	37.13
39	SERVICES SEWER	10/01/99	ST LINE	40/00	N	182.32	64.99	2.26	67.25
48	SERVICES SEWER	04/30/00	ST LINE	40/00	N	298.05	100.58	3.69	104.27
49	SERVICES SEWER	05/31/00	ST LINE	40/00	N	1,210.26	408.50	15.01	423.51
50	SERVICES SEWER	09/30/00	ST LINE	40/00	N	825.66	278.64	10.24	288.88
59	NEW HOOKUPS-SERVICES	02/01/01	ST LINE	40/00	N	494.50	159.63	6.13	165.76
61	NEW HOOKUPS - SERVICES	03/01/01	ST LINE	40/00	N	10.12	3.21	0.12	3.33
63	NEW HOOKUPS - SERVICES	06/01/01	ST LINE	40/00	N	63.89	20.14	0.79	20.93
65	NEW HOOKUPS - SERVICES	08/01/01	ST LINE	40/00	N	40.17	12.42	0.50	12.92
67	NEW HOOKUPS-SERVICES	09/01/01	ST LINE	40/00	N	262.35	80.91	3.25	84.16
69	NEW HOOKUPS-SERVICES	11/01/01	ST LINE	40/00	N	7.72	2.31	0.09	2.40
71	NEW HOOKUPS-SERVICES	12/01/01	ST LINE	40/00	N	28.59	8.58	0.35	8.93
78	NEW HOOKUPS - SERVICES	02/28/02	ST LINE	40/00	N	326.73	96.74	4.05	100.79
81	NEW HOOKUPS-SERVICES	08/31/02	ST LINE	40/00	N	169.40	48.07	2.10	50.17
83	NEW HOOKUPS - SERVICES	01/31/03	ST LINE	40/00	N	37.70	10.27	0.47	10.74
85	NEW HOOKUPS - SERVICES	06/30/03	ST LINE	40/00	N	1,077.50	283.05	13.36	296.41
86	NEW HOOKUPS - SERVICES	07/31/03	ST LINE	40/00	N	3,850.33	1,003.21	47.73	1,050.94
89	NEW HOOKUPS - SERVICES	08/31/03	ST LINE	40/00	N	3,850.33	995.04	47.73	1,042.77
91	NEW HOOKUPS - SERVICES	02/29/04	ST LINE	40/00	N	287.56	70.74	3.57	74.31
92	NEW HOOKUPS - SERVICES	03/31/04	ST LINE	40/00	N	1,386.34	338.08	17.19	355.27
93	NEW HOOKUPS - SERVICES	04/30/04	ST LINE	40/00	N	258.20	62.48	3.20	65.68
94	NEW HOOKUPS - SERVICES	05/31/04	ST LINE	40/00	N	342.90	82.17	4.25	86.42
101	NEW HOOKUPS - SERVICES	01/31/05	ST LINE	40/00	N	2,790.30	622.10	34.59	656.69
102	NEW HOOKUPS - SERVICES	04/30/05	ST LINE	40/00	N	8,841.32	1,917.21	109.61	2,026.82

MWD SEWER ASSETS (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1033-17 SERVICES									
103	NEW HOOKUPS - SERVICES	06/30/05	ST LINE	40/00	N	449.68	95.62	5.57	101.19
104	NEW HOOKUPS - SERVICES	10/30/05	ST LINE	40/00	N	1,559.06	318.57	19.33	337.90
105	NEW HOOKUPS - SERVICES	11/30/05	ST LINE	40/00	N	261.35	52.81	3.24	56.05
114	NEW HOOK UPS-SEWER-JAN	01/31/06	ST LINE	40/00	N	1,471.97	276.00	18.25	294.25
115	NEW SEWER HOOKUPS-FEB.	03/31/06	ST LINE	40/00	N	1,452.38	272.32	18.01	290.33
116	NEW SEWER HOOKUPS-MAY	05/31/06	ST LINE	40/00	N	1,394.81	261.53	17.29	278.82
117	NEW SEWER HOOKUPS-SEPT.	09/30/06	ST LINE	40/00	N	2,247.15	421.35	27.86	449.21
118	NEW SEWER HOOKUPS-OCT.	10/30/06	ST LINE	40/00	N	1,474.37	276.45	18.28	294.73
119	NEW SEWER HOOKUPS-NOV	11/30/06	ST LINE	40/00	N	328.67	85.30	3.71	89.01
130	NEW HOOKUPS-SERVICE-MARC	03/31/07	ST LINE	40/00	N	1,793.96	291.52	22.24	313.76
131	NEW HOOKUPS-APRIL	04/30/07	ST LINE	40/00	N	2,358.70	383.30	29.24	412.54
132	NEW HOOKUPS-MAY	05/31/07	ST LINE	40/00	N	748.92	121.68	9.28	130.96
136	NEW HOOKUPS DEC. 07	12/31/07	ST LINE	40/00	N	2,272.21	369.24	28.17	397.41
138	SEWER TAPS JAN	01/31/08	ST LINE	40/00	N	14,361.03	1,974.66	178.04	2,152.70
139	SEWER TAPS FEB	02/28/08	ST LINE	40/00	N	1,678.35	230.78	20.81	251.59
140	MAR SEWER TAPS SERVICES	03/31/08	ST LINE	40/00	N	6,224.27	855.85	77.17	933.02
141	MAY SEWER TAPS SERVICES	05/31/08	ST LINE	40/00	N	324.83	44.66	4.03	48.69
142	JUNE SEWER TAPS SERVICES	06/30/08	ST LINE	40/00	N	2,470.53	339.68	30.63	370.31
143	JULY SEWER TAPS SERVICES	07/31/08	ST LINE	40/00	N	3,908.47	537.41	48.45	585.86
144	SEP SEWER TAP SERVICES	09/30/08	ST LINE	40/00	N	1,508.49	207.41	18.70	226.11
145	SEWER TAPS OCT SERVICES	10/31/08	ST LINE	40/00	N	1,418.07	194.98	17.58	212.56
146	SEWR TAPS SERVICES NOVEME	11/30/08	ST LINE	40/00	N	2,217.43	304.92	27.49	332.41
162	SEWER TAPS FEB 09	02/28/09	ST LINE	40/00	N	1,235.63	139.01	15.32	154.33
163	SEWER TAPS APR 09	04/30/09	ST LINE	40/00	N	2,213.19	248.98	27.44	276.42
164	SEWER TAPS MAY 09	05/31/09	ST LINE	40/00	N	4,868.65	547.74	60.36	608.10
165	SEWER TAPS JUN 09	06/30/09	ST LINE	40/00	N	2,883.15	324.36	35.74	360.10
166	SEWER TAPS JULY 09	07/31/09	ST LINE	40/00	N	3,557.63	400.23	44.10	444.33
167	SEWER TAPS AUG 09	08/31/09	ST LINE	40/00	N	6,955.66	782.51	86.23	868.74
168	SEWER TAPS SEP 09	09/30/09	ST LINE	40/00	N	4,200.32	472.54	52.07	524.61
169	SEWER TAPS NOV 09	11/30/09	ST LINE	40/00	N	740.25	83.29	9.18	92.47
170	SEWER TAPS DEC 09	12/31/09	ST LINE	40/00	N	537.17	60.43	6.66	67.09
180	JAN 10 SEWER SERVICES	01/31/10	ST LINE	40/00	N	6,348.43	555.49	78.70	634.19
181	MAR 10 SEWER SERVICES	03/31/10	ST LINE	40/00	N	4,556.46	398.69	56.49	455.18
182	APR SEWER SERVICES	04/30/10	ST LINE	40/00	N	3,447.83	301.70	42.75	344.45
183	AUG 10 SEWER SERVICES	08/31/10	ST LINE	40/00	N	2,807.25	245.63	34.80	280.43
184	SEP 10 SEWER SERVICES	09/30/10	ST LINE	40/00	N	1,844.44	161.39	22.87	184.26
185	OCT 10 SEWER SERVICES	10/31/10	ST LINE	40/00	N	1,991.79	174.27	24.70	198.97
216	2011 CIP TAPS	01/15/11	ST LINE	40/00	N	22,480.61	1,405.05	278.70	1,683.75
205	SEWER HOOKUPS JAN 2011	01/31/11	ST LINE	40/00	N	5,207.43	325.47	64.56	390.03
206	SEWER SERVICES FEB 2011	02/28/11	ST LINE	40/00	N	1,830.83	114.43	22.70	137.13
207	SEWER SERVICES MAR 2011	03/31/11	ST LINE	40/00	N	7,052.76	440.80	87.44	528.24
208	SEWER SERVICES MAY 2011	05/31/11	ST LINE	40/00	N	3,236.35	202.27	40.12	242.39
209	SEWER SERVICES JULY 2011	07/31/11	ST LINE	40/00	N	4,300.91	268.80	53.32	322.12
210	SEWER SERVICES AUG 2011	08/31/11	ST LINE	40/00	N	633.94	39.62	7.86	47.48

MWD SEWER ASSETS (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1033-17 SERVICES									
211	SEWER SERVICES SEPT 2011	09/30/11	ST LINE	40/00	N	1,897.54	118.60	23.53	142.13
212	SEWER SERVICES OCT 2011	10/31/11	ST LINE	40/00	N	1,544.00	96.50	19.14	115.64
213	SEWER SERVICES	11/30/11	ST LINE	40/00	N	1,932.71	120.80	23.96	144.76
218	SEWER TAPS JAN 12	01/31/12	ST LINE	40/00	N	2,524.68	94.68	31.30	125.98
219	SEWER TAPS FEB 12	02/29/12	ST LINE	40/00	N	1,370.24	51.39	16.99	68.38
220	SEWER TAPS MAR 12	03/31/12	ST LINE	40/00	N	1,992.04	74.70	24.70	99.40
221	SEWER TAPS APR 12	04/30/12	ST LINE	40/00	N	2,702.20	101.33	33.50	134.83
222	SEWER TAPS MAY 12	05/31/12	ST LINE	40/00	N	1,237.07	46.39	15.34	61.73
239	2012 SEWER TAPS	07/01/12	ST LINE	40/00	N	37,875.14	1,420.32	469.55	1,889.87
223	SEWER TAPS JULY 12	07/31/12	ST LINE	40/00	N	1,946.82	73.01	24.13	97.14
224	SEWER TAPS AUG 12	08/31/12	ST LINE	40/00	N	1,177.34	44.15	14.59	58.74
225	SEWER TAPS SEPT 12	09/30/12	ST LINE	40/00	N	1,010.24	37.89	12.53	50.42
226	SEWER TAPS OCT 12	10/31/12	ST LINE	40/00	N	1,537.15	57.64	19.06	76.70
227	SEWER TAPS DEC 12	12/31/12	ST LINE	05/00	N	679.62	203.88	67.41	271.29
248	JAN SEWER TAPS	01/31/13	ST LINE	40/00	N	3,275.27	40.94	40.60	81.54
249	SEWER TAPS FEB 2013	02/28/13	ST LINE	40/00	N	1,370.24	17.13	16.99	34.12
250	SEWR TAPS MAY 2013	05/31/13	ST LINE	40/00	N	4,209.77	52.62	52.19	104.81
251	SEWER TAPS JUNE 2013	06/30/13	ST LINE	40/00	N	4,264.43	53.31	52.87	106.18
252	2013 SEWER TAP FEES	07/01/13	ST LINE	40/00	N	55,115.78	688.95	683.28	1,372.23
253	SEWER TAPS JULY 2013	07/31/13	ST LINE	40/00	N	2,866.79	35.83	35.54	71.37
253	SEWER TAPS AUG 2013	08/31/13	ST LINE	40/00	N	1,803.74	22.55	22.36	44.91
254	SEWER TAPS OCT 2013	10/31/13	ST LINE	40/00	N	2,878.51	35.98	35.68	71.66
255	SEWER TAPS NOV 2013	11/30/13	ST LINE	40/00	N	1,076.71	13.46	13.35	26.81
277	SEWER TAPS MARCH 2014	03/31/14	ST LINE	40/00	N	694.31	0.00	2.89	2.89
278	SEWER TAPS MAY 2014	05/31/14	ST LINE	40/00	N	2,746.60	0.00	4.95	4.95
280	SEWER TAPS	06/01/14	ST LINE	40/00	N	10,172.27	0.00	17.82	17.82
Total for (SERVICES)						323,532.96	26,574.69	3,926.46	30,501.15
1034-17 METERS & INSTALLS SEWER									
40	METERS & INSTALLS SEWER	01/01/99	ST LINE	40/00	N	857.29	321.45	10.63	332.08
41	METERS & INSTALLS SEWER	07/01/99	ST LINE	40/00	N	159.98	58.02	1.98	60.00
42	METERS & INSTALLS SEWER	08/01/99	ST LINE	40/00	N	49.76	17.88	0.61	18.49
43	METERS & INSTALLS SEWER	10/01/99	ST LINE	40/00	N	91.16	32.49	1.13	33.62
51	METERS & INSTALLS SEWER	04/30/00	ST LINE	40/00	N	149.02	50.31	1.84	52.15
52	METERS & INSTALLS SEWER	05/31/00	ST LINE	40/00	N	605.11	204.25	7.50	211.75
53	METERS & INSTALL SEWER	09/30/00	ST LINE	40/00	N	412.82	139.32	5.12	144.44
60	NEW HOOKUPS - METERS & INS	02/01/01	ST LINE	40/00	N	247.25	79.82	3.06	82.88
62	NEW HOOKUPS - METERS & INS	03/01/01	ST LINE	40/00	N	5.06	1.67	0.06	1.73
64	NEW HOOKUPS-METERS & INST	06/01/01	ST LINE	40/00	N	31.95	10.07	0.40	10.47
66	NEW HOOKUPS-METERS&INSTA	08/01/01	ST LINE	40/00	N	20.09	6.21	0.25	6.46
69	NEW HOOKUPS-METERS & INST	09/01/01	ST LINE	40/00	N	131.18	40.46	1.63	42.09
70	NEW HOOKUPS-METERS & INST	11/01/01	ST LINE	40/00	N	3.86	1.22	0.05	1.27
72	NEW HOOKUPS-METERS & INST	12/01/01	ST LINE	40/00	N	14.29	4.35	0.18	4.53
77	NEW HOOKUPS - METERS & INS	02/28/02	ST LINE	40/00	N	163.37	48.32	2.02	50.34
80	NEW HOOKUPS - METERS & INS	08/31/02	ST LINE	40/00	N	84.70	24.03	1.05	25.08

MWD SEWER ASSETS (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

set No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1034-17 METERS & INSTALLS SEWER									
82	NEW HOOKUPS - METERS & INS	01/31/03	ST LINE	40/00	N	18.85	5.13	0.23	5.36
84	NEW HOOKUPS - METERS & INS	06/30/03	ST LINE	40/00	N	538.75	141.53	6.68	148.21
87	NEW HOOKUPS - METERS & INS	07/31/03	ST LINE	40/00	N	1,925.16	501.61	23.87	525.48
90	NEW HOOKUPS - METERS & INS	08/31/03	ST LINE	40/00	N	1,925.16	497.52	23.87	521.39
95	NEW HOOKUPS - METERS/INST/	02/29/04	ST LINE	40/00	N	143.78	35.33	1.78	37.11
96	NEW HOOKUPS - METERS/INST/	03/31/04	ST LINE	40/00	N	693.17	169.04	8.59	177.63
97	NEW HOOKUPS - METERS/INST/	04/30/04	ST LINE	40/00	N	129.10	31.24	1.60	32.84
98	NEW HOOKUPS - METERS/INST/	05/31/04	ST LINE	40/00	N	171.45	41.13	2.13	43.26
106	NEW HOOKUPS - METERS/INST/	01/31/05	ST LINE	40/00	N	1,395.15	311.05	17.30	328.35
107	NEW HOOKUPS - METERS/INST/	04/30/05	ST LINE	40/00	N	4,420.66	958.65	54.81	1,013.46
108	NEW HOOKUPS - METERS/INST/	06/30/05	ST LINE	40/00	N	224.84	47.81	2.79	50.60
109	NEW HOOKUPS - METERS/INST/	10/31/05	ST LINE	40/00	N	779.53	159.23	9.66	168.89
110	NEW HOOKUPS - METERS/INST/	11/30/05	ST LINE	40/00	N	130.67	26.45	1.62	28.07
120	NEW SEWER HOOKUPS-JAN	01/31/06	ST LINE	40/00	N	735.99	138.00	9.12	147.12
121	NEW SEWER HOOKUPS-MARCH	03/31/06	ST LINE	40/00	N	726.19	136.15	9.01	145.16
122	NEW SEWER HOOKUPS-MAY	05/31/06	ST LINE	40/00	N	697.41	130.77	8.65	139.42
123	NEW SEWER HOOKUPS-SEPT.	09/30/06	ST LINE	40/00	N	1,123.58	210.67	13.93	224.60
124	NEW SEWER HOOKUPS-OCT.	10/31/06	ST LINE	40/00	N	737.18	138.22	9.14	147.36
125	NEW SEWER HOOKUPS-NOV.	11/30/06	ST LINE	40/00	N	164.33	30.82	2.04	32.86
133	NEW HOOKUPS & SERVICE-MAF	03/31/07	ST LINE	40/00	N	896.98	145.74	11.12	156.86
134	NEW HOOKUPS METERS & INST	04/30/07	ST LINE	40/00	N	1,179.35	191.62	14.62	206.24
135	NEW HOOKUPS-METERS & SER'	05/31/07	ST LINE	40/00	N	374.46	60.84	4.64	65.48
137	NEW HOOKUPS DEC.	12/31/07	ST LINE	40/00	N	1,136.11	184.60	14.08	198.68
147	JAN SEWER TAPS METERS	01/31/08	ST LINE	40/00	N	7,180.51	987.31	89.02	1,076.33
148	FEB SEWER TAPS METERS	02/29/08	ST LINE	40/00	N	839.18	115.39	10.40	125.79
149	MAR SEWER TAPS METERS	03/31/08	ST LINE	40/00	N	3,112.14	427.90	38.58	466.48
150	MAY SEWER TAPS METERS	05/31/08	ST LINE	40/00	N	162.41	22.33	2.01	24.34
151	JUNE SEWER TAPS METERS	06/30/08	ST LINE	40/00	N	1,235.27	169.84	15.31	185.15
152	JULY SEWER TAPS METERS	07/31/08	ST LINE	40/00	N	1,954.24	268.73	24.23	292.96
153	SEP SEWER TAPS METERS	09/30/08	ST LINE	40/00	N	754.24	103.73	9.35	113.08
154	OCT SEWER TAPS METERS	10/31/08	ST LINE	40/00	N	709.04	97.51	8.79	106.30
155	NOV SEWER TAPS METERS	11/30/08	ST LINE	40/00	N	1,108.72	152.46	13.75	166.21
171	FEB SEWER TAPS METERS	02/28/09	ST LINE	40/00	N	617.82	69.52	7.66	77.18
172	APR 09 SEWER TAPS METERS	04/30/09	ST LINE	40/00	N	1,106.59	124.48	13.72	138.20
173	MAY 09 SEWER TAPS METERS	05/31/09	ST LINE	40/00	N	2,434.33	273.87	30.18	304.05
174	JUN 09 SEWER TAPS METERS	06/30/09	ST LINE	40/00	N	1,441.58	162.18	17.87	180.05
175	JUL 09 SEWER TAPS METERS	07/31/09	ST LINE	40/00	N	1,778.81	200.12	22.05	222.17
176	AUG 09 SEWER TAPS METERS	08/31/09	ST LINE	40/00	N	3,477.83	391.27	43.12	434.39
177	SEP 09 SEWER TAPS METERS	09/30/09	ST LINE	40/00	N	2,100.16	236.25	26.03	262.28
178	NOV 09 SEWER TAPS METERS	11/30/09	ST LINE	40/00	N	370.13	41.63	4.59	46.22
179	DEC 09 SEWER TAPS METERS	12/31/09	ST LINE	40/00	N	268.59	30.21	3.33	33.54
186	JAN 10 SEWER TAPS METERS	01/31/10	ST LINE	40/00	N	3,174.22	277.76	39.35	317.11
187	MAR 10 SEWER TAPS METERS	03/31/10	ST LINE	40/00	N	2,278.23	199.36	28.25	227.61
188	APR 10 SEWER TAPS METERS	04/30/10	ST LINE	40/00	N	1,723.91	150.85	21.37	172.22

MWD SEWER ASSETS (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1034-17 METERS & INSTALLS SEWER									
189	AUG 10 SEWER TAPS METERS	08/31/10	ST LINE	40/00	N	1,403.62	122.82	17.40	140.22
190	SEP 10 SEWER TAPS METERS	09/30/10	ST LINE	40/00	N	922.22	80.71	11.44	92.15
191	OCT 10 SEWER TAPS METERS	10/31/10	ST LINE	40/00	N	995.90	87.15	12.35	99.50
193	SEWER TAPS METERS CIP	12/31/10	ST LINE	40/00	N	30,314.23	2,652.51	375.82	3,028.33
196	SEWER HOOKUPS JAN 2011	01/31/11	ST LINE	40/00	N	2,603.72	162.73	32.28	195.01
197	SEWER HOOKUPS FEB 2011	02/28/11	ST LINE	40/00	N	915.41	57.22	11.35	68.57
198	SEWER HOOKUPS MAR 2011	03/31/11	ST LINE	40/00	N	3,526.38	220.40	43.72	264.12
199	SEWER TAPS MAY 2011	05/31/11	ST LINE	40/00	N	1,618.17	101.13	20.06	121.19
200	SEWER HOOKUPS JULY 20011	07/31/11	ST LINE	40/00	N	2,150.46	134.40	26.66	161.06
201	SEWER HOOKUPS AUG 2011	08/31/11	ST LINE	40/00	N	316.97	19.80	3.93	23.73
202	SEWER HOOKUPS SEP 2011	09/30/11	ST LINE	40/00	N	948.77	59.30	11.76	71.06
203	SEWER HOOKUPS OCT 2011	10/31/11	ST LINE	40/00	N	772.00	48.25	9.57	57.82
204	SEWER HOOKUPS NOV 2011	11/30/11	ST LINE	40/00	N	966.35	60.40	11.98	72.38
228	SEWER METERS JAN 12	01/31/12	ST LINE	40/00	N	1,262.34	47.34	15.65	62.99
229	SEWER METERS FEB 12	02/29/12	ST LINE	40/00	N	685.12	25.69	8.49	34.18
230	SEWER METERS MAR 12	03/31/12	ST LINE	40/00	N	996.02	37.35	12.35	49.70
231	SEWER METER APR 12	04/30/12	ST LINE	40/00	N	1,351.10	50.67	16.75	67.42
232	SEWER METER MAY 12	05/31/12	ST LINE	40/00	N	618.53	23.19	7.67	30.86
233	SEWER METER JULY 12	07/31/12	ST LINE	40/00	N	973.41	36.51	12.07	48.58
234	SEWER METERS AUG 12	08/31/12	ST LINE	40/00	N	588.67	22.08	7.30	29.38
235	SEWER METER SEP 12	09/30/12	ST LINE	40/00	N	505.12	18.94	6.26	25.20
236	SEWER METERS OCT 12	10/31/12	ST LINE	40/00	N	768.57	28.82	9.53	38.35
237	SEWER METERS DEC 12	12/31/12	ST LINE	40/00	N	339.81	12.75	4.22	16.97
256	SEWER METERS JAN 2013	01/31/13	ST LINE	40/00	N	1,637.63	20.47	20.30	40.77
257	SEWER METERS FEB 2013	02/28/13	ST LINE	40/00	N	685.12	8.56	8.49	17.05
258	SEWER METERS MAY 2013	05/31/13	ST LINE	40/00	N	2,104.89	26.31	26.09	52.40
259	SEWER METERS JUNE 2013	06/30/13	ST LINE	40/00	N	2,132.21	26.65	26.44	53.09
260	SEWER METERS JULY 2013	07/31/13	ST LINE	40/00	N	1,433.40	17.92	17.77	35.69
261	SEWER METERS AUG 2013	08/31/13	ST LINE	40/00	N	901.87	11.27	11.18	22.45
262	SEWER METERS OCT 2013	10/31/13	ST LINE	40/00	N	1,439.25	17.99	17.84	35.83
263	SEWER METER NOV 2013	11/30/13	ST LINE	40/00	N	538.35	6.73	6.67	13.40
279	SEWER METER MAY 2014	05/31/14	ST LINE	40/00	N	1,373.30	0.00	2.48	2.48
Total for (METERS & INSTALLS SEWER)						128,911.60	14,081.78	1,583.62	15,665.40
1040-17 OFFICE									
13	COMPUTER	06/22/94	ST LINE	05/00	N	1,320.00	1,320.00	0.00	1,320.00
26	OFFICE	05/01/98	ST LINE	10/00	N	5,000.00	5,000.00	0.00	5,000.00
20	TRAILER MOSSY BOTTOM	10/31/98	ST LINE	10/00	N	12,140.00	12,140.00	0.00	12,140.00
21	FILING CABINET	11/30/98	ST LINE	10/00	N	274.49	274.49	0.00	274.49
22	GINDER PUMP FOR MB	11/30/98	ST LINE	10/00	N	2,800.00	2,800.00	0.00	2,800.00
26	Air Conditioner Mossy Bottom	06/01/99	ST LINE	07/00	N	2,800.00	2,800.00	0.00	2,800.00
44	FENCE	09/01/99	ST LINE	20/00	N	1,498.00	1,073.64	37.14	1,110.78
54	FENCE MBWWT	03/31/00	ST LINE	20/00	N	1,150.00	776.25	28.51	804.76
55	SCBA	04/30/00	ST LINE	05/00	N	2,036.57	2,036.57	0.00	2,036.57
56	FENCE	05/31/00	ST LINE	20/00	N	1,038.64	701.06	25.76	726.82

MWD SEWER ASSETS (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1040-17 OFFICE									
57	MOWER	06/30/00	ST LINE	05/00	N	949.00	949.00	0.00	949.00
270	FENCE	03/01/13	ST LINE	20/00	N	15,500.00	387.50	384.32	771.82
273	FENCE	03/01/13	ST LINE	20/00	N	8,000.00	200.00	198.36	398.36
Total for (OFFICE)						54,506.70	30,458.51	674.09	31,132.60
1041-17 VEHICLES									
14	90 CHEVY PICKUP	03/23/94	ST LINE	05/00	N	3,560.79	3,560.63	0.00	3,560.63
15	90 S-10 PICKUP	03/23/94	ST LINE	05/00	N	2,842.95	2,842.95	0.00	2,842.95
16	90 DODGE DAKOTA	03/28/95	ST LINE	05/00	N	3,845.80	3,845.80	0.00	3,845.80
47	Misc. Equip Mossy Bottom	06/01/99	ST LINE	07/00	N	2,330.00	2,330.00	0.00	2,330.00
Total for (VEHICLES)						12,579.54	12,579.38	0.00	12,579.38
1043-17 EQUIPMENT									
17	LEAK DETECTOR	12/01/97	ST LINE	07/00	N	7,581.33	7,581.33	0.00	7,581.33
23	LAWN MOWER	09/30/98	ST LINE	05/00	N	899.95	899.95	0.00	899.95
45	GENERATOR	01/01/99	ST LINE	07/00	N	12,700.00	12,700.00	0.00	12,700.00
79	RIDING LAWNMOWER - 14HP	06/01/02	ST LINE	03/00	N	899.00	899.00	0.00	899.00
88	TROY BILT 3550 WATT GENERA	05/02/03	ST LINE	05/00	N	469.00	469.00	0.00	469.00
111	FLOWMETER - SOUTH WILLIAM	04/30/05	ST LINE	05/00	N	2,524.68	2,524.68	0.00	2,524.68
214	1 TON CRANE	02/28/11	ST LINE	07/00	N	852.17	304.35	60.37	364.72
38	TOOLS	12/19/12	ST LINE	05/00	N	654.99	196.50	64.96	261.46
71	GENERATOR	03/01/13	ST LINE	07/00	N	25,000.00	1,785.71	1,771.04	3,556.75
281	TRAILER MOUNTED SEWER CLE	06/06/14	ST LINE	07/00	N	45,750.00	0.00	390.89	390.89
Total for (EQUIPMENT)						97,331.12	27,360.52	2,287.26	29,647.78
Client Subtotal Before Sales						28,240,533.35	5,777,335.26	490,490.97	6,267,826.23
Less Assets Sold						0.00			0.00
Total						28,240,533.35	5,777,335.26	490,490.97	6,267,826.23



chatfield@mtwater.org_20...



Mountain Water District

FAX: (
TDD: (

June 6, 2014

Vayne Cope
MI Equipment Sales, Inc.
405 Dickerson Road
Nashville, Tennessee 37207

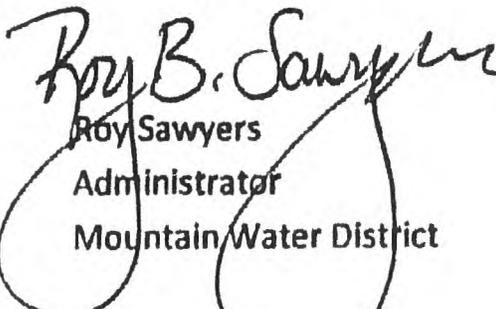
E: Bid Award – Sewer Cleaning Machine

Dear Mr. Cope,

The Mountain Water District would like to thank you for submitting a bid in the sewer jetter procurement process. After the review of bids received and the authorization, CMI Equipment Sales, Inc. has been awarded the purchase of a 040 SC Trailer Mounted Sewer Cleaning Machine as bid, that meets the above amount of \$45,750.00.

With the condition that the requirements of the attached specifications shall be met, please proceed with purchase of the above listed item. Please call me with any questions at 606-631-9162, extension 309.

Sincerely,


Roy Sawyers
Administrator
Mountain Water District

MWD (RIF 6-30-14)
Amortization Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Amort 01/01/14	Current Amortization	Accum Amort 06/30/14
1047.00 BOND REFINANCING									
347-0001	BOND REFINANCING COST	09/30/12	ST LINE	26/10	N	92,316.17	4,314.54	1,706.04	6,020.58
	Total for (BOND REFINANCING)					92,316.17	4,314.54	1,706.04	6,020.58
	Client Subtotal Before Sales					92,316.17	4,314.54	1,706.04	6,020.58
	Less Assets Sold					0.00			0.00
	Total					92,316.17	4,314.54	1,706.04	6,020.58



MOUNTAIN WATER DISTRICT
General Ledger

Date	Reference T	Description	Beginning Balance	Current Amount	Period End Amount	YTD Balance
1055.00 CIP-MATERIALS & SUPPLIES			0.00			
08/13/13	73484	David Huffman		875.00		
08/21/13	73503	Summit Engineering, Inc.		347.46		
08/21/13	73511	Norfolk Southern Corporation		150.00		
08/21/13	73512	Norfolk Southern Corporation		150.00		
08/21/13	73513	Norfolk Southern Corporation		100.00		
08/21/13	73514	Norfolk Southern Railway		150.00		
09/25/13	73562	Lorenzo Huffman		875.00		
10/29/13	73583	Summit Engineering, Inc.		1,277.04	6200.08	
12/03/13	73638	Donnie Canada and Wanda Canada		3,000.00		
12/03/13	73639	The Estate of Virgil Justice		3,000.00		
01/29/14	73681	Big Sandy Two Way		1,200.00		
01/29/14	73693	D & L Towers		1,200.00		
02/26/14	73705	CSX Transportation		455.85		
02/26/14	73706	Norfolk Southern Railway		100.00		
02/26/14	73707	Norfolk Southern Corporation		100.00		
04/30/14	73795	Summit Engineering, Inc.		1,329.24	6200.08	
05/02/14	73797	Glenn Patton		267.00		
05/28/14	73823	POCAHONTAS DEVELOPMENT CORP.		25.00	6200.08	
06/25/14	73860	Quick Signs		270.00	6200.08	
06/30/14	9 J	R/C Deposit to 2nd Maj. Various Project		11,368.43		
06/30/14	C3 J	RECLASS INV. 73690 & 73695		10,901.15	6200.08	
				<u>37,141.17</u>		<u>37,141.17</u>

Re of Accounts Specified:

Total Profit/(Loss) 0.00

Number of Transactions 21

The General Ledger is in balance 0.00

EASEMENTS \$ 11,167.00

Water Assets

MT WATER DISTRICT
FIXED ASSETS CALCULATION (WATER)
PERIOD 7-01-2013 TO 6-30-2014

ACCT. #	CATEGORY	ACCUM. DEPREC. FOR 12 MONTHS ENDED 12/31/13	LESS: ACCUM. DEPREC. FOR 6 MONTHS ENDED 6/30/13	DEPREC. EXPENSE FOR 7-1-2013 THRU 12-31- 2013	DEPREC. EXPENSE FOR 6 MONTHS ENDED 6-30-2014	ACCUM. DEPREC. AT 6/30/14
1003-02	LAND & LAND RIGHTS	-	-	-	-	-
1003-03	LAND & LAND RIGHTS	-	-	-	-	-
1003-04	LAND & LAND RIGHTS	-	-	-	-	-
1003-05	LAND & LAND RIGHTS	-	-	-	-	-
1004-02	STRUCTURES & IMPROVEMENTS	173,335.08	170,804.36	2,530.72	2,486.18	175,821.26
1004-03	STRUCTURES & IMPROVEMENTS	115,232.86	114,010.82	1,222.04	681.18	115,914.04
1004-05	STRUCTURES & IMPROVEMENTS	250,523.26	245,015.00	5,508.26	5,353.98	255,877.24
1005-02	COLLECTING/IMPOUND RESERVOIRS	59,135.56	59,135.56	-	-	59,135.56
1011-02	PUMPING EQUIPMENT	2,162,061.19	2,116,472.02	45,589.17	39,517.84	2,201,579.03
1020-03	WATER TREATMENT PLANT	1,518,480.80	1,403,773.74	114,707.06	112,836.85	1,631,317.65
1030-04	DISTRIBUTION RESERVOIRS/STANDS	4,095,327.53	3,990,612.06	104,715.47	103,008.16	4,198,335.69
1031-04	TRANSMISSIONS/DIST. MAINS	22,981,328.64	22,158,460.92	822,867.72	812,818.41	23,794,147.05
1033-04	NEW TAPS/SERVICES	2,089,083.06	2,014,321.37	74,761.69	75,527.17	2,164,610.23
1034-04	NEW TAPS/METERS & SERVICES	1,836,602.47	1,786,269.96	50,332.51	49,631.57	1,886,234.04
1035-04	HYDRANTS	505,772.75	490,223.66	15,549.09	15,318.14	521,090.89
1040-05	OFFICE FURNITURE & EQUIPMENT	259,676.10	257,420.38	2,255.72	2,049.27	261,725.37
1041-05	TRANSPORTATION EQUIPMENT	964,307.08	923,929.00	40,378.08	40,103.35	1,004,410.43
1043-05	TOOLS, SHOP & GARAGE EQUIP.	123,092.27	120,059.37	3,032.90	2,979.08	126,071.35
1044-05	LAB EQUIPMENT	8,692.02	8,585.36	106.66	147.75	8,839.77
1045-05	POWER OPERATED EQUIPMENT	379,790.46	376,001.57	3,788.89	3,737.35	383,527.81
1046-05	COMMUNICATION EQUIPMENT	1,068,556.79	1,007,857.48	60,699.31	59,444.87	1,128,001.66
	TOTALS	38,590,997.92	37,242,952.63	1,348,045.29	1,325,641.15	39,916,639.07

TOTAL DEPREC. FOR THE PERIOD	2,673,686.44
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MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1003-02 A/D LAND & LAND RIGHTS									
303-2002	APPRAISAL	09/01/85	LAND	00/00	N	900.00	0.00	0.00	0.00
303-2001	LAND	06/30/86	LAND	00/00	N	3,600.00	0.00	0.00	0.00
303-2003	TANK SITE	12/31/86	LAND	00/00	N	10,000.00	0.00	0.00	0.00
303-2004	LAND & RIGHTS	05/09/94	LAND	00/00	N	6,509.62	0.00	0.00	0.00
303-2005	I.C. WATER SUPPLY PROJECT	12/26/95	LAND	00/00	N	4,837.95	0.00	0.00	0.00
303-2006	EASEMENT	06/30/03	LAND	00/00	N	3,000.00	0.00	0.00	0.00
303-2007	VARIOUS EASEMENTS	06/30/10	LAND	00/00	N	3,195.00	0.00	0.00	0.00
303-2008	EASEMENTS 2011	06/30/11	LAND	00/00	N	5,900.00	0.00	0.00	0.00
303-2009	EASEMENT	06/30/14	LAND	00/00	N	1,540.00	0.00	0.00	0.00
303-2010	EASEMENTS 2013-2014	06/30/14	LAND	00/00	N	11,167.00	0.00	0.00	0.00
Total for (A/D LAND & LAND RIGHTS)						50,649.57	0.00	0.00	0.00
1003-03 LAND & LAND RIGHTS									
303-3001	LAND	09/01/74	LAND	00/00	N	2,400.00	0.00	0.00	0.00
Total for (LAND & LAND RIGHTS)						2,400.00	0.00	0.00	0.00
1003-04 LAND & LAND RIGHTS									
303-4004	LAND	09/01/74	LAND	00/00	N	13,000.00	0.00	0.00	0.00
303-4001	TUG FORK ACQUISITION	09/01/82	LAND	00/00	N	2,500.00	0.00	0.00	0.00
303-4002	SHARONDALE TANK SITE	07/01/84	LAND	00/00	N	5,575.00	0.00	0.00	0.00
303-4003	LAND-FORREST HILLS	01/01/85	LAND	00/00	N	12,000.00	0.00	0.00	0.00
303-4005	LAND	01/01/85	LAND	00/00	N	20,427.32	0.00	0.00	0.00
303-4006	LAND AND WATER TANK	09/23/88	LAND	00/00	N	46,374.43	0.00	0.00	0.00
303-4007	LAND	06/01/92	LAND	00/00	N	77,817.12	0.00	0.00	0.00
303-4008	FC/MC LAND	05/06/04	LAND	00/00	N	203,500.00	0.00	0.00	0.00
Total for (LAND & LAND RIGHTS)						381,193.87	0.00	0.00	0.00
1003-05									
303-5001	LAND FOR HEADQUARTERS	12/31/87	LAND	00/00	N	30,000.00	0.00	0.00	0.00
303-5002	LAND FOR OFFICE W/HOUSE	12/31/89	LAND	00/00	N	20,000.00	0.00	0.00	0.00
303-5003	LAND OFFICE HEADQUARTERS	07/09/90	LAND	00/00	N	53,766.25	0.00	0.00	0.00
303-5004	RIGHT OF WAY	04/03/09	LAND	00/00	N	4,000.00	0.00	0.00	0.00
303-5005	RIGHT OF WAY	05/19/09	LAND	00/00	N	1,350.00	0.00	0.00	0.00
303-5007	RIGHT OF WAY	06/01/09	LAND	00/00	N	1,522.26	0.00	0.00	0.00
303-5006	RIGHT OF WAY	08/18/09	LAND	00/00	N	1,350.00	0.00	0.00	0.00
303-5008	2011 RIGHT OF WAY	06/30/11	LAND	00/00	N	1,350.00	0.00	0.00	0.00
Total for (1003-05)						113,338.51	0.00	0.00	0.00
1004-02 STRUCTURES & IMPROVEMENTS									
304-2001	STRUCTURE	09/01/74	ST LINE	40/00	N	79,960.36	78,627.73	987.20	79,614.93
304-2002	STUCTURE MERGER 06/30/86	07/01/80	ST LINE	40/00	N	73,087.68	61,210.87	906.09	62,116.96
304-2004	BOOSTER STATION	08/01/82	ST LINE	50/00	N	40,000.00	25,133.33	396.71	25,530.04
304-2006	PORTABLE BUILDING	06/01/85	ST LINE	20/00	N	1,345.00	1,344.80	0.00	1,344.80
304-2007	FENCE	10/01/85	ST LINE	20/00	N	1,200.00	1,199.88	0.00	1,199.88
304-2008	SHELVING-PORTABLE BUILDING	10/31/85	ST LINE	20/00	N	172.90	172.90	0.00	172.90
304-2003	METER TESTING BUILDING	01/01/86	ST LINE	40/00	N	5,450.10	3,815.00	67.57	3,882.57
304-2005	CORE DRILL- TANK SITE	01/01/86	ST LINE	50/00	N	3,092.71	1,731.82	30.67	1,762.49
304-2009	LOUIS ROE	10/29/13	ST LINE	20/00	N	3,950.00	98.75	97.94	196.69

MWD (RIF 6-30-14)

Depreciation Schedule by G/L Account Number

For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1004-02 STRUCTURES & IMPROVEMENTS									
Total for (STRUCTURES & IMPROVEMENTS)						208,258.75	173,335.08	2,486.18	175,821.26
1004-03 STRUCTURES & IMPROVEMENTS									
304-3001	STRUCTURES & IMPROVEMENT	09/01/74	ST LINE	40/00	N	51,323.73	50,468.25	633.76	51,102.01
304-3002	FENCE WATER TREATMENT PL	07/01/83	ST LINE	40/00	N	3,825.00	2,916.66	47.42	2,964.08
304-3003	IMPROVEMENTS WATER PLANT	09/23/88	ST LINE	25/00	N	61,847.95	61,847.95	0.00	61,847.95
Total for (STRUCTURES & IMPROVEMENTS)						116,996.68	115,232.86	681.18	115,914.04
1004-05 STRUCTURES & IMPROVEMENTS									
304-5001	OFFICE BUILDING-HEADQUARTE	12/31/87	ST LINE	35/00	N	140,000.00	104,333.33	1,983.56	106,316.89
304-5002	STORES BUILDING	12/31/88	ST LINE	40/00	N	30,564.22	19,166.40	378.91	19,545.31
304-5003	BLUE STORES BUILDING	01/01/89	ST LINE	40/00	N	18,268.60	11,417.96	226.48	11,644.44
304-5004	HOUSE ADJACENT TO OFFICE	12/31/89	ST LINE	10/00	N	10,000.00	10,000.00	0.00	10,000.00
304-5005	OFFICE BUILDING-REMODELING	12/31/89	ST LINE	25/00	N	37,799.12	36,413.07	687.33	37,100.40
304-5006	ASPHALT LOT	12/31/89	ST LINE	10/00	N	6,450.00	6,450.00	0.00	6,450.00
304-5007	OFFICE STRUCTURE	07/09/90	ST LINE	25/00	N	4,073.74	3,829.32	80.81	3,910.13
304-5008	OFFICE BUILDING ADDITION	07/30/91	ST LINE	50/00	N	60,672.90	27,302.85	601.74	27,904.59
304-5009	BREEZWAY FOR OFFICES	02/18/92	ST LINE	50/00	N	2,900.00	1,271.17	28.76	1,299.93
304-5010	BLANCE ON OFFICE BUILDING	06/01/92	ST LINE	50/00	N	7,442.52	3,212.68	73.81	3,286.49
304-5011	16' CAN. GATE	10/20/92	ST LINE	30/00	N	1,000.00	708.26	16.53	724.79
304-5012	PAVING	05/14/93	ST LINE	10/00	N	5,760.00	5,760.00	0.00	5,760.00
304-5013	STEEL BUILDING 30 X 15 X 40	01/31/94	ST LINE	40/00	N	2,799.42	1,399.80	34.71	1,434.51
304-5015	FENCING BUILDING ACROSS RC	08/10/94	ST LINE	20/00	N	1,997.00	1,938.75	47.49	1,986.24
304-5016	OFFICE BLDG-BATHROOM REMC	05/01/02	ST LINE	25/00	N	2,879.99	1,344.53	57.13	1,401.66
304-5017	OFFICE ADDITION	03/01/04	ST LINE	30/00	N	30,977.43	10,153.70	512.05	10,665.75
304-5018	NEW FENCE AT BELFRY LOT	06/30/05	ST LINE	10/00	N	3,200.00	2,722.19	158.68	2,880.87
304-5019	PAVING VARIOUS	07/22/09	ST LINE	10/00	N	3,750.00	1,687.50	185.96	1,873.46
304-5020	REPAIRS ROOF - OFFICE BLDG	11/28/11	ST LINE	35/00	N	19,764.37	1,411.75	280.03	1,691.78
Total for (STRUCTURES & IMPROVEMENTS)						390,299.31	250,523.26	5,353.98	255,877.24
1005-02 COLLECTING/IMPOUND RESERVOIRS									
305-2001	RESERVOIR	09/01/74	ST LINE	30/00	N	59,137.31	59,135.56	0.00	59,135.56
Total for (COLLECTING/IMPOUND RESERVOIRS)						59,137.31	59,135.56	0.00	59,135.56
1011-02 PUMPING EQUIPMENT									
311-2006	ELECTRIC PUMPING EQUIPMEN	09/01/74	ST LINE	30/00	N	198,090.94	198,084.92	0.00	198,084.92
311-2012	PUMPING EQUIPMENT	09/01/74	ST LINE	30/00	N	22,363.27	22,362.63	0.00	22,362.63
311-2007	ELECTRIC PUMPING EQUIPMEN	01/01/79	ST LINE	30/00	N	5,070.00	5,070.00	0.00	5,070.00
311-2008	ELECTRIC PUMPING EQUIPMEN	10/15/80	ST LINE	30/00	N	38,135.20	38,135.20	0.00	38,135.20
311-2009	PLANT ELECTRONICS	02/01/81	ST LINE	30/00	N	13,865.00	13,865.00	0.00	13,865.00
311-2010	PUMPS	07/01/83	ST LINE	30/00	N	8,325.56	8,324.42	0.00	8,324.42
311-2004	PUMPING PLANT SOUTHSIDE M/	05/01/85	ST LINE	40/00	N	40,000.00	28,666.67	495.89	29,162.56
311-2001	CHLORINATORS-3 PUMPS	07/01/85	ST LINE	40/00	N	2,700.00	1,923.75	33.47	1,957.22
311-2002	FIRE BOOSTER PUMP STA 1 THI	07/01/85	ST LINE	40/00	N	140,000.00	99,750.00	1,735.62	101,485.62
311-2003	PUMP STA-DUAL WELL PUMP	11/01/85	ST LINE	40/00	N	9,500.00	6,689.58	117.77	6,807.35
311-2011	2 FLYGT SUBMERSIBLE PUMPS	05/15/86	ST LINE	30/00	N	14,099.00	13,002.49	233.05	13,235.54
311-2005	DUPLEX PUMP	07/01/86	ST LINE	40/00	N	5,873.00	4,037.76	72.81	4,110.57
311-2013	PUMPING EQUIPMENT	10/13/87	ST LINE	40/00	N	45,151.61	29,630.74	559.76	30,190.50

Depreciation Schedule by G/L Account Number For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1011-02 PUMPING EQUIPMENT									
311-2014	PUMPING EQUIPMENT	09/23/88	ST LINE	40/00	N	262,724.67	166,392.37	3,257.07	169,649.44
311-2015	PUMPING EQUIPMENT	12/18/89	ST LINE	40/00	N	165,216.69	99,474.28	2,048.24	101,522.52
311-2016	PUMPING EQUIPMENT	12/19/89	ST LINE	40/00	N	19,785.83	11,912.81	245.29	12,158.10
311-2017	PUMPING EQUIPMENT	12/19/89	ST LINE	40/00	N	269,058.72	161,995.82	3,335.59	165,331.41
311-2018	PUMPING EQUIPMENT	07/09/90	ST LINE	40/00	N	46,694.64	27,433.19	578.89	28,012.08
311-2019	BRUNDFROS BOOSTER PUMP	09/13/91	ST LINE	40/00	N	1,466.72	818.96	18.18	837.14
311-2020	1 1/2 HP NEMA	09/25/91	ST LINE	40/00	N	576.95	322.05	7.15	329.20
311-2021	CRANE DEM CENT. PUMP	04/24/92	ST LINE	15/00	N	3,764.37	3,764.37	0.00	3,764.37
311-2022	PUMPING EQUIPMENT	06/01/92	ST LINE	40/00	N	153,826.26	83,002.16	1,907.03	84,909.19
311-2023	SUBMERSIBLE PUMP	10/26/92	ST LINE	25/00	N	1,367.95	1,162.80	27.14	1,189.94
311-2024	SUBMERSIBLE PUMP	11/24/92	ST LINE	20/00	N	1,050.00	1,050.00	0.00	1,050.00
311-2025	3" HAMMERHEAD MOLE	01/05/93	ST LINE	10/00	N	4,947.00	4,947.00	0.00	4,947.00
311-2026	RED JACKET 4" PUMP	03/05/93	ST LINE	10/00	N	635.00	635.00	0.00	635.00
311-2027	PUMPING EQUIPMENT	04/26/93	ST LINE	10/00	N	1,612.25	1,609.28	0.00	1,609.28
311-2029	STEEL BUILDING	06/09/93	ST LINE	40/00	N	1,957.00	1,007.12	24.26	1,031.38
311-2030	PULSATRON PUMPS	07/15/93	ST LINE	10/00	N	810.00	810.00	0.00	810.00
311-2031	PORTABLE TURBIDIMETER	07/22/93	ST LINE	10/00	N	895.00	892.32	0.00	892.32
311-2032	PUMP MOTOR	09/17/93	ST LINE	10/00	N	676.95	674.19	0.00	674.19
311-2033	PUMP & MOTOT	09/20/93	ST LINE	10/00	N	900.00	897.10	0.00	897.10
311-2034	RED JACKET PUMP	09/30/93	ST LINE	10/00	N	1,145.90	1,145.35	0.00	1,145.35
311-2037	3" HAMMMERHEAD MOLE	11/05/93	ST LINE	10/00	N	4,947.00	4,947.00	0.00	4,947.00
311-2035	RED JACKET PUMP	11/21/93	ST LINE	10/00	N	1,254.45	1,250.79	0.00	1,250.79
311-2036	UNDERGROUND TANK	11/23/93	ST LINE	40/00	N	1,950.00	979.06	24.17	1,003.23
311-2038	PUMP MOTOR	11/30/93	ST LINE	40/00	N	2,000.00	1,004.17	24.79	1,028.96
311-2039	PUMPING EQUIPMENT	05/09/94	ST LINE	20/00	N	655,433.78	644,509.90	10,923.88	655,433.78
311-2040	GRUNDFOS PUMP W/MOTOT	02/01/95	ST LINE	10/00	N	546.32	546.32	0.00	546.32
311-2041	I.C. WATER SUPPLY PROJECT	12/26/95	ST LINE	40/00	N	129,441.48	58,518.39	1,604.72	60,123.11
311-2042	S.F. AML WATER SUPPLY PROJ	12/26/95	ST LINE	40/00	N	73,236.78	33,109.14	907.94	34,017.08
311-2043	PUMPING EQUIPMENT	09/01/97	ST LINE	40/00	N	186,706.30	76,238.45	2,314.65	78,553.10
311-2044	AML HURRICANE PROJECT	12/01/97	ST LINE	40/00	N	67,983.97	27,335.23	842.82	28,178.05
311-2045	100 GAL WATER TANK (PUMPIN	01/05/98	ST LINE	15/00	N	800.00	800.00	0.00	800.00
311-2048	30HP FLYGT PUMP	06/24/98	ST LINE	30/00	N	1,050.00	543.32	17.36	560.68
311-2046	ACRYLIC PUMP AND EQUIPMEN	06/29/98	ST LINE	10/00	N	1,381.21	1,381.21	0.00	1,381.21
311-2050	1/2 HP MOTOR	08/01/98	ST LINE	10/00	N	1,608.20	1,608.20	0.00	1,608.20
311-2049	PUMP & MOTOR	08/11/98	ST LINE	10/00	N	1,239.05	1,239.05	0.00	1,239.05
311-9833	PUMP EQUIP. MICR-COM	10/01/98	ST LINE	20/00	N	31,150.00	23,755.08	772.35	24,527.43
311-9834	PUMPS - RONNIE MULLINS	10/01/98	ST LINE	20/00	N	45,000.00	34,317.12	1,115.75	35,432.87
311-9836	PUMPS - MUSIC	10/01/98	ST LINE	20/00	N	90,000.00	68,634.25	2,231.51	70,865.76
311-9837	PRESSURE REDUCING STATION	10/01/98	ST LINE	20/00	N	30,000.00	22,878.08	743.84	23,621.92
311-9838	PRESSURE REDUCING ST.	10/01/98	ST LINE	20/00	N	30,000.00	22,878.08	743.84	23,621.92
311-2052	SUMP PUMP FOR FOREST HILL	12/08/98	ST LINE	03/00	N	119.95	119.95	0.00	119.95
311-2054	30 HP FLYGT PUMP: INT. FOR PL	12/14/98	ST LINE	03/00	N	7,650.00	7,650.00	0.00	7,650.00
311-2051	SUMP PUMP FOR UPPER CMP B	12/15/98	ST LINE	03/00	N	119.95	119.95	0.00	119.95
311-2053	SUMP PUMP FOR HARDY PRK P	12/30/98	ST LINE	03/00	N	139.99	139.99	0.00	139.99

**Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14**

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1011-02 PUMPING EQUIPMENT									
311-2055	SHORT COUPLED PUMP	03/01/99	ST LINE	05/00	N	7,970.76	7,970.76	0.00	7,970.76
311-2056	SHORT COUPLED PUMP	07/01/99	ST LINE	05/00	N	5,656.00	5,656.00	0.00	5,656.00
311-2057	FLYGT AC PUMP	08/01/99	ST LINE	05/00	N	2,531.25	2,531.25	0.00	2,531.25
311-2058	MV-45-30 BOOSTER PUMP	10/01/99	ST LINE	20/00	N	2,200.00	1,567.73	54.55	1,622.28
311-2059	7.5 HP PUMP	03/01/00	ST LINE	10/00	N	4,218.50	4,218.50	0.00	4,218.50
311-2060	5HP PUMP	03/01/00	ST LINE	05/00	N	1,760.00	1,760.00	0.00	1,760.00
311-2061	3HP PUMP, MOTOR CONTROL B	05/01/00	ST LINE	05/00	N	1,270.00	1,270.00	0.00	1,270.00
311-2063	SUBMERSIBLE PUMP FOR PINS	07/01/00	ST LINE	05/00	N	815.30	815.30	0.00	815.30
331-2062	4" PRV CHECK VALVE	07/01/00	ST LINE	40/00	N	1,224.00	413.18	15.17	428.35
311-2064	6" PRV FOR GRAPEVINE REG. PI	08/01/00	ST LINE	07/00	N	1,877.67	1,877.67	0.00	1,877.67
311-2065	4" BERMAD VALVE	09/01/00	ST LINE	40/00	N	1,961.10	653.73	24.31	678.04
311-2066	GRUNDFOS C SERIES & 10 HP B	09/01/00	ST LINE	05/00	N	2,472.80	2,472.80	0.00	2,472.80
331-4074	BOOSTER PUMP STATION - BIG	06/01/01	ST LINE	40/00	N	4,778.07	1,503.43	59.23	1,562.66
311-2067	BOWLING FORK BOOSTER PUM	01/21/03	ST LINE	40/00	N	5,403.56	1,478.59	66.99	1,545.58
311-2068	SUGAR CAMP BOOSTER PUMP	01/30/03	ST LINE	40/00	N	5,403.56	1,475.26	66.99	1,542.25
311-2069	BRANHAM HEIGHTS BOOSTER F	03/31/03	ST LINE	40/00	N	7,050.00	1,895.77	87.40	1,983.17
311-2070	BOOSTER PUMP STATION	05/13/03	ST LINE	40/00	N	7,600.00	2,021.29	94.22	2,115.51
311-2071	SOOKEYS BOOSTER PUMP STA	11/21/03	ST LINE	40/00	N	5,774.75	1,459.92	71.59	1,531.51
311-9849	ONE CARD/POWER SUPPLY	05/31/04	ST LINE	05/00	N	2,403.00	2,403.00	0.00	2,403.00
311-9842	POWER SUPPLY - CIRCUIT BOAI	06/30/04	ST LINE	05/00	N	2,377.35	2,377.35	0.00	2,377.35
311-9843	RACK CARD (TELEMETRY)	06/30/04	ST LINE	05/00	N	654.25	654.25	0.00	654.25
311-9844	ANTENNA/ONE CARD	06/30/04	ST LINE	05/00	N	2,163.65	2,163.65	0.00	2,163.65
311-9845	ONE CARD	06/30/04	ST LINE	05/00	N	3,480.00	3,480.00	0.00	3,480.00
311-9846	ONE CARD	06/30/04	ST LINE	05/00	N	790.00	790.00	0.00	790.00
311-9839	PUMP - CANEY BPS	07/01/04	ST LINE	05/00	N	1,375.00	1,375.00	0.00	1,375.00
311-9840	PUMP - CANEY BPS	07/01/04	ST LINE	05/00	N	1,400.00	1,400.00	0.00	1,400.00
311-9847	SUBPANEL CIRCUIT BOARD/TRA	09/30/04	ST LINE	05/00	N	1,459.00	1,459.00	0.00	1,459.00
311-9848	PUMP - LOWER POMPEY BPS	10/31/04	ST LINE	05/00	N	2,250.00	2,250.00	0.00	2,250.00
311-9841	3HP BALDOR MOTOR - HARDY P	11/30/04	ST LINE	05/00	N	625.50	625.50	0.00	625.50
311-2072	PUMP FOR PHELPS #2	01/31/05	ST LINE	05/00	N	4,016.29	4,016.29	0.00	4,016.29
311-2073	HAMMERHEAD MOLE	02/28/05	ST LINE	03/00	N	3,922.00	3,922.00	0.00	3,922.00
311-2075	JIMMY CREEKS BPS	04/01/08	ST LINE	40/00	N	50,000.00	6,875.00	619.86	7,494.86
311-2076	HONEY FORK BPS	04/01/08	ST LINE	40/00	N	55,000.00	7,562.50	681.85	8,244.35
311-2077	Big Shelby Booster Pump	01/17/09	ST LINE	40/00	N	46,989.14	5,286.28	582.54	5,868.82
311-2078	HURRICANE BOOSTER PUMP	01/01/12	ST LINE	40/00	N	10,350.00	388.13	128.31	516.44
Total for (PUMPING EQUIPMENT)						3,105,266.41	2,162,061.19	39,517.84	2,201,579.03
1020-03 WATER TREATMENT PLANT									
320-3002	WATER TREATMENT PLANT	07/01/80	ST LINE	40/00	N	50,661.46	42,429.06	628.07	43,057.13
320-3003	CHEMICAL FEEDER	10/01/84	ST LINE	30/00	N	2,935.00	2,861.54	48.53	2,910.07
320-3004	PUMP NEW FOR WATE PLANT	02/22/94	ST LINE	10/00	N	11,800.00	11,771.44	0.00	11,771.44
320-3005	REGAL 210 CHLORINATOR	08/18/98	ST LINE	10/00	N	1,525.00	1,525.00	0.00	1,525.00
320-3006	HYDRODYNENE MACH - AQUACI	09/08/98	ST LINE	05/00	N	855.43	855.43	0.00	855.43
320-3007	RUSSELL FORK WATER TREATM	10/01/04	ST LINE	40/00	N	5,335,332.26	1,233,795.62	66,143.50	1,299,939.12
320-3008	WATER PLANT SYSTEM UPGRAI	01/01/08	ST LINE	40/00	N	860,483.97	118,316.55	10,667.64	128,984.19

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1020-03 WATER TREATMENT PLANT									
320-3009	WATER TREATMENT PLANT UP	01/01/12	ST LINE	40/00	N	2,412,942.43	90,485.35	29,913.88	120,399.23
320-3010	BARGE 2012	01/01/12	ST LINE	40/00	N	438,421.55	16,440.81	5,435.23	21,876.04
Total for (WATER TREATMENT PLANT)						9,114,957.10	1,518,480.80	112,836.85	1,631,317.65
1030-04 DISTRIBUTION RESERVOIRS/STANDS									
330-4016	LINES MERGER 6/30/86	01/01/71	ST LINE	40/00	N	129,798.32	129,798.32	0.00	129,798.32
330-4017	TANK	08/01/82	ST LINE	50/00	N	129,742.98	81,521.85	1,286.77	82,808.62
330-4002	200,000 GALLON WATER TANK	01/01/83	ST LINE	10/00	N	80,000.00	80,000.00	0.00	80,000.00
330-4003	25,000 GALLON WATER TANK	01/01/83	ST LINE	10/00	N	48,000.00	48,000.00	0.00	48,000.00
330-4004	20,000 GALLON WATER TANK	01/01/83	ST LINE	10/00	N	10,000.00	10,000.00	0.00	10,000.00
330-4005	10,000 GALLON WATER TANK	01/01/83	ST LINE	10/00	N	5,000.00	5,000.00	0.00	5,000.00
330-4001	300,000 GALLON WATER TANK	10/01/83	ST LINE	40/00	N	130,000.00	98,312.50	1,611.64	99,924.14
330-4013	STORAGE TANK & LINES	05/01/85	ST LINE	40/00	N	196,232.00	140,632.93	2,432.74	143,065.67
330-4018	PORTABLE TANK	06/30/85	ST LINE	50/00	N	23,938.71	13,684.87	237.42	13,922.29
330-4006	TANK SITES FOR SKID TANKS	07/01/85	ST LINE	40/00	N	15,000.00	10,687.50	185.96	10,873.46
330-4007	REPAIR TANK-HIWAY 292	07/01/85	ST LINE	40/00	N	5,000.00	3,562.50	61.99	3,624.49
330-4009	200,000 GALLON WATER TANK	07/01/85	ST LINE	40/00	N	90,000.00	64,125.00	1,115.75	65,240.75
330-4010	100,000 GALLON TANK HWY 119	07/01/85	ST LINE	40/00	N	65,000.00	46,312.50	805.82	47,118.32
330-4011	100,000 GALLON TANK HWY 199	07/01/85	ST LINE	40/00	N	65,000.00	46,312.50	805.82	47,118.32
330-4012	TELEMETRY SYSTEM	07/01/85	ST LINE	40/00	N	40,000.00	28,500.00	495.89	28,995.89
330-4008	15,000 GALLON WATER TANK	11/01/85	ST LINE	40/00	N	12,000.00	8,450.00	148.77	8,598.77
330-4014	MINICODER	03/31/86	ST LINE	40/00	N	228.10	158.65	2.83	161.48
330-4015	MOVE TANK TO TURKEY CREEK	07/01/86	ST LINE	08/00	N	8,738.00	8,282.90	0.00	8,282.90
330-4019	DIST RESERVOIRS & STANKPIPI	10/13/87	ST LINE	40/00	N	237,182.97	155,651.23	2,940.42	158,591.65
330-4020	DIST RESERVOIR & STANDPIPE	12/08/87	ST LINE	40/00	N	140,355.67	91,523.55	1,740.02	93,263.57
330-4021	DISTRIBUTION RESERVOIRS	09/23/88	ST LINE	40/00	N	663,828.84	420,424.91	8,229.66	428,654.57
330-4022	DIST RESERVOIR & STANDPIPE	12/18/89	ST LINE	40/00	N	382,997.54	230,596.47	4,748.12	235,344.59
330-4023	DIST RESERVOIRS & STANDPIPI	12/19/89	ST LINE	40/00	N	19,785.83	11,912.81	245.29	12,158.10
330-4024	DIST RESERVOIRS & STANDPIPI	12/19/89	ST LINE	40/00	N	735,664.04	442,931.03	9,120.22	452,051.25
330-4025	DISTRIBUTION LINES	07/09/90	ST LINE	40/00	N	61,870.40	36,348.86	767.02	37,115.88
330-4026	PCHS ENGINEER/TELEMETRY	10/31/91	ST LINE	40/00	N	8,729.25	4,855.62	108.22	4,963.84
330-4028	RESERVOIR-WATER TANK	01/31/92	ST LINE	40/00	N	208,061.00	114,433.63	2,579.39	117,013.02
330-4027	DIST RESERVOIRS	06/01/92	ST LINE	40/00	N	291,577.62	157,330.41	3,614.76	160,945.17
330-4029	DISTRIB RESERVOIRS & STANDI	05/09/94	ST LINE	40/00	N	941,205.33	462,759.22	11,668.37	474,427.59
330-4030	I.C. WATER SUPPLY PROJECT	12/26/95	ST LINE	40/00	N	329,188.34	148,820.59	4,081.03	152,901.62
330-4031	S.F. AML WATER SUPPLY PROJ	12/26/95	ST LINE	40/00	N	62,452.96	28,233.87	774.24	29,008.11
330-4032	DISTRIBUTION RESERVOIRS/ST.	09/01/97	ST LINE	40/00	N	148,631.17	60,691.07	1,842.62	62,533.69
330-9702	SKID TANK POWELL	09/08/97	ST LINE	30/00	N	18,000.00	9,900.00	297.53	10,197.53
330-4033	AML HURRICANE PROJECT	12/01/97	ST LINE	40/00	N	123,216.00	49,543.10	1,527.54	51,070.64
330-4034	TRANSDUCER & CABLE FOR TEI	02/10/98	ST LINE	10/00	N	1,170.00	1,170.00	0.00	1,170.00
330-4035	TRANSDUCER FOR TELEMETRY	06/12/98	ST LINE	10/00	N	609.00	609.00	0.00	609.00
330-4036	ONECARD FOR TELEMETRY	09/17/98	ST LINE	07/00	N	4,060.00	4,060.00	0.00	4,060.00
330-4037	ONE CARD & RADIO FOR TELEM	09/24/98	ST LINE	07/00	N	1,901.25	1,901.25	0.00	1,901.25
330-9830	TANK - KY GLASS	10/01/98	ST LINE	30/00	N	172,000.00	87,445.06	2,843.10	90,288.16
330-9832	TANKS - MICRO-COM	10/01/98	ST LINE	30/00	N	39,524.00	20,094.12	653.32	20,747.44

**Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14**

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1030-04 DISTRIBUTION RESERVOIRS/STANDS									
330-9835	TANKS - MUSIC CONST.	10/01/98	ST LINE	30/00	N	80,000.00	40,672.20	1,322.38	41,994.58
330-4038	50 MASTER PADLOCKS	10/07/98	ST LINE	07/00	N	625.31	625.31	0.00	625.31
330-4039	1550 GAL TANK FOR PHELPS AR	11/01/98	ST LINE	10/00	N	559.00	559.00	0.00	559.00
330-4042	TELEMETRY EQU FOR TANKS	11/18/98	ST LINE	07/00	N	1,799.50	1,799.50	0.00	1,799.50
330-4041	3000 GAL TANK FOR SPRING BR	11/23/98	ST LINE	20/00	N	1,725.00	1,302.97	42.77	1,345.74
330-4040	1550 GAL TANK FOR LAYNE BR	11/30/98	ST LINE	10/00	N	559.00	559.00	0.00	559.00
330-4043	25% OF GRW HYDRAULIC STUD	12/01/98	ST LINE	03/00	N	17,202.08	17,202.08	0.00	17,202.08
330-4044	NORWESCO PLASTIC WATER T/	01/01/99	ST LINE	20/00	N	1,850.00	1,387.50	45.87	1,433.37
330-4045	TANK MAINTENANCE	01/01/99	ST LINE	05/00	N	2,050.00	2,050.00	0.00	2,050.00
330-4046	FENCE FOR FREEBURN/MAJEST	03/01/99	ST LINE	20/00	N	1,984.00	1,471.96	49.19	1,521.15
330-4047	DEBUG SWITCH CONNECTOR,C.	06/01/99	ST LINE	07/00	N	1,463.90	1,463.90	0.00	1,463.90
330-4048	ANTENNA, HARNESS	07/01/99	ST LINE	07/00	N	1,646.05	1,646.05	0.00	1,646.05
330-4049	RADIUS,TIMER, LINE PROTECTI	07/01/99	ST LINE	07/00	N	1,257.50	1,257.50	0.00	1,257.50
330-4050	CABLE INTERFACE, RADIO, RAD	08/01/99	ST LINE	07/00	N	947.25	947.25	0.00	947.25
330-4051	TRANSDUCER W/CABLE, POWE	09/01/99	ST LINE	07/00	N	1,423.29	1,423.29	0.00	1,423.29
330-4052	ONECARD II, SM50 CABLE INTEF	10/01/99	ST LINE	07/00	N	3,412.75	3,412.75	0.00	3,412.75
330-4053	TRANSDUCER W/CABLE	12/01/99	ST LINE	07/00	N	1,171.00	1,171.00	0.00	1,171.00
330-4054	1000 GAL. TANK	02/01/00	ST LINE	10/00	N	750.00	750.00	0.00	750.00
330-4055	DC/DC RACK CARD	03/01/00	ST LINE	07/00	N	382.50	382.50	0.00	382.50
330-4056	RACK CARD	03/01/00	ST LINE	07/00	N	571.95	571.95	0.00	571.95
330-4057	CABLE INTERFACE,CORD,ANTEI	05/01/00	ST LINE	07/00	N	1,728.33	1,728.33	0.00	1,728.33
330-4058	ONECARDS	05/01/00	ST LINE	07/00	N	1,064.00	1,064.00	0.00	1,064.00
330-4059	SUBPANEL CIRCUIT BOARD,CAE	05/01/00	ST LINE	07/00	N	1,693.50	1,693.50	0.00	1,693.50
330-4060	292 TANK	06/01/00	ST LINE	03/00	N	300.00	300.00	0.00	300.00
330-4061	MALL TANK	06/01/00	ST LINE	03/00	N	300.00	300.00	0.00	300.00
330-4062	ONECARD II AND LINE PROTECT	07/01/00	ST LINE	07/00	N	1,480.00	1,480.00	0.00	1,480.00
330-4064	ONECARDS,CABLE INTERFACE	03/01/01	ST LINE	07/00	N	2,805.25	2,805.25	0.00	2,805.25
330-4065	ONE CARD	04/01/01	ST LINE	40/00	N	1,360.00	433.62	16.86	450.48
330-4066	ONECARDS (2)	05/01/01	ST LINE	07/00	N	2,710.00	2,710.00	0.00	2,710.00
330-4067	ONE CARD	07/01/01	ST LINE	07/00	N	1,484.00	1,484.00	0.00	1,484.00
330-4070	ROCKHOUSE/MARROWBONE TA	04/02/02	ST LINE	30/00	N	75,400.00	29,533.35	1,246.34	30,779.69
330-4068	SUBPANEL CIRCUIT BOARD & C.	05/01/02	ST LINE	07/00	N	988.00	988.00	0.00	988.00
330-9836	S/P CIRCUIT BD / INTERFACE	05/31/02	ST LINE	07/00	N	988.00	988.00	0.00	988.00
330-9837	POWER SUPPLY UNIT	05/31/02	ST LINE	07/00	N	300.00	300.00	0.00	300.00
330-9838	LINE PROTECTION UNIT	05/31/02	ST LINE	07/00	N	190.00	190.00	0.00	190.00
330-4069	BRUSHY STORAGE TANK	07/17/02	ST LINE	30/00	N	168,600.00	64,406.74	2,786.90	67,193.64
330-4072	WOLFPIT TANK	08/09/02	ST LINE	30/00	N	13,195.00	5,012.86	218.11	5,230.97
330-4071	UPPER PETER TANK	10/03/02	ST LINE	30/00	N	46,790.00	17,540.95	773.43	18,314.38
330-4073	FC/MC FEDSCREEK BPS	05/06/04	ST LINE	30/00	N	63,864.00	20,578.40	1,055.65	21,634.05
330-4074	FC/MC MOTLEY BPS	05/06/04	ST LINE	30/00	N	50,000.00	16,111.14	826.49	16,937.63
330-4075	FC/MC FERRELL'S GAP BPS	05/06/04	ST LINE	30/00	N	185,000.00	59,611.14	3,057.99	62,669.13
330-4076	FC/MC TANK FEDSCREEK	05/06/04	ST LINE	30/00	N	97,000.00	31,255.53	1,603.38	32,858.91
330-4077	FC/MC TANKS MOTLEY	05/06/04	ST LINE	30/00	N	42,000.00	13,533.33	694.25	14,227.58
330-4078	FC/MC TANK FERRELL'S GAP	05/06/04	ST LINE	30/00	N	288,000.00	92,800.00	4,760.55	97,560.55

MWD (RIF 6-30-14)
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For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1030-04 DISTRIBUTION RESERVOIRS/STANDS									
330-4079	FC/MC TANKS RUSSELL FORK	05/06/04	ST LINE	30/00	N	588,000.00	189,466.67	9,719.45	199,186.12
330-4080	FC/MC TANK TELEMETRY	05/06/04	ST LINE	30/00	N	58,800.00	18,946.67	971.95	19,918.62
330-4081	PRIDE TANKS	11/01/04	ST LINE	30/00	N	41,700.00	12,741.67	689.29	13,430.96
330-4082	RACoon WATER STORAGE TAN	09/30/06	ST LINE	30/00	N	197,363.50	49,340.85	3,262.35	52,603.20
330-4083	FERRELLS CREEK WATER TANK	04/01/08	ST LINE	30/00	N	30,000.00	5,500.00	495.89	5,995.89
330-4084	STORAGE TANK HURRICANE	01/01/12	ST LINE	30/00	N	120,000.00	6,000.00	1,983.56	7,983.56
330-4085	STORAGE TANK HURRICANE	01/01/12	ST LINE	30/00	N	25,000.00	1,250.00	413.24	1,663.24
Total for (DISTRIBUTION RESERVOIRS/STANDS)						7,875,172.98	4,095,327.53	103,008.16	4,198,335.69
1031-04 TRANSMISSION/DISTRIBUTION MAINS									
331-4013	LINES-AD FOR JUDGEMENT	06/30/74	ST LINE	23/00	N	482,786.40	482,786.40	0.00	482,786.40
331-4014	LINES	01/01/79	ST LINE	30/00	N	15,208.60	15,208.60	0.00	15,208.60
331-4012	LINES	07/01/80	ST LINE	30/00	N	301,785.56	301,758.08	0.00	301,758.08
331-4016	MAIN LINES	08/01/82	ST LINE	50/00	N	1,168,035.69	733,915.66	11,584.35	745,500.01
331-4018	CAPITALIZED INTEREST	01/01/83	ST LINE	50/00	N	14,020.29	8,692.67	139.05	8,831.72
331-4017	CONSTRUCTION COST VAR	05/01/83	ST LINE	50/00	N	5,283.43	3,240.55	52.40	3,292.95
331-4015	LINE RELOCATION	08/01/83	ST LINE	30/00	N	26,658.00	26,655.77	0.00	26,655.77
331-4019	HOOKUPS	09/01/83	ST LINE	50/00	N	429.06	260.26	4.25	264.51
331-4001	LINES 8"X10" 3 1/2 MILES	10/01/83	ST LINE	40/00	N	217,500.00	164,484.38	2,696.40	167,180.78
331-4020	LINES	06/01/84	ST LINE	50/00	N	150.00	88.75	1.49	90.24
331-4021	LINES	12/01/84	ST LINE	50/00	N	14,091.39	8,196.56	139.76	8,336.32
331-4022	LINES (SETTLEMENT)	01/01/85	ST LINE	50/00	N	112,222.53	65,089.05	1,113.00	66,202.05
331-4002	LINES CONT 1	07/01/85	ST LINE	40/00	N	918,207.55	654,222.91	11,383.26	665,606.17
331-4003	LINES CONT11	07/01/85	ST LINE	40/00	N	664,101.87	473,172.67	8,233.05	481,405.72
331-4006	BOND ISSUE COST	07/01/85	ST LINE	40/00	N	1,782.50	1,269.96	22.10	1,292.06
331-4007	CONSTRUCTION PD. INTEREST	07/01/85	ST LINE	40/00	N	34,511.57	24,589.51	427.85	25,017.36
331-4008	CAPITALIZED SYSTEM COST	07/01/85	ST LINE	40/00	N	263,930.37	188,050.41	3,272.01	191,322.42
331-4010	CAPITALIZED SYSTEM COST	07/01/85	ST LINE	40/00	N	24,000.00	17,100.00	297.53	17,397.53
331-4004	LINES CONT 11	11/01/85	ST LINE	40/00	N	15,736.00	11,080.77	195.08	11,275.85
331-4005	TURKEY CREEK COLD FORK LIN	11/01/85	ST LINE	40/00	N	96,097.00	67,668.39	1,191.34	68,859.73
331-4009	CAPITALIZED SYSTEM COST	12/01/85	ST LINE	40/00	N	6,439.11	4,520.85	79.83	4,600.68
331-4011	ERROR ON SLATER LINE EXT	12/01/85	ST LINE	40/00	N	50.20	35.33	0.62	35.95
331-4023	FINALIZATION ORIGINAL CONST	01/01/86	ST LINE	50/00	N	1,477.59	827.40	14.65	842.05
331-4024	LINE	07/01/86	ST LINE	50/00	N	6,942.48	3,818.37	68.85	3,887.22
331-4025	WATER MAINS	10/13/87	ST LINE	40/00	N	457,398.48	300,167.70	5,670.49	305,838.19
331-4026	WATER MAINS CASE 9850	12/08/87	ST LINE	40/00	N	115,984.59	75,631.53	1,437.89	77,069.42
331-4027	TRANSMISSION & DISTRIBUTION	09/23/88	ST LINE	40/00	N	2,473,499.57	1,566,549.75	30,664.62	1,597,214.37
331-4028	GRAPEVINE PROJECT	01/01/89	ST LINE	40/00	N	74,659.71	46,662.25	925.57	47,587.82
331-4029	TRANS & DIST MAINS	12/18/89	ST LINE	40/00	N	1,320,227.46	794,887.03	16,367.21	811,254.24
331-4030	TRANS & DIST MAINS	12/19/89	ST LINE	40/00	N	4,065,222.22	2,447,602.63	50,397.62	2,498,000.25
331-4031	TRANS & DIST MAINS	07/09/90	ST LINE	40/00	N	912,928.72	536,345.67	11,317.82	547,663.49
331-4032	DISTRIBUTION MAIN	12/31/90	ST LINE	40/00	N	281,735.00	162,584.65	3,492.74	166,077.39
331-4034	DIST LINE	01/31/92	ST LINE	40/00	N	665,649.00	366,107.03	8,252.23	374,359.26
331-4033	TRANS & DIST LINES	06/01/92	ST LINE	40/00	N	1,356,217.63	731,792.41	16,813.38	748,605.79
331-4035	AIRPORT DIST LINE	06/30/92	ST LINE	40/00	N	5,670.00	3,059.44	70.29	3,129.73

MWD (RIF 6-30-14) Depreciation Schedule by G/L Account Number For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1031-04 TRANSMISION/DISTRIBUTION MAINS									
331-4036	NEW HOOKUPS FOR 1993	06/30/93	ST LINE	40/00	N	0.01	0.01	0.00	0.01
331-4037	TRANSMISSION & DIST MAINS	05/09/94	ST LINE	40/00	N	2,901,183.93	1,426,415.47	35,966.73	1,462,382.20
331-4038	TRANS & DIST MAINS	06/30/94	ST LINE	40/00	N	337,707.50	164,632.46	4,186.65	168,819.11
331-4039	I.C. WATER SUPPLY PROJECT	12/26/95	ST LINE	40/00	N	1,779,373.83	804,425.33	22,059.36	826,484.69
331-4040	S.F. AML WATER SUPPLY PROJ	12/26/95	ST LINE	40/00	N	367,917.58	166,329.41	4,561.17	170,890.58
345-9707	TRENCHER	07/18/97	ST LINE	05/00	N	4,800.00	4,800.00	0.00	4,800.00
331-4041	TRANS & DIST MAIN	09/01/97	ST LINE	40/00	N	1,881,860.70	768,426.49	23,329.92	791,756.41
331-9709	ELKHORN MAINS EXT.	10/20/97	ST LINE	30/00	N	41,378.15	22,757.96	683.97	23,441.93
331-4042	AML HURRICANE PROJECT	12/01/97	ST LINE	40/00	N	572,316.53	230,118.89	7,095.16	237,214.05
331-9710	CAPITALIZED INTEREST	12/01/97	ST LINE	30/00	N	30,015.00	16,508.25	496.14	17,004.39
331-9711	STONE COAL MAINS	12/01/97	ST LINE	30/00	N	80,378.70	44,208.29	1,328.63	45,536.92
331-9712	VARIOUS LINES	12/01/97	ST LINE	30/00	N	217,488.61	119,618.73	3,595.02	123,213.75
331-9713	HARDY 119 MAINS	12/01/97	ST LINE	30/00	N	145,669.96	80,118.39	2,407.88	82,526.27
331-9714	HURRICANE LINE EXT.	12/01/97	ST LINE	30/00	N	23,967.42	13,182.03	396.17	13,578.20
331-9826	PENNY ROAD MAINS	06/30/98	ST LINE	30/00	N	6,510.43	3,365.14	107.61	3,472.75
331-9827	460 MAINS	06/30/98	ST LINE	30/00	N	25,285.00	13,069.64	417.95	13,487.59
331-9828	NELSE MAINS	06/30/98	ST LINE	30/00	N	54,663.06	28,255.03	903.56	29,158.59
331-9829	VARIOUS PROJECTS MAINS	06/30/98	ST LINE	30/00	N	265,055.31	137,005.80	4,381.28	141,387.08
331-4043	SUBMERSIBLE PUMP FOR WW	09/11/98	ST LINE	03/00	N	1,239.05	1,239.05	0.00	1,239.05
331-9839	MAIN S	10/01/98	ST LINE	30/00	N	2,299,913.27	1,169,280.03	38,016.83	1,207,296.86
331-4044	75 % OF GRW HYDRAULIC STUC	12/01/98	ST LINE	03/00	N	51,606.26	51,606.26	0.00	51,606.26
331-9818	LINE EXT. BEAR HOLLOW	12/31/98	ST LINE	30/00	N	3,774.99	1,887.79	62.40	1,950.19
331-9819	LINE EXT. GABRIEL BRANCH	12/31/98	ST LINE	30/00	N	36,821.00	18,413.91	608.64	19,022.55
331-9820	LINE EXT. LFT FRK ISLAND CREI	12/31/98	ST LINE	30/00	N	34,999.25	17,502.80	578.53	18,081.33
331-4056	CAPITALIZE LINE EXTENSION @	01/01/99	ST LINE	40/00	N	1,740.52	652.65	21.58	674.23
331-4057	CAPITALIZE LINE EXTENSION @	01/01/99	ST LINE	40/00	N	1,689.17	633.45	20.94	654.39
331-4058	CAPITALIZE LINE EXTENSION @	01/01/99	ST LINE	40/00	N	3,348.79	1,255.80	41.52	1,297.32
331-4045	CAPITALIZE LINE EXT. @ COEBL	02/01/99	ST LINE	40/00	N	10,520.05	3,922.66	130.42	4,053.08
331-4046	LINE EXTENSION @ STOPOVER	03/01/99	ST LINE	40/00	N	932.69	346.03	11.56	357.59
331-4047	CAPITALIZE LINE EXTENSION @	04/01/99	ST LINE	40/00	N	76,457.02	28,200.14	947.86	29,148.00
331-4048	CAPTILIZE LINE EXTENSION @	04/01/99	ST LINE	40/00	N	1,914.28	706.10	23.73	729.83
331-4049	CAPTILIZE LINE EXTENSION @	04/01/99	ST LINE	40/00	N	3,201.78	1,180.87	39.69	1,220.56
331-4050	CAPTILIZE LINE EXTENSION @	07/01/99	ST LINE	40/00	N	4,837.56	1,754.13	59.97	1,814.10
331-4060	Lizzie Fork Mains	07/01/99	ST LINE	40/00	N	90,114.45	32,675.73	1,117.17	33,792.90
331-4051	HYDRO-GUARD STANDARD UNIT	08/01/99	ST LINE	20/00	N	2,235.00	1,611.34	55.42	1,666.76
331-4052	W2R ACCESS F&C	08/01/99	ST LINE	40/00	N	662.05	238.64	8.21	246.85
331-4053	CAPT LINE EXT @ SHELBY ANDI	09/01/99	ST LINE	40/00	N	2,099.23	752.26	26.02	778.28
331-4062	U.S. 119 Relocation Phase I	09/01/99	ST LINE	40/00	N	436,903.00	156,566.95	5,416.40	161,983.35
331-4063	U.S. 119 Relocation Phase II & Mis	09/01/99	ST LINE	40/00	N	160,011.30	57,341.00	1,983.70	59,324.70
331-4064	Rockhouse Line Extension	09/01/99	ST LINE	40/00	N	173,924.90	62,327.02	2,156.19	64,483.21
331-4059	Hunts Branch Mains	10/01/99	ST LINE	40/00	N	60,303.73	21,486.26	747.60	22,233.86
331-4054	CAPTILIZE LINE EXTENSION @	12/01/99	ST LINE	40/00	N	5,482.15	1,930.34	67.96	1,998.30
331-4055	CAPTIALIZE LINE EXTENSION @	12/01/99	ST LINE	40/00	N	1,429.00	503.25	17.72	520.97
331-4061	Little Robinson Mains	12/01/99	ST LINE	40/00	N	152,880.04	53,832.61	1,895.29	55,727.90

Depreciation Schedule by G/L Account Number For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1031-04 TRANSMISION/DISTRIBUTION MAINS									
331-4065	PUMP MOTOR 5 HP	02/01/00	ST LINE	03/00	N	1,811.00	1,811.00	0.00	1,811.00
331-4070	AIRPORT ROAD LINE EXT. CIP	03/31/00	ST LINE	40/00	N	83,179.02	28,072.94	1,031.19	29,104.13
331-4072	IN-HOUSE PROJECTS	09/01/00	ST LINE	40/00	N	1,544,128.02	521,143.24	19,142.96	540,286.20
331-4066	LINE EXTENSION @ FORDS BRA	10/01/00	ST LINE	40/00	N	1,968.24	652.10	24.40	676.50
331-4067	LINE EXTENSION @ HYLTON CH	11/01/00	ST LINE	40/00	N	5,397.91	1,776.84	66.92	1,843.76
331-4069	US 119 LINE EXTENSION CIP	11/06/00	ST LINE	40/00	N	70,386.03	23,755.28	872.59	24,627.87
331-4068	LINE EXTENSION @ WOLFPEN/L	12/01/00	ST LINE	40/00	N	5,096.00	1,666.99	63.18	1,730.17
331-4071	BUCKLEY'S CREEK AML CIP	12/18/00	ST LINE	40/00	N	355,854.98	120,101.07	4,411.62	124,512.69
331-4086	LINE EXT. - BALL FORK	01/01/01	ST LINE	40/00	N	153,876.74	50,009.96	1,907.65	51,917.61
331-4087	LINE EXT. - PAUL TAYLOR FORK	01/01/01	ST LINE	40/00	N	143,314.19	46,577.05	1,776.70	48,353.75
331-4088	LINE EXT. - STONECOAL (CDEV)	01/01/01	ST LINE	40/00	N	94,826.10	30,818.45	1,175.58	31,994.03
331-9840	LINE EXT CLEVANGER BRANCH	01/01/01	ST LINE	40/00	N	2,771.64	900.77	34.36	935.13
331-4073	BALL FORK LINE EXTENSION	02/01/01	ST LINE	40/00	N	1,250.31	403.72	15.50	419.22
331-4077	STONECOAL LINE EXTENSION-F	02/01/01	ST LINE	40/00	N	3,549.97	1,146.21	44.01	1,190.22
331-4078	LINE EXT. - RIDGLINE I & II	03/15/01	ST LINE	40/00	N	150,291.91	48,093.44	1,863.21	49,956.65
331-4085	LINE EXT. - UPPER PETER CREE	03/15/01	ST LINE	40/00	N	112,319.87	35,942.40	1,392.46	37,334.86
331-4082	LINE EXT. - HELLIER	03/19/01	ST LINE	40/00	N	144,062.42	46,060.50	1,785.98	47,846.48
331-4080	LINE EXT. - RIVER ROAD II	04/15/01	ST LINE	40/00	N	38,978.15	12,390.20	483.22	12,873.42
331-4084	LINE EXT. - CONTRARY HOLLOW	06/25/01	ST LINE	40/00	N	39,952.30	12,505.65	495.30	13,000.95
331-4091	LINE EXT. - PIKE-MARTIN RELOC	07/01/01	ST LINE	40/00	N	15,400.00	4,814.08	190.92	5,005.00
331-4092	LINE EXT. - US 119 RELOCATION	07/01/01	ST LINE	40/00	N	33,373.58	10,432.68	413.74	10,846.42
331-4090	LINE EXT. - THREE MILE RD.	07/31/01	ST LINE	40/00	N	24,667.78	7,660.47	305.81	7,966.28
331-4083	LINE EXT. - BEEFHIDE	08/14/01	ST LINE	40/00	N	35,555.90	11,007.75	440.80	11,448.55
331-4089	LINE EXT. - THOMPSON BRANCH	08/30/01	ST LINE	40/00	N	13,261.62	4,091.11	164.41	4,255.52
331-4075	LINE EXTENSION - CALF BRANC	09/01/01	ST LINE	40/00	N	4,539.84	1,399.94	56.28	1,456.22
331-4081	LINE EXT. - SARAH BRANHAM	09/12/01	ST LINE	40/00	N	38,200.30	11,750.55	473.58	12,224.13
331-4076	LINE EXTENSION - GREASY CRE	10/01/01	ST LINE	40/00	N	1,154.97	353.72	14.32	368.04
331-4079	LINE EXT. - ASHCAMP II	11/05/01	ST LINE	40/00	N	82,392.60	25,039.51	1,021.44	26,060.95
331-4110	BUCKFIELD (C SEV) LINE EXT.	01/01/02	ST LINE	40/00	N	23,406.64	7,022.04	290.18	7,312.22
331-4111	BLUE POND (C SEV) LINE EXT.	01/01/02	ST LINE	40/00	N	39,344.24	11,803.32	487.76	12,291.08
331-4114	STRAIGHT HOLLOW LINE EXT.	01/03/02	ST LINE	40/00	N	119,517.69	35,838.91	1,481.69	37,320.60
331-4093	LINE EXTENSION - GIBSON BOT	02/01/02	ST LINE	40/00	N	5,374.21	1,600.90	66.63	1,667.53
331-4113	ROCKHOUSE (MARROWBONE) L	04/02/02	ST LINE	40/00	N	123,609.88	36,312.55	1,532.43	37,844.98
331-4104	LITTLE ROBINSON LINE EXT.	04/03/02	ST LINE	40/00	N	43,323.03	12,723.96	537.09	13,261.05
331-4109	FIFTY - EIGHT BRANCH LINE EX	04/08/02	ST LINE	40/00	N	54,055.08	15,857.42	670.14	16,527.56
331-4107	ROCKHOUSE/VIRGIE LINE EXT	04/10/02	ST LINE	40/00	N	91,630.27	26,867.79	1,135.97	28,003.76
331-4108	AFLEX LINE EXT.	05/08/02	ST LINE	40/00	N	95,771.90	27,898.51	1,187.31	29,085.82
331-4098	LINE EXT. BRUSHY	07/17/02	ST LINE	40/00	N	1,040,850.09	298,210.66	12,903.69	311,114.35
331-4099	LINE EXT. BRUSHY	07/17/02	ST LINE	40/00	N	92,647.07	26,544.06	1,148.57	27,692.63
331-4106	WOLFPIT LINE EXT.	08/09/02	ST LINE	40/00	N	170,072.93	48,459.10	2,108.44	50,567.54
331-4103	KELLY MTN. RD. LAVAD	08/15/02	ST LINE	40/00	N	71,140.29	20,240.90	881.95	21,122.85
331-4094	Line Extension - Ford's Branch	08/31/02	ST LINE	40/00	N	2,038.04	577.62	25.27	602.89
331-4095	Line Extension - May Hollow	08/31/02	ST LINE	40/00	N	5,734.74	1,625.38	71.10	1,696.48
331-4096	Line Extension - Thacker Hollow	08/31/02	ST LINE	40/00	N	1,765.33	500.30	21.88	522.18

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1031-04	TRANSMISION/DISTRIBUTION MAINS								
331-4101	HURRICANE RT. 292 LINE EXT.	09/11/02	ST LINE	40/00	N	19,579.84	5,534.70	242.74	5,777.44
331-4097	Line Extension - Burning Fork	09/30/02	ST LINE	40/00	N	3,318.71	933.81	41.14	974.95
331-4112	UPPER PETER PH II	10/03/02	ST LINE	40/00	N	181,308.09	50,977.35	2,247.72	53,225.07
331-4100	LINE EXT. - BOWLING FORK	12/16/02	ST LINE	40/00	N	128,086.43	35,364.13	1,587.92	36,952.05
331-4115	SUGAR CAMP LINE EXT.	12/30/02	ST LINE	40/00	N	58,451.43	16,082.20	724.64	16,806.84
331-4102	ELSWICK FORK LINE EXT.	12/31/02	ST LINE	40/00	N	84,784.56	23,321.52	1,051.09	24,372.61
331-4105	HURRICANE/KNOX LINE EXT.	12/31/02	ST LINE	40/00	N	327,724.23	90,146.66	4,062.88	94,209.54
331-4119	LINE EXT. - MIDDLE FORK	01/10/03	ST LINE	40/00	N	42,399.01	11,633.64	525.63	12,159.27
331-4122	LINE EXT. - US 119 RELOCATION	01/15/03	ST LINE	40/00	N	374,261.24	102,562.95	4,639.81	107,202.76
331-4116	LINE EXTENSION - WINSTON RD	01/31/03	ST LINE	40/00	N	2,504.43	683.56	31.05	714.61
331-4117	LINE EXTENSION - GRAPEVINE	02/28/03	ST LINE	40/00	N	2,782.76	754.21	34.50	788.71
331-4126	LINE EXT. - US 119 RELOCATION	02/28/03	ST LINE	40/00	N	8,915.28	2,416.27	110.52	2,526.79
331-4118	LINE EXTENSION - BOWLING FO	03/31/03	ST LINE	40/00	N	968.10	260.30	12.00	272.30
331-4124	LINE EXT. - COWPEN RD BRIDGE	08/13/03	ST LINE	40/00	N	9,480.95	2,461.76	117.54	2,579.30
331-4120	LINE EXT. - COON CREEK	09/03/03	ST LINE	40/00	N	11,200.00	2,892.05	138.85	3,030.90
331-4123	LINE EXT. - POND CREEK BRIDG	09/19/03	ST LINE	40/00	N	10,722.30	2,756.98	132.93	2,889.91
331-4125	LINE EXT. - US 460 VA. STATE LI	09/19/03	ST LINE	40/00	N	4,372.29	1,124.25	54.21	1,178.46
331-4121	LINE EXT. - RIGHT FORK BRUSH	10/01/03	ST LINE	40/00	N	247,042.88	63,317.41	3,062.65	66,380.06
331-4127	LINE EXTENSION - HURRICANE	01/31/04	ST LINE	40/00	N	1,977.03	490.24	24.51	514.75
331-4130	FC/MC LINES	05/06/04	ST LINE	40/00	N	6,684,433.48	1,615,404.81	82,868.66	1,698,273.47
331-4131	IN HOUSE LINES	07/01/04	ST LINE	40/00	N	192,691.50	45,764.25	2,388.85	48,153.10
331-4128	LINE EXTENSION - BURNETTE TI	08/31/04	ST LINE	40/00	N	5,125.34	1,196.23	63.54	1,259.77
331-4132	FEDS CREEK CONNECTOR	09/01/04	ST LINE	40/00	N	1,072,548.83	250,261.38	13,296.67	263,558.05
331-4133	FORD MOUNTAIN CONNECTOR	09/01/04	ST LINE	40/00	N	333,898.81	77,909.72	4,139.43	82,049.15
331-4134	CHLOE CONNECTOR	09/01/04	ST LINE	40/00	N	203,751.77	47,542.04	2,525.96	50,068.00
331-4135	PHELPS CONNECTOR	09/01/04	ST LINE	40/00	N	155,700.32	36,330.09	1,930.26	38,260.35
331-4129	LINE EXTENSION - FOREST HILL	10/31/04	ST LINE	40/00	N	2,528.93	579.69	31.35	611.04
331-4136	LINE RELOCATION - N BIG CREE	05/31/05	ST LINE	40/00	N	3,584.86	769.75	44.44	814.19
331-4137	VARIOUS CONSTRUCTION PRO.	12/31/05	ST LINE	40/00	N	1,736,385.66	347,396.05	21,526.42	368,922.47
331-4138	FLOOD DAMAGE REPAIRS 2004-	12/31/05	ST LINE	40/00	N	72,644.38	14,533.86	900.59	15,434.45
331-4139	MEATHOUSE - JOHNS CREEK M	01/06/06	ST LINE	40/00	N	45,602.83	8,550.53	565.35	9,115.88
331-4140	ELSWICK FORK	01/06/06	ST LINE	40/00	N	44,372.94	8,319.90	550.10	8,870.00
331-4148	UPPER LITTLE CREEK MAINS	02/28/06	ST LINE	40/00	N	440,000.00	82,500.00	5,454.79	87,954.79
331-4149	WINWRIGHT CONNECTOR	03/31/06	ST LINE	40/00	N	380,263.55	71,299.42	4,714.23	76,013.65
331-4153	DAUGHERTY BRANCH MAINS	03/31/06	ST LINE	40/00	N	57,040.00	10,695.00	707.14	11,402.14
331-4154	WOLFPIT MAINS	03/31/06	ST LINE	40/00	N	29,049.32	5,446.73	360.13	5,806.86
331-4155	SHELBY VALLEY MAINS	04/30/06	ST LINE	40/00	N	777,356.44	145,754.33	9,637.09	155,391.42
331-4142	RAMEY FORK MAINS	07/01/06	ST LINE	40/00	N	10,251.49	1,922.17	127.09	2,049.26
331-4144	SOUTH HERITAGE ROAD MAINS	07/01/06	ST LINE	40/00	N	13,363.27	2,505.60	165.67	2,671.27
331-4156	2006 CAPITALIZED INTEREST	07/01/06	ST LINE	40/00	N	60,006.27	11,251.20	743.91	11,995.11
331-4145	DAVIS LANE MAINS	08/06/06	ST LINE	40/00	N	19,960.00	3,742.50	247.45	3,989.95
331-4141	MCCOY LANE MAINS	09/08/06	ST LINE	40/00	N	23,409.98	4,389.37	290.22	4,679.59
331-4150	ROCKHOUSE-DORTON MAINS	09/30/06	ST LINE	40/00	N	89,141.27	16,713.98	1,105.11	17,819.09
331-4146	WILLOW TREE LANE MAINS	10/06/06	ST LINE	40/00	N	14,811.15	2,777.10	183.62	2,960.72

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Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1031-04 TRANSMISSION/DISTRIBUTION MAINS									
331-4143	UPPER BEEFHIDE MAINS	10/31/06	ST LINE	40/00	N	169,845.02	31,845.96	2,105.61	33,951.57
331-4152	LOVERS LANE MAINS	10/31/06	ST LINE	40/00	N	27,300.00	5,118.75	338.45	5,457.20
331-4147	OPEN FORK LINE RELOCATION	11/06/06	ST LINE	40/00	N	8,681.05	1,627.72	107.62	1,735.34
331-4151	VARIOUS SMALL PROJECTS	12/01/06	ST LINE	40/00	N	137,646.80	25,808.78	1,706.44	27,515.22
331-4163	CIP 2007 LMI TAPS	02/01/07	ST LINE	40/00	N	676,000.00	109,850.00	8,380.55	118,230.55
331-4161	CIP 2007 STRINGTOWN-BURNWI	02/27/07	ST LINE	40/00	N	418,681.18	68,035.69	5,190.50	73,226.19
331-4160	CIP 2007 LITTLE FORK	06/27/07	ST LINE	40/00	N	199,858.07	32,476.93	2,477.69	34,954.62
331-4162	CIP 2007 LMI TAPS - 2	07/01/07	ST LINE	40/00	N	589,938.93	95,865.08	7,313.62	103,178.70
331-4164	CIP 2007 NEWSOME BRANCH	07/31/07	ST LINE	40/00	N	188,165.25	30,576.85	2,332.73	32,909.58
331-4165	CIP 2007 HOMEMADE HOLLOW	08/01/07	ST LINE	40/00	N	117,977.32	19,171.30	1,462.59	20,633.89
331-4166	CIP 2007 SMITH FORK	08/01/07	ST LINE	40/00	N	128,835.10	20,935.72	1,597.20	22,532.92
331-4168	CIP 2007 WOLFPIT TANK - B	08/01/07	ST LINE	40/00	N	157,000.00	25,512.50	1,946.37	27,458.87
331-4167	CIP 2007 MAJESTIC EXRENSION	10/01/07	ST LINE	40/00	N	36,816.00	5,982.60	456.42	6,439.02
331-4158	2007 CIP MAINS (FLOOD PROJE	10/09/07	ST LINE	40/00	N	140,253.75	22,791.21	1,738.76	24,529.97
331-4157	2007 CIP MAINS (JOHNS CREEK)	12/05/07	ST LINE	40/00	N	3,751,251.57	609,578.41	46,505.25	656,083.66
331-4159	CIP IN HOUSE VARIOUS LINES	12/16/07	ST LINE	40/00	N	99,180.07	16,116.75	1,229.56	17,346.31
331-4171	VARIOUS WATER & SEWER PRC	01/01/08	ST LINE	40/00	N	546,982.48	75,210.08	6,781.08	81,991.16
331-4174	MILLARD WATERLINE	01/01/08	ST LINE	40/00	N	589,411.30	81,044.05	7,307.08	88,351.13
331-4176	PHILLIPS BRANCH	01/01/08	ST LINE	40/00	N	93,569.00	12,865.74	1,160.00	14,025.74
331-4177	LOWER ELKHORN	01/01/08	ST LINE	40/00	N	200,957.20	27,631.62	2,491.32	30,122.94
331-4172	BLANKENSHIP HOLLOW LINES	01/24/08	ST LINE	40/00	N	48,500.00	6,668.75	601.27	7,270.02
331-4185	HOMEMADE HOLLOW	01/25/08	ST LINE	40/00	N	14,611.32	2,009.04	181.14	2,190.18
331-4182	HARLESS CREEK	01/28/08	ST LINE	40/00	N	305,540.00	42,011.75	3,787.86	45,799.61
331-4175	MULLINS LINES	02/01/08	ST LINE	40/00	N	83,626.00	11,498.58	1,036.73	12,535.31
331-4186	CITY OF JENKINS CONNECTOR	02/21/08	ST LINE	40/00	N	354,000.00	48,675.00	4,388.63	53,063.63
331-4169	FERRELLS CREEK LINES	04/01/08	ST LINE	40/00	N	1,435,411.48	197,369.08	17,795.17	215,164.25
331-4181	HURRICANE OF KIMPER	06/10/08	ST LINE	40/00	N	119,000.00	16,362.50	1,475.27	17,837.77
331-4184	HEDGE RD	06/23/08	ST LINE	40/00	N	90,500.00	12,443.75	1,121.95	13,565.70
331-4178	GARDNER FORK WATER PROJE	06/24/08	ST LINE	40/00	N	83,000.00	11,412.50	1,028.97	12,441.47
331-4179	TRAP WATER PROJECT	06/28/08	ST LINE	40/00	N	150,989.00	20,760.99	1,871.85	22,632.84
331-4170	VARIOUS PCFC LINES	07/01/08	ST LINE	40/00	N	327,667.48	45,054.29	4,062.18	49,116.47
331-4187	S. WILLIAMSON	07/01/08	ST LINE	40/00	N	5,749.74	790.57	71.28	861.85
331-4188	WOLFPIT - LAUREL LANE	07/01/08	ST LINE	40/00	N	60,137.63	8,268.92	745.54	9,014.46
331-4173	DRY FORK OF MARROWBONE	07/21/08	ST LINE	40/00	N	329,000.00	45,237.50	4,078.70	49,316.20
331-4183	GRANTS BRANCH	08/18/08	ST LINE	40/00	N	136,000.00	18,700.00	1,686.03	20,386.03
331-4180	UPPER ROCKHOUSE	09/23/08	ST LINE	40/00	N	117,000.00	16,087.50	1,450.48	17,537.98
331-4191	Upper Beeffide Lines	01/17/09	ST LINE	40/00	N	4,500.00	506.25	55.79	562.04
331-4192	Big Shelby Lines	01/17/09	ST LINE	40/00	N	147,019.18	16,539.66	1,822.64	18,362.30
331-4190	Peter Fork of Dry Fork	01/27/09	ST LINE	40/00	N	2,865.00	322.31	35.52	357.83
331-4189	CIP Fema 2008 Lines	03/31/09	ST LINE	40/00	N	81,247.28	9,140.31	1,007.24	10,147.55
331-4193	Runyon Branch Lines	07/01/09	ST LINE	40/00	N	10,849.28	1,220.54	134.50	1,355.04
331-4195	FEMA LINES	06/30/10	ST LINE	40/00	N	56,695.91	4,960.90	702.88	5,663.78
331-4196	FEMA LEFTOVER LINES	06/30/10	ST LINE	40/00	N	29,926.22	2,618.56	371.01	2,989.57
331-4194	WATSON HILL LINES	09/30/10	ST LINE	40/00	N	250,000.00	21,875.00	3,099.32	24,974.32

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1031-04 TRANSMISION/DISTRIBUTION MAINS									
331-4197	2011 CIP LINES FERRELLS CREE	01/01/11	ST LINE	40/00	N	733,062.50	45,816.42	9,087.97	54,904.39
331-4198	2011 CIP LINES FEMA REPAIRS	01/01/11	ST LINE	40/00	N	413,487.66	25,842.98	5,126.11	30,969.09
331-4200	2011 CIP LINES MCVEIGH	01/01/11	ST LINE	40/00	N	21,390.55	1,336.90	265.18	1,602.08
331-4201	2011 CIP LINES NARROWS BRAN	01/01/11	ST LINE	40/00	N	59,297.56	3,706.10	735.13	4,441.23
331-4202	2011 CIP LINES POND CREEK	01/01/11	ST LINE	40/00	N	99,885.06	6,242.82	1,238.30	7,481.12
331-4206	2011 CIP LINES JOHNS CREEK	01/01/11	ST LINE	40/00	N	399,999.99	25,000.00	4,958.90	29,958.90
331-4199	2011 CIP LINES BIG SHELBY	01/20/11	ST LINE	40/00	N	12,469.26	779.33	154.58	933.91
331-4204	2011 CIP LINES HUDDY KY 199	05/16/11	ST LINE	40/00	N	182,538.73	11,408.67	2,262.98	13,671.65
331-4207	LINES 2011	06/10/11	ST LINE	40/00	N	141,642.38	8,852.65	1,755.98	10,608.63
331-4205	2011 CIP LINES AIRPORT RD REI	07/01/11	ST LINE	40/00	N	19,142.11	1,196.38	237.31	1,433.69
331-4203	2011 CIP LINES RUNYONS BRAN	08/01/11	ST LINE	40/00	N	31,159.44	1,947.47	386.29	2,333.76
331-4215	LINES HURRICANE	01/01/12	ST LINE	40/00	N	1,128,542.00	42,320.33	13,990.83	56,311.16
331-4210	2012 LINES CAM MINING	05/16/12	ST LINE	40/00	N	101,628.40	3,811.07	1,259.91	5,070.98
331-4211	2012 LINES SOOKEYS CREEK	05/16/12	ST LINE	40/00	N	13,332.32	499.96	165.29	665.25
331-4212	2012 LINES BUCKFIELD BRIDGE	05/16/12	ST LINE	40/00	N	13,885.00	520.69	172.13	692.82
331-4213	2012 LINES SMITH FORK BRIDGE	05/16/12	ST LINE	40/00	N	31,492.00	1,180.95	390.41	1,571.36
331-4214	2012 LINES DRAFFIN RELOCATK	05/16/12	ST LINE	40/00	N	564,326.64	21,162.25	6,996.11	28,158.36
331-4208	2012 FEMA LINES	08/01/12	ST LINE	40/00	N	137,537.89	5,157.67	1,705.09	6,862.76
331-4209	2012 FEMA LINES	08/01/12	ST LINE	40/00	N	5,095.51	191.08	63.17	254.25
331-4216	2013 LINES VARIOUS	05/14/13	ST LINE	40/00	N	1,299,999.64	16,250.00	16,116.44	32,366.44
331-4217	DRAFFIN LINES	07/06/13	ST LINE	40/00	N	46,913.30	586.42	581.60	1,168.02
Total for (TRANSMISION/DISTRIBUTION MAINS)						65,623,910.14	22,981,328.64	812,818.41	23,794,147.05
1033-04 NEW TAPS/SERVICES									
333-4002	SERVICES	09/01/74	ST LINE	40/00	N	30,535.41	30,535.41	0.00	30,535.41
333-4001	LABOR, METER BASES, BOXES	10/01/85	ST LINE	40/00	N	16,602.84	11,725.73	205.83	11,931.56
333-4003	SERVICE LINE	07/01/86	ST LINE	40/00	N	7,918.70	5,444.17	98.17	5,542.34
333-4004	SERVICE HOOKUPS	02/28/87	ST LINE	40/00	N	573.26	385.72	7.11	392.83
333-4008	NEW SERVICE HOOKUP	02/28/87	ST LINE	40/00	N	394.94	265.67	4.89	270.56
333-4010	SERVICE FOR FIRE HYDRANT	03/16/87	ST LINE	40/00	N	636.57	426.94	7.89	434.83
333-4011	SERVICE FOR FIRE HYDRANT	03/18/87	ST LINE	40/00	N	802.98	538.58	9.95	548.53
333-4005	SERVICE HOOKUPS	03/31/87	ST LINE	40/00	N	402.47	269.94	4.99	274.93
333-4006	SERVICE HOOKUPS	03/31/87	ST LINE	40/00	N	360.92	242.04	4.47	246.51
333-4009	NEW SERVICE HOOKUPS	03/31/87	ST LINE	40/00	N	597.12	400.62	7.40	408.02
333-4013	NEW SERVICE HOOKUPS	03/31/87	ST LINE	40/00	N	231.21	155.10	2.87	157.97
333-4007	NEW SERVICE HOOKUPS	04/30/87	ST LINE	40/00	N	1,408.73	942.13	17.47	959.60
333-4014	NEW SERVICE HOOKUPS	04/30/87	ST LINE	40/00	N	654.04	437.36	8.11	445.47
333-4012	SERVICE FOR FIRE HYDRANT	05/16/87	ST LINE	40/00	N	923.24	615.47	11.45	626.92
333-4015	NEW SERVICE HOOKUPS	05/31/87	ST LINE	40/00	N	459.80	306.61	5.70	312.31
333-4016	NEW SERVICE HOOKUPS	06/30/87	ST LINE	40/00	N	1,219.85	810.79	15.12	825.91
333-4017	NEW SERVICE HOOKUPS	06/30/87	ST LINE	40/00	N	729.72	484.88	9.05	493.93
333-4018	NEW SERVICE HOOKUPS	06/30/87	ST LINE	40/00	N	1,172.80	779.42	14.54	793.96
333-4019	NEW SERVICE HOOKUPS	07/31/87	ST LINE	40/00	N	1,916.86	1,269.88	23.76	1,293.64
333-4020	NEW SERVICE HOOKUPS	07/31/87	ST LINE	40/00	N	661.92	438.57	8.21	446.78
333-4021	NEW SERVICE HOOKUPS	07/31/87	ST LINE	40/00	N	624.82	413.93	7.75	421.68

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1033-04 NEW TAPS/SERVICES									
333-4025	SERVICE FOR FIRE HYDRANT	08/13/87	ST LINE	40/00	N	641.95	423.99	7.96	431.95
333-4022	NEW SERVICE HOOKUPS	08/31/87	ST LINE	40/00	N	714.17	471.56	8.85	480.41
333-4023	NEW SERVICE HOOKUPS	08/31/87	ST LINE	40/00	N	1,448.98	956.84	17.96	974.80
333-4024	NEW SERVICE HOOKUPS	08/31/87	ST LINE	40/00	N	252.01	166.43	3.12	169.55
333-4026	NEW SERVICE HOOKUPS	09/30/87	ST LINE	40/00	N	253.71	166.95	3.14	170.09
333-4027	NEW SERVICE HOOKUPS	09/30/87	ST LINE	40/00	N	736.20	484.74	9.13	493.87
333-4031	SERVICE HOOKUPS	09/30/87	ST LINE	40/00	N	3,108.21	2,046.32	38.54	2,084.86
333-4028	FIRE HYDRANT SERVICE	10/09/87	ST LINE	40/00	N	1,686.93	1,106.96	20.91	1,127.87
333-4038	SERVICE ORIGINAL CONTRACT	10/13/87	ST LINE	40/00	N	84,821.18	55,663.91	1,051.55	56,715.46
333-4029	SERVICE HOOKUPS	10/31/87	ST LINE	40/00	N	1,984.85	1,302.53	24.61	1,327.14
333-4030	SERVICE HOOKUPS	10/31/87	ST LINE	40/00	N	1,398.75	917.96	17.34	935.30
333-4032	SERVICE HOOKUPS	10/31/87	ST LINE	40/00	N	290.00	190.31	3.60	193.91
333-4034	SERVICE HOOKUPS	10/31/87	ST LINE	40/00	N	597.00	391.86	7.40	399.26
333-4033	SERVICE HOOKUPS	11/30/87	ST LINE	40/00	N	1,403.29	917.93	17.40	935.33
333-4035	SERVICES HOOKUPS	11/30/87	ST LINE	40/00	N	346.03	226.34	4.29	230.63
333-4036	SERVICES HOOKUP	11/30/87	ST LINE	40/00	N	379.50	248.32	4.71	253.03
333-4037	LINE EXTENSIONS	11/30/87	ST LINE	40/00	N	2,845.75	1,861.50	35.28	1,896.78
333-4040	FIRE HYDRANT	11/30/87	ST LINE	40/00	N	349.10	228.43	4.33	232.76
333-4039	SERVICES ORIGINAL CONTRACT	12/08/87	ST LINE	40/00	N	4,341.64	2,831.09	53.82	2,884.91
333-4041	SERVICE HOOKUPS	12/31/87	ST LINE	40/00	N	227.28	148.15	2.82	150.97
333-4042	SERVICE HOOKUPS	12/31/87	ST LINE	40/00	N	523.21	341.17	6.49	347.66
333-4043	SERVICE HOOKUPS	12/31/87	ST LINE	40/00	N	1,072.84	699.56	13.30	712.86
333-4044	RUNYONS BRANCH LINE EXTEN	12/31/87	ST LINE	40/00	N	4,661.73	3,039.75	57.79	3,097.54
333-4045	HOOKUPS VARIOUS	01/31/88	ST LINE	40/00	N	4,912.00	3,192.80	60.90	3,253.70
333-4046	HOOKUPS VARIOUS	02/28/88	ST LINE	40/00	N	8,228.38	5,331.32	102.01	5,433.33
333-4047	HOOKUPS VARIOUS	03/31/88	ST LINE	40/00	N	4,262.41	2,752.80	52.84	2,805.64
333-4048	HOOKUPS VARIOUS	04/30/88	ST LINE	40/00	N	10,330.00	6,649.94	128.06	6,778.00
333-4049	HOOKUPS VARIOUS	05/31/88	ST LINE	40/00	N	8,130.12	5,216.75	100.79	5,317.54
333-4050	HOOKUPS VARIOUS	06/30/88	ST LINE	40/00	N	12,755.58	8,158.27	158.13	8,316.40
333-4051	HOOKUPS	07/31/88	ST LINE	40/00	N	8,856.53	5,645.96	109.80	5,755.76
333-4052	LINE EXTENSIONS	07/31/88	ST LINE	40/00	N	1,494.71	952.93	18.53	971.46
333-4053	HOOKUPS	08/31/88	ST LINE	40/00	N	16,993.46	10,798.02	210.67	11,008.69
333-4058	SERVICES	09/23/88	ST LINE	40/00	N	149,732.61	94,830.74	1,856.28	96,687.02
333-4054	HOOKUPS	09/30/88	ST LINE	40/00	N	15,614.86	9,889.37	193.58	10,082.95
333-4055	HOOKUPS	10/31/88	ST LINE	40/00	N	12,332.65	7,785.08	152.89	7,937.97
333-4056	HOOKUPS	11/30/88	ST LINE	40/00	N	8,693.07	5,469.47	107.77	5,577.24
333-4057	HOOKUPS VARIOUS	12/31/88	ST LINE	40/00	N	14,872.57	9,326.25	184.38	9,510.63
333-4059	HOOKUPS FOR YEAR	06/30/89	ST LINE	40/00	N	20,642.67	12,686.72	255.91	12,942.63
333-4062	LINE EXTENSIONS FOR YEAR	06/30/89	ST LINE	40/00	N	9,113.60	5,601.07	112.98	5,714.05
333-4063	LINE RELOCATION	11/13/89	ST LINE	40/00	N	6,175.54	3,731.09	76.56	3,807.65
333-4060	SERVICES	12/18/89	ST LINE	40/00	N	101,460.08	61,087.38	1,257.83	62,345.21
333-4061	SERVICES	12/19/89	ST LINE	40/00	N	273,142.47	164,454.49	3,386.22	167,840.71
333-4064	HOOKUPS FOR YEAR 1990	06/30/90	ST LINE	40/00	N	16,595.63	9,784.49	205.74	9,990.23
333-4065	3 LINE EXTENSIONS 1990	06/30/90	ST LINE	40/00	N	12,269.18	7,233.72	152.10	7,385.82

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1033-04 NEW TAPS/SERVICES									
333-4067	SERVICES	07/09/90	ST LINE	40/00	N	132,815.72	78,029.17	1,646.55	79,675.72
333-4066	FIRE HYDRANT	07/25/90	ST LINE	05/00	N	5,936.08	5,936.08	0.00	5,936.08
333-4071	LINE EXTENSION	05/31/91	ST LINE	40/00	N	29,001.00	16,433.98	359.54	16,793.52
333-4068	HOOKUPS FOR YEAR 1991	06/30/91	ST LINE	40/00	N	12,160.83	6,865.79	150.76	7,016.55
333-4069	5 LINE EXTENSIONS	06/30/91	ST LINE	40/00	N	36,692.26	20,715.92	454.89	21,170.81
333-4070	2 FIRE HYDRANTS	06/30/91	ST LINE	40/00	N	2,006.65	1,133.00	24.88	1,157.88
333-4072	LINE RELOCATION	07/02/91	ST LINE	40/00	N	7,313.20	4,113.67	90.66	4,204.33
333-4073	LINE EXTENSION ROAD BORE	10/20/91	ST LINE	40/00	N	7,840.86	4,361.45	97.20	4,458.65
333-4077	SERVICES	06/01/92	ST LINE	40/00	N	93,878.30	50,655.22	1,163.83	51,819.05
333-4075	LINE EXTENSIONS 1992	06/20/92	ST LINE	40/00	N	7,250.13	3,911.98	89.88	4,001.86
333-4074	HOOKUPS FOR 1992	06/30/92	ST LINE	40/00	N	14,117.71	7,617.62	175.02	7,792.64
333-4076	FIRE HYDRANT	06/30/92	ST LINE	40/00	N	1,181.52	637.57	14.65	652.22
333-4078	SERVICE HOOKUPS	06/30/93	ST LINE	40/00	N	78,296.99	40,127.12	970.67	41,097.79
333-4079	SERVICE HOOKUPS	01/15/94	ST LINE	40/00	N	2,862.00	1,431.00	35.48	1,466.48
333-4080	SERVICE HOOKUPS	02/15/94	ST LINE	40/00	N	6,130.00	3,052.23	76.00	3,128.23
333-4081	SERVICE HOOKUPS	03/15/94	ST LINE	40/00	N	6,560.00	3,252.67	81.33	3,334.00
333-4082	SERVICE HOOKUPS 4/94	04/15/94	ST LINE	40/00	N	11,711.45	5,782.60	145.19	5,927.79
333-4083	SERVICES	05/09/94	ST LINE	40/00	N	547,047.68	268,965.07	6,781.89	275,746.96
333-4084	SERVICE HOOKUPS	05/15/94	ST LINE	40/00	N	11,014.00	5,415.22	136.54	5,551.76
333-4085	SERVICE HOOKUPS 6/94	06/15/94	ST LINE	40/00	N	18,040.00	8,832.08	223.65	9,055.73
333-4092	SERVICE HOOKUPS 6/94	06/15/94	ST LINE	40/00	N	7,320.48	3,583.95	90.75	3,674.70
333-4086	SERVICE HOOKUPS 7/94	07/15/94	ST LINE	40/00	N	6,710.00	3,271.13	83.19	3,354.32
333-4087	SERVICE HOOKUPS 8/94	08/15/94	ST LINE	40/00	N	10,530.00	5,111.44	130.54	5,241.98
333-4088	SERVICE HOOKUPS 9/94	09/15/94	ST LINE	40/00	N	8,690.00	4,200.17	107.73	4,307.90
333-4089	SERVICE HOOKUPS 10/94	10/15/94	ST LINE	40/00	N	9,370.00	4,509.31	116.16	4,625.47
333-4090	SERVICE HOOKUPS 11/94	11/15/94	ST LINE	40/00	N	9,334.44	4,472.73	115.72	4,588.45
333-4091	SERVICE HOOKUPS 12/94	12/15/94	ST LINE	40/00	N	8,332.00	3,975.06	103.29	4,078.35
333-4093	SERVICE HOOKUPS	01/31/95	ST LINE	40/00	N	7,788.68	3,699.68	96.56	3,796.24
333-4094	SERVICE HOOKUPS 2/95	02/01/95	ST LINE	40/00	N	3,860.00	1,825.46	47.85	1,873.31
333-4095	SERVICE HOOKUPS 3/95	03/01/95	ST LINE	40/00	N	7,525.00	3,543.10	93.29	3,636.39
333-4096	SERVICE HOOKUPS 4/95	04/01/95	ST LINE	40/00	N	8,275.28	3,879.00	102.59	3,981.59
333-4097	SERVICE HOOKUPS 5/95	05/01/95	ST LINE	40/00	N	9,612.00	4,485.60	119.16	4,604.76
333-4098	SERVICE HOOKUPS 6/95	06/01/95	ST LINE	40/00	N	11,531.47	5,357.39	142.96	5,500.35
333-4099	SERVICE HOOKUPS 7/95	07/01/95	ST LINE	40/00	N	5,818.50	2,691.01	72.13	2,763.14
333-4100	SERVICE HOOKUPS 8/95	08/01/95	ST LINE	40/00	N	6,399.00	2,946.29	79.33	3,025.62
333-4101	SERVICE HOOKUPS 9/95	09/01/95	ST LINE	40/00	N	5,143.50	2,357.48	63.77	2,421.25
333-4102	SERVICE HOOKUPS 10/95	10/01/95	ST LINE	40/00	N	9,720.00	4,434.75	120.50	4,555.25
333-4103	SERVICE HOOKUPS 11/95	11/01/95	ST LINE	40/00	N	7,209.00	3,274.17	89.37	3,363.54
333-4105	I.C. WATER SUPPLY PROJECT	12/26/95	ST LINE	40/00	N	90,312.35	40,828.73	1,119.63	41,948.36
333-4106	S.F. AML WATER SUPPLY PROJ	12/26/95	ST LINE	40/00	N	34,286.47	15,500.31	425.06	15,925.37
333-4104	SERVICE HOOKUPS	12/31/95	ST LINE	40/00	N	2,754.00	1,245.04	34.14	1,279.18
333-4107	SHARON HEIGHTS LINE EXTENS	12/31/95	ST LINE	40/00	N	5,675.00	2,565.65	70.36	2,636.01
333-4108	FISHTRAP RESERVOIR LINE EX1	12/31/95	ST LINE	40/00	N	53,700.00	24,276.87	665.73	24,942.60
333-4109	SERVICES	01/31/96	ST LINE	40/00	N	529.39	238.14	6.56	244.70

**Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14**

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1033-04 NEW TAPS/SERVICES									
333-4110	SERVICES DISTRICT WIDE 2/96	02/28/96	ST LINE	40/00	N	2,043.32	915.18	25.33	940.51
333-4111	SERVICES 3/96	03/31/96	ST LINE	40/00	N	1,645.29	733.48	20.40	753.88
333-4112	SERVICES 4/96	04/01/96	ST LINE	40/00	N	1,273.59	565.16	15.79	580.95
333-4113	SERVICES 5/96	05/01/96	ST LINE	40/00	N	3,011.16	1,329.95	37.33	1,367.28
333-4114	SERVICES 6/96	06/01/96	ST LINE	40/00	N	4,594.53	2,019.62	56.96	2,076.58
333-4115	SERVICES 7/96	07/01/96	ST LINE	40/00	N	3,443.13	1,506.40	42.69	1,549.09
333-4116	SERVICES 8/96	08/01/96	ST LINE	40/00	N	3,292.13	1,433.39	40.81	1,474.20
333-4117	SERVICES 9/96	09/01/96	ST LINE	40/00	N	2,993.50	1,297.23	37.11	1,334.34
333-4118	SERVICES 10/96	10/01/96	ST LINE	40/00	N	5,336.95	2,301.50	66.16	2,367.66
333-4119	SERVICES 11/96	11/01/96	ST LINE	40/00	N	9,527.91	4,089.10	118.12	4,207.22
333-4120	LINE EXTENSION	11/01/96	ST LINE	40/00	N	32,757.01	14,058.30	406.10	14,464.40
333-4121	TOLER LINE EXTENSION	11/01/96	ST LINE	40/00	N	797.95	342.47	9.89	352.36
333-4122	BURNING FORK LINE EXT	11/01/96	ST LINE	40/00	N	4,987.20	2,140.34	61.83	2,202.17
333-4123	ABE BRANCH LINE EXTENSION	11/01/96	ST LINE	40/00	N	3,453.07	1,482.00	42.81	1,524.81
333-4124	SERVICES 12/96	12/01/96	ST LINE	40/00	N	9,548.10	4,077.79	118.37	4,196.16
333-4125	SERVICES	01/31/97	ST LINE	40/00	N	5,448.20	2,315.57	67.55	2,383.12
333-4126	SERVICES	02/01/97	ST LINE	40/00	N	6,315.31	2,670.80	78.29	2,749.09
333-4127	SERVICES	03/01/97	ST LINE	40/00	N	6,492.94	2,732.39	80.49	2,812.88
333-4128	SERVICES	04/01/97	ST LINE	40/00	N	6,900.42	2,889.54	85.55	2,975.09
333-4129	SERVICES	05/01/97	ST LINE	40/00	N	9,044.35	3,768.50	112.13	3,880.63
333-4130	SERVICES	06/01/97	ST LINE	40/00	N	9,096.80	3,771.38	112.78	3,884.16
333-9703	JONANCY PIPE	06/05/97	ST LINE	30/00	N	6,900.00	3,795.00	114.05	3,909.05
333-9704	POWELL CREEK PIPE	06/05/97	ST LINE	30/00	N	20,700.00	11,385.00	342.16	11,727.16
333-9705	STONE COAL PIPE	06/05/97	ST LINE	30/00	N	24,300.00	13,365.00	401.67	13,766.67
333-4131	SERVICES	07/01/97	ST LINE	40/00	N	8,952.27	3,692.87	110.99	3,803.86
333-4132	SERVICES	08/01/97	ST LINE	40/00	N	6,065.23	2,489.26	75.19	2,564.45
333-4133	SERVICES	09/01/97	ST LINE	40/00	N	6,471.11	2,642.41	80.23	2,722.64
333-4134	SERVICES	09/01/97	ST LINE	40/00	N	321,387.74	131,233.27	3,984.33	135,217.60
333-4135	SERVICES	10/01/97	ST LINE	40/00	N	18,485.12	7,509.61	229.17	7,738.78
333-4136	SERVICES	11/01/97	ST LINE	40/00	N	12,672.52	5,121.76	157.10	5,278.86
333-4137	SERVICES	12/01/97	ST LINE	40/00	N	7,205.37	2,897.38	89.32	2,986.70
333-4138	AML HURRICANE PROJECT	12/01/97	ST LINE	40/00	N	79,139.10	31,820.55	981.11	32,801.66
333-4139	SERVICES FOR 1/98	01/31/98	ST LINE	40/00	N	1,663.14	661.86	20.62	682.48
333-4140	NEW TAPS SERVICES 2/98	02/28/98	ST LINE	40/00	N	7,175.16	2,841.57	88.95	2,930.52
333-4141	NEW TAPS SERVICES 03/98	03/31/98	ST LINE	40/00	N	19,551.16	7,701.30	242.38	7,943.68
333-4142	NEW TAPS - SERVICES 4/98	04/01/98	ST LINE	40/00	N	14,335.54	5,645.87	177.72	5,823.59
333-4143	NEW TAPS - SERVICES 5/98	05/01/98	ST LINE	40/00	N	7,533.65	2,951.52	93.40	3,044.92
333-4144	NEW TAPS/ SERVICES 6/98	06/01/98	ST LINE	40/00	N	11,616.44	4,526.42	144.01	4,670.43
333-4145	NEW TAPS SERVICES 7/98	07/01/98	ST LINE	40/00	N	14,941.63	5,791.41	185.23	5,976.64
333-4146	NEW TAPS SERVICES 8/98	08/01/98	ST LINE	40/00	N	13,519.53	5,211.53	167.61	5,379.14
333-4147	NEW TAPS SERVICES 9/98	09/01/98	ST LINE	40/00	N	11,345.94	4,349.56	140.66	4,490.22
333-4148	NEW TAPS SERVICES 10/98	10/01/98	ST LINE	40/00	N	15,318.48	5,840.93	189.91	6,030.84
333-4149	NEW TAPS SERVICES 11/98	11/30/98	ST LINE	40/00	N	13,465.20	5,078.96	166.93	5,245.89
333-9821	DEC NEW HOOKUPS	12/31/98	ST LINE	20/00	N	8,567.68	6,426.87	212.43	6,639.30

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1033-04 NEW TAPS/SERVICES									
333-4151	SERVICES WATER	01/01/99	ST LINE	40/00	N	7,992.14	2,997.00	99.08	3,096.08
333-4152	SERVICES WATER	02/01/99	ST LINE	40/00	N	6,538.28	2,438.01	81.06	2,519.07
333-4153	SERVICES WATER	03/01/99	ST LINE	40/00	N	9,425.08	3,496.36	116.85	3,613.21
333-4154	SERVICES WATER	04/01/99	ST LINE	40/00	N	14,371.20	5,300.61	178.16	5,478.77
333-4155	SERVICES WATER	05/01/99	ST LINE	40/00	N	9,155.08	3,357.95	113.50	3,471.45
333-4156	SERVICES WATER	06/01/99	ST LINE	40/00	N	8,266.18	3,014.26	102.48	3,116.74
333-4157	SERVICES WATER	07/01/99	ST LINE	40/00	N	11,296.54	4,096.11	140.04	4,236.15
333-4159	SERVICES WATER	08/01/99	ST LINE	40/00	N	12,726.54	4,587.61	157.77	4,745.38
333-4161	SERVICES WATER	09/01/99	ST LINE	40/00	N	20,134.82	7,215.43	249.62	7,465.05
333-4162	SERVICES WATER-OCTOBER 19	10/01/99	ST LINE	40/00	N	8,630.96	3,075.17	107.00	3,182.17
333-4164	SERVICES WATER-NOVEMBER	11/01/99	ST LINE	40/00	N	10,366.10	3,671.41	128.51	3,799.92
333-4165	SERVICES WATER-DECEMBER	12/01/99	ST LINE	40/00	N	6,371.42	2,243.59	78.99	2,322.58
333-4166	SERVICES	01/01/00	ST LINE	40/00	N	4,965.02	1,737.82	61.55	1,799.37
333-4167	SERVICES	02/01/00	ST LINE	40/00	N	14,953.26	5,201.96	185.38	5,387.34
333-4168	SERVICES	03/01/00	ST LINE	40/00	N	15,482.46	5,355.39	191.94	5,547.33
333-4169	SERVICES	04/01/00	ST LINE	40/00	N	15,863.60	5,453.65	196.67	5,650.32
333-4171	SERVICES	05/01/00	ST LINE	40/00	N	11,854.92	4,051.20	146.97	4,198.17
333-4173	SERVICES WATER	06/01/00	ST LINE	40/00	N	16,779.87	5,698.78	208.03	5,906.81
333-4174	SERVICES WATER	07/01/00	ST LINE	40/00	N	16,501.08	5,570.28	204.57	5,774.85
333-4175	SERVICES WATER	08/01/00	ST LINE	40/00	N	19,062.03	6,394.36	236.32	6,630.68
333-4176	SERVICES WATER	09/01/00	ST LINE	40/00	N	26,331.98	8,777.33	326.44	9,103.77
333-4178	SERVICES WATER	10/01/00	ST LINE	40/00	N	19,062.03	6,314.94	236.32	6,551.26
333-4179	SERVICES	11/01/00	ST LINE	40/00	N	15,513.34	5,106.43	192.32	5,298.75
333-4180	SERVICES	12/01/00	ST LINE	40/00	N	11,519.16	3,768.13	142.81	3,910.94
333-4181	NEW HOOKUPS-SERVICES	01/01/01	ST LINE	40/00	N	12,415.37	4,034.94	153.91	4,188.85
333-4182	NEW HOOKUPS-SERVICES	02/01/01	ST LINE	40/00	N	15,784.79	5,096.54	195.69	5,292.23
333-4184	NEW HOOKUPS-SERVICES	03/01/01	ST LINE	40/00	N	10,732.15	3,444.53	133.05	3,577.58
333-4186	NEW HOOKUPS-SERVICES	04/01/01	ST LINE	40/00	N	17,185.67	5,479.38	213.05	5,692.43
333-4187	NEW HOOKUPS - SERVICES	05/01/01	ST LINE	40/00	N	13,469.12	4,266.78	166.98	4,433.76
333-4188	NEW HOOKUPS - SERVICES	06/01/01	ST LINE	40/00	N	18,128.87	5,704.36	224.75	5,929.11
333-4190	NEW HOOKUPS - SERVICES	07/01/01	ST LINE	40/00	N	14,176.43	4,431.58	175.75	4,607.33
333-4191	NEW HOOKUPS - SERVICES	08/01/01	ST LINE	40/00	N	16,505.40	5,124.65	204.62	5,329.27
333-4193	NEW HOOKUPS - SERVICES	09/01/01	ST LINE	40/00	N	20,624.32	6,359.66	255.69	6,615.35
333-4195	NEW HOOKUPS - METERS & INS	10/01/01	ST LINE	40/00	N	35,285.85	10,808.15	437.45	11,245.60
333-4196	NEW HOOKUPS - SERVICES	11/01/01	ST LINE	40/00	N	19,914.94	6,057.65	246.89	6,304.54
333-4198	NEW HOOKUPS - SERVICES	12/01/01	ST LINE	40/00	N	9,693.32	2,928.54	120.17	3,048.71
333-4199	NEW HOOKUPS - SERVICES	01/31/02	ST LINE	40/00	N	9,938.12	2,960.98	123.20	3,084.18
333-4200	NEW HOOKUPS - SERVICES	02/28/02	ST LINE	40/00	N	12,565.33	3,719.65	155.77	3,875.42
333-4201	NEW HOOKUPS - SERVICES	03/01/02	ST LINE	40/00	N	13,554.32	4,011.54	168.04	4,179.58
333-4202	NEW HOOKUPS & SERVICES	04/01/02	ST LINE	40/00	N	21,124.31	6,207.10	261.88	6,468.98
333-4203	NEW HOOKUPS & SERVICES	05/01/02	ST LINE	40/00	N	15,751.75	4,596.02	195.28	4,791.30
333-4204	NEW HOOKUPS - SERVICES	06/01/02	ST LINE	40/00	N	16,870.75	4,886.75	209.15	5,095.90
333-4205	NEW HOOKUPS - SERVICES	07/31/02	ST LINE	40/00	N	21,030.81	6,005.30	260.72	6,266.02
333-4206	New Hookups - Meters & Installs	08/31/02	ST LINE	40/00	N	20,357.19	5,769.73	252.37	6,022.10

Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1033-04 NEW TAPS/SERVICES									
333-4207	New Hookups - Services	09/30/02	ST LINE	40/00	N	27,701.19	7,794.28	343.42	8,137.70
333-4208	New Hookups - Services	10/31/02	ST LINE	40/00	N	31,383.75	8,763.76	389.07	9,152.83
333-4209	New Hookups - Services	11/30/02	ST LINE	40/00	N	19,854.84	5,503.59	246.15	5,749.74
333-4210	New Hookups - Services	12/31/02	ST LINE	40/00	N	16,548.65	4,552.05	205.16	4,757.21
333-4211	NEW HOOKUPS - SERVICES	01/31/03	ST LINE	40/00	N	9,357.76	2,554.12	116.01	2,670.13
333-4212	NEW HOOKUPS - SERVICES	02/28/03	ST LINE	40/00	N	9,876.63	2,676.88	122.45	2,799.33
333-4214	NEW HOOKUPS - SERVICES	03/31/03	ST LINE	40/00	N	19,030.03	5,117.25	235.92	5,353.17
334-4214	NEW HOOKUPS - SERVICES	04/30/03	ST LINE	40/00	N	16,188.02	4,319.76	200.69	4,520.45
333-4215	NEW HOOKUPS - SERVICES	05/31/03	ST LINE	40/00	N	29,102.64	7,704.27	360.79	8,065.06
333-4218	NEW HOOKUPS - SERVICES	06/30/03	ST LINE	40/00	N	15,106.84	3,968.12	187.28	4,155.40
333-4219	NEW HOOKUPS - SERVICES	07/31/03	ST LINE	40/00	N	23,284.35	6,066.70	288.66	6,355.36
333-4220	NEW HOOKUPS - SERVICES	08/31/03	ST LINE	40/00	N	25,427.01	6,571.01	315.23	6,886.24
333-4221	NEW HOOKUPS - SERVICES	09/30/03	ST LINE	40/00	N	21,200.04	5,435.04	262.82	5,697.86
333-4222	NEW HOOKUPS - SERVICES	10/31/03	ST LINE	40/00	N	27,658.99	7,032.16	342.89	7,375.05
333-4223	NEW HOOKUPS - SERVICES	11/30/03	ST LINE	40/00	N	11,064.18	2,790.25	137.16	2,927.41
333-4224	NEW HOOKUPS - SERVICES	12/31/03	ST LINE	40/00	N	6,345.57	1,586.83	78.67	1,665.50
333-4225	NEW HOOKUPS - SERVICES JAN	01/31/04	ST LINE	40/00	N	13,104.97	3,249.35	162.46	3,411.81
333-4226	NEW HOOKUPS - SERVICES FEE	02/29/04	ST LINE	40/00	N	14,844.27	3,651.27	184.03	3,835.30
333-4227	NEW HOOKUPS - SERVICES - M/	03/31/04	ST LINE	40/00	N	18,187.79	4,435.09	225.48	4,660.57
333-4228	NEW HOOKUPS - SERVICES - AF	04/30/04	ST LINE	40/00	N	7,523.83	1,819.33	93.28	1,912.61
333-4229	NEW HOOKUPS - SERVICES - M/	05/31/04	ST LINE	40/00	N	14,007.78	3,357.43	173.66	3,531.09
333-4230	NEW HOOKUPS - SERVICES - JU	06/30/04	ST LINE	40/00	N	14,080.66	3,346.11	174.56	3,520.67
333-4231	NEW HOOKUPS - SERVICES - JU	07/31/04	ST LINE	40/00	N	18,401.25	4,333.84	228.12	4,561.96
333-4232	NEW HOOKUPS - SERVICES - AL	08/31/04	ST LINE	40/00	N	19,705.42	4,599.32	244.30	4,843.62
333-4233	NEW HOOKUPS - SERVICES - SE	09/30/04	ST LINE	40/00	N	18,730.05	4,333.23	232.20	4,565.43
333-4234	NEW HOOKUPS - SERVICES - O	10/31/04	ST LINE	40/00	N	15,785.96	3,618.70	195.70	3,814.40
333-4235	NEW HOOKUPS - SERVICES - NC	11/30/04	ST LINE	40/00	N	14,522.78	3,299.37	180.04	3,479.41
333-4236	NEW HOOKUPS - SERVICES - DE	12/31/04	ST LINE	40/00	N	12,996.55	2,925.08	161.12	3,086.20
333-4237	NEW HOOKUPS - SERVICES JAN	01/31/05	ST LINE	40/00	N	9,703.55	2,163.37	120.30	2,283.67
333-4238	NEW HOOKUPS - SERVICES FEE	02/28/05	ST LINE	40/00	N	17,984.03	3,974.96	222.95	4,197.91
333-4239	NEW HOOKUPS - SERVICES MAI	03/31/05	ST LINE	40/00	N	16,428.96	3,596.33	203.67	3,800.00
333-4240	NEW HOOKUPS - SERVICES APF	04/30/05	ST LINE	40/00	N	17,274.05	3,745.86	214.15	3,960.01
333-4241	NEW HOOKUPS - SERVICES MA'	05/31/05	ST LINE	40/00	N	10,998.97	2,361.73	136.35	2,498.08
333-4242	NEW HOOKUPS - SERVICES JUN	06/30/05	ST LINE	40/00	N	16,807.10	3,574.41	208.36	3,782.77
333-4243	NEW HOOKUPS - SERVICES JUL	07/31/05	ST LINE	40/00	N	31,569.04	6,646.83	391.37	7,038.20
333-4244	NEW HOOKUPS - SERVICES	08/31/05	ST LINE	40/00	N	9,406.67	1,960.61	116.62	2,077.23
333-4245	NEW HOOKUPS - SERVICES SEF	09/30/05	ST LINE	40/00	N	9,982.98	2,060.15	123.76	2,183.91
333-4246	NEW HOOKUPS - SERVICES	10/31/05	ST LINE	40/00	N	9,610.03	1,962.81	119.14	2,081.95
333-4247	NEW HOOKUPS - SERVICES	11/30/05	ST LINE	40/00	N	7,271.52	1,470.26	90.15	1,560.41
333-4248	NEW HOOKUPS - SERVICES DE	12/31/05	ST LINE	40/00	N	4,044.57	809.16	50.14	859.30
333-4249	NEW HOOKUPS - SERVICES JAN	01/31/06	ST LINE	40/00	N	7,716.86	1,446.90	95.67	1,542.57
333-4250	NEW HOOKUPS - SERVICES FEE	02/28/06	ST LINE	40/00	N	11,128.55	2,086.58	137.96	2,224.54
333-4251	NEW HOOKUPS-SERVICE-MARC	04/30/06	ST LINE	40/00	N	4,472.10	1,160.51	50.53	1,211.04
333-4252	NEW HOOKUPS-SERVICE-APRIL	05/30/06	ST LINE	40/00	N	4,446.33	833.70	55.12	888.82

**Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14**

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1033-04 NEW TAPS/SERVICES									
333-4253	NEW HOOKUPS-SERVICE-MAY	06/30/06	ST LINE	40/00	N	5,837.62	1,094.55	72.37	1,166.92
333-4254	NEW HOOKUPS SERVICE-JUNE	07/31/06	ST LINE	40/00	N	5,535.85	1,038.00	68.63	1,106.63
333-4255	NEW HOOKUPS-SERVICE-JULY	07/31/06	ST LINE	40/00	N	12,723.72	3,301.74	143.76	3,445.50
333-4256	NEW HOOKUP -SERVICE-SEPT.	09/30/06	ST LINE	40/00	N	1,890.71	354.52	23.44	377.96
333-4257	NEW HOOKUPS-SERVICE-OCT.	10/31/06	ST LINE	40/00	N	5,107.12	957.60	63.32	1,020.92
333-4258	NEW HOOKUP -SERVICE-NOV	11/30/06	ST LINE	40/00	N	7,739.90	2,008.44	87.45	2,095.89
333-4259	NEW HOOKUPS-SERVICE-DEC	12/31/06	ST LINE	40/00	N	8,044.01	1,508.25	99.72	1,607.97
334-4259	NEW HOOKUP SERVICES-JAN.	01/31/07	ST LINE	40/00	N	3,337.80	542.39	41.38	583.77
334-4260	NEW HOOKUPS-FEB	02/28/07	ST LINE	40/00	N	2,184.33	354.96	27.08	382.04
334-4261	NEW HOOKUPS-MARCH	04/30/07	ST LINE	40/00	N	2,945.49	478.66	36.52	515.18
334-4262	NEW HOOKUPS MAY	05/31/07	ST LINE	40/00	N	13,427.84	2,182.05	166.47	2,348.52
334-4263	NEW HOOKUPS-JUNE	06/30/07	ST LINE	40/00	N	11,388.65	1,850.68	141.19	1,991.87
334-4269	NEW HOOKUPS FOR WATER JU	07/31/07	ST LINE	40/00	N	11,601.05	1,885.19	143.82	2,029.01
334-4270	NEW HOOKUPS FOR WATER AU	08/31/07	ST LINE	40/00	N	32,720.13	5,317.00	405.64	5,722.64
334-4271	NEW HOOKUPS FOR WATER SE	09/30/07	ST LINE	40/00	N	22,280.51	3,620.57	276.22	3,896.79
334-4272	NEW HOOKUPS FOR OCT.	10/31/07	ST LINE	40/00	N	22,108.79	3,592.68	274.09	3,866.77
334-4273	NEW HOOKUPS FOR WATER FO	11/30/07	ST LINE	40/00	N	13,961.07	2,268.69	173.08	2,441.77
334-4274	NEW HOOKUPS FOR WATER FO	12/31/07	ST LINE	40/00	N	11,013.75	1,789.71	136.54	1,926.25
333-4260	JAN HOOKUPS - SERVICE	01/31/08	ST LINE	40/00	N	5,199.70	714.95	64.46	779.41
333-4261	WATER HOOKUPS - SERVICE FE	02/28/08	ST LINE	40/00	N	7,215.54	992.14	89.45	1,081.59
333-4262	MARCH HOOKUPS - SERVICE	03/31/08	ST LINE	40/00	N	17,033.09	2,342.06	211.17	2,553.23
333-4263	APR WATER HOOKUPS SERVICE	04/30/08	ST LINE	40/00	N	9,590.89	1,318.74	118.90	1,437.64
333-4264	MAY WATER HOOKUPS SERVICE	05/31/08	ST LINE	40/00	N	13,336.55	1,833.76	165.33	1,999.09
333-4265	JUNE WATER HOOKUPS SERVICE	06/30/08	ST LINE	40/00	N	8,507.01	1,169.72	105.47	1,275.19
333-4266	JULY WATER HOOKUPS SERVICE	07/31/08	ST LINE	40/00	N	18,503.03	2,544.19	229.39	2,773.58
333-4267	AUGUST HOOKUPS WATER SER	08/31/08	ST LINE	40/00	N	14,552.50	2,000.96	180.41	2,181.37
333-4268	SEPT WATER HOOKUPS SERVICE	09/30/08	ST LINE	40/00	N	13,208.97	1,816.21	163.75	1,979.96
333-4269	OCT WATER HOOKUPS SERVICE	10/31/08	ST LINE	40/00	N	18,981.41	2,609.95	235.32	2,845.27
333-4270	NOV WATER HOOKUPS SERVICE	11/30/08	ST LINE	40/00	N	11,512.50	1,582.96	142.72	1,725.68
333-4271	DEC WATER HOOKUPS SERVICE	12/31/08	ST LINE	40/00	N	11,087.71	1,524.55	137.46	1,662.01
333-4272	JAN 09 WATER HOOKUPS SERV	01/31/09	ST LINE	40/00	N	3,790.68	426.46	47.00	473.46
333-4273	FEB 09 WATER HOOKUPS SERV	02/28/09	ST LINE	40/00	N	9,332.31	1,049.89	115.70	1,165.59
333-4274	MAR 09 WATER HOOKUPS SERV	03/31/09	ST LINE	40/00	N	5,702.65	641.56	70.70	712.26
333-4275	APR 09 WATER HOOKUPS SERV	04/30/09	ST LINE	40/00	N	8,415.03	946.71	104.33	1,051.04
333-4276	MAY 09 WATER HOOKUPS SERV	05/31/09	ST LINE	40/00	N	4,104.09	461.70	50.88	512.58
333-4285	2009 TAP FEES	06/01/09	ST LINE	40/00	N	16,628.14	1,870.65	206.14	2,076.79
333-4277	JUN 09 WATER HOOKUPS SERV	06/30/09	ST LINE	40/00	N	9,484.40	1,067.00	117.58	1,184.58
333-4278	JUL 09 WATER HOOKUPS SERV	07/31/09	ST LINE	40/00	N	9,727.01	1,094.30	120.59	1,214.89
333-4279	AUG 09 WATER HOOKUPS SERV	08/31/09	ST LINE	40/00	N	12,651.33	1,423.26	156.84	1,580.10
333-4284	2009 TAP FEES	09/14/09	ST LINE	40/00	N	3,400.00	382.50	42.15	424.65
333-4280	SEP 09 WATER HOOKUPS SERV	09/30/09	ST LINE	40/00	N	11,847.79	1,332.87	146.88	1,479.75
333-4281	OCT 09 WATER HOOKUPS SERV	10/31/09	ST LINE	40/00	N	7,001.73	787.68	86.80	874.48
333-4282	NOV 09 WATER HOOKUPS SERV	11/30/09	ST LINE	40/00	N	13,706.49	1,541.97	169.92	1,711.89
333-4286	2009 TAP FEES	12/18/09	ST LINE	40/00	N	34,823.37	3,917.61	431.71	4,349.32

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1033-04 NEW TAPS/SERVICES									
333-4283	DEC 09 WATER HOOKUPS SERV	12/31/09	ST LINE	40/00	N	8,605.93	968.17	106.69	1,074.86
333-4287	JAN 10 WATER HOOKUPS	01/31/10	ST LINE	40/00	N	6,962.74	609.24	86.32	695.56
333-4288	FEB 10 WATER HOOKUPS	02/28/10	ST LINE	40/00	N	2,982.76	260.99	36.98	297.97
333-4289	MAR 10 WATER HOOKUPS	03/31/10	ST LINE	40/00	N	12,768.17	1,117.20	158.29	1,275.49
333-4290	APR 10 WATER HOOKUPS	04/30/10	ST LINE	40/00	N	11,073.23	968.91	137.28	1,106.19
333-4291	MAY 10 WATER HOOKUPS	05/31/10	ST LINE	40/00	N	8,831.81	772.79	109.49	882.28
333-4292	JUNE 10 WATER HOOKUPS	06/30/10	ST LINE	40/00	N	10,755.89	941.15	133.34	1,074.49
333-4299	TAPS JUNE 2010	06/30/10	ST LINE	40/00	N	103,093.65	9,020.69	1,278.08	10,298.77
333-4293	JULY 10 WATER HOOKUPS	07/31/10	ST LINE	40/00	N	6,071.31	531.23	75.27	606.50
333-4294	AUG 10 WATER HOOKUPS	08/31/10	ST LINE	40/00	N	12,520.83	1,095.57	155.22	1,250.79
333-4295	SEP 10 WATER HOOKUPS	09/30/10	ST LINE	40/00	N	21,397.00	1,872.24	265.26	2,137.50
333-4296	OCT 10 WATER HOOKUPS	10/31/10	ST LINE	40/00	N	17,933.91	1,569.22	222.33	1,791.55
333-4297	NOV 10 WATER HOOKUPS	11/30/10	ST LINE	40/00	N	9,309.44	814.59	115.41	930.00
333-4298	DEC 10 WATER HOOKUPS	12/31/10	ST LINE	40/00	N	6,261.73	547.89	77.63	625.52
334-4317	DEC 10 WATER TAPS ADDITION	12/31/10	ST LINE	40/00	N	4,200.00	367.50	52.07	419.57
333-4313	2011 CIP TAP FEES	01/01/11	ST LINE	40/00	N	132,124.91	8,257.80	1,637.99	9,895.79
333-4300	HOOKUPS JAN 2011	01/31/11	ST LINE	40/00	N	9,257.01	578.57	114.76	693.33
333-4301	HOOKUPS - FEB 2011	02/28/11	ST LINE	40/00	N	11,750.89	734.43	145.68	880.11
333-4302	HOOKUPS MAR 2011	03/01/11	ST LINE	40/00	N	17,283.33	1,080.20	214.26	1,294.46
333-4303	HOOKUPS - APRIL 2011	04/30/11	ST LINE	40/00	N	11,396.05	712.25	141.28	853.53
333-4304	HOOKUPS - MAY 2011	05/31/11	ST LINE	40/00	N	7,299.34	456.20	90.49	546.69
333-4305	WATER HOOKUPS JUNE 2011	06/30/11	ST LINE	40/00	N	9,666.21	604.15	119.83	723.98
333-4306	WATER HOOKUPS JULY 2011	07/31/11	ST LINE	40/00	N	11,949.30	746.83	148.14	894.97
333-4307	WATER HOOKUPS AUG 2011	08/31/11	ST LINE	40/00	N	19,766.55	1,235.40	245.05	1,480.45
333-4308	WATER HOOKUPS SEP 2011	09/30/11	ST LINE	40/00	N	13,109.42	819.35	162.52	981.87
333-4312	WATER HOOKUPS OCT 2011	10/31/11	ST LINE	40/00	N	11,107.09	694.20	137.70	831.90
333-4309	WATER HOOKUPS NOV 2011	11/30/11	ST LINE	40/00	N	5,728.98	358.05	71.02	429.07
333-4311	WATER HOOKUPS DEC 2011	12/31/11	ST LINE	40/00	N	8,168.13	510.50	101.26	611.76
333-4318	WATER HOOKUPS JAN 12	01/31/12	ST LINE	40/00	N	8,257.93	309.67	102.38	412.05
333-4319	WATER HOOKUPS FEB 12	02/29/12	ST LINE	40/00	N	8,516.23	319.36	105.58	424.94
333-4320	WATER HOOKUPS MAR 12	03/31/12	ST LINE	40/00	N	7,183.91	269.40	89.06	358.46
333-4321	WATER HOOKUPS APR 12	04/30/12	ST LINE	40/00	N	7,532.23	282.46	93.38	375.84
333-4322	WATER HOOKUPS MAY 12	05/31/12	ST LINE	40/00	N	10,980.41	411.77	136.13	547.90
333-4323	WATER HOOKUPS JUN 12	06/30/12	ST LINE	40/00	N	9,878.78	370.45	122.47	492.92
333-4324	WATER HOOKUPS JULY 12	07/31/12	ST LINE	40/00	N	13,283.60	498.14	164.68	662.82
333-4325	WATER HOOKUPS AUGUST 12	08/31/12	ST LINE	40/00	N	11,506.31	431.49	142.65	574.14
333-4326	WATER HOOKUPS SEP 12	09/30/12	ST LINE	40/00	N	18,366.25	688.74	227.69	916.43
333-4327	WATER HOOKUPS OCT 12	10/31/12	ST LINE	40/00	N	13,389.47	502.11	165.99	668.10
333-4328	WATER HOOKUPS NOV 12	11/30/12	ST LINE	40/00	N	8,848.67	331.83	109.70	441.53
333-4329	WATER HOOKUPS DEC 12	12/31/12	ST LINE	40/00	N	5,331.82	199.95	66.10	266.05
333-4330	JAN NEW TAPS	01/31/13	ST LINE	40/00	N	5,421.76	67.77	67.21	134.98
333-4331	FEB NEW TAPS	02/28/13	ST LINE	40/00	N	7,781.66	97.27	96.47	193.74
333-4332	MARCH TAPS	03/31/13	ST LINE	40/00	N	4,368.45	54.61	54.16	108.77
333-4343	LMI TAP FEES	04/04/13	ST LINE	40/00	N	400,080.94	5,001.01	4,959.91	9,960.92

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1033-04 NEW TAPS/SERVICES									
333-4333	APRIL TAPS	04/30/13	ST LINE	40/00	N	8,977.19	112.21	111.29	223.50
333-4334	MAY TAPS	05/31/13	ST LINE	40/00	N	7,153.54	89.42	88.69	178.11
333-4335	JUNE TAPS	06/30/13	ST LINE	40/00	N	9,458.27	118.23	117.26	235.49
333-4342	TAP FEES	07/01/13	ST LINE	40/00	N	106,461.16	1,330.76	1,319.83	2,650.59
333-4336	JULY TAPS	07/31/13	ST LINE	40/00	N	7,964.78	99.56	98.74	198.30
333-4337	AUG TAPS	08/31/13	ST LINE	40/00	N	7,732.43	96.66	95.86	192.52
333-4338	SEP TAPS	09/30/13	ST LINE	40/00	N	5,873.89	73.42	72.82	146.24
333-4339	OCT TAPS	10/31/13	ST LINE	40/00	N	7,975.97	99.70	98.88	198.58
333-4340	NOV TAPS	11/30/13	ST LINE	40/00	N	5,137.57	64.22	63.69	127.91
333-4341	DEC TAPS	12/31/13	ST LINE	40/00	N	3,153.40	39.42	39.09	78.51
333-4344	JAN TAPS	01/31/14	ST LINE	40/00	N	472.51	0.00	2.66	2.66
333-4345	FEB TAPS	02/28/14	ST LINE	40/00	N	3,462.32	0.00	17.34	17.34
333-4346	MARCH TAPS	03/31/14	ST LINE	40/00	N	10,343.70	0.00	43.10	43.10
333-4347	APRIL TAPS	04/30/14	ST LINE	40/00	N	8,057.10	0.00	25.38	25.38
333-4348	MAY TAPS	05/31/14	ST LINE	40/00	N	7,925.09	0.00	14.28	14.28
333-4350	RUSSELL FORK TAP FEES	06/01/14	ST LINE	40/00	N	58,579.55	0.00	102.65	102.65
333-4349	JUNE TAPS	06/30/14	ST LINE	40/00	N	9,041.31	0.00	0.61	0.61
Total for (NEW TAPS/SERVICES)						6,186,323.52	2,089,083.06	75,527.17	2,164,610.23
1034-04 NEW TAPS/METERS & SERVICES									
4005	METERS	11/01/74	ST LINE	30/00	N	55,412.52	55,411.73	0.00	55,411.73
334-4008	METERS	08/01/82	ST LINE	33/00	N	178,599.71	170,030.46	2,683.81	172,714.27
334-4010	HOOKUPS	06/30/83	ST LINE	33/00	N	1,657.08	1,535.64	24.90	1,560.54
334-4006	METERS	07/01/83	ST LINE	30/00	N	9,823.73	9,822.39	0.00	9,822.39
334-4014	METER INSTALLATIONS	07/01/83	ST LINE	30/00	N	2,907.35	2,906.96	0.00	2,906.96
334-4011	METERS	06/30/84	ST LINE	33/00	N	478.15	428.66	7.19	435.85
334-4016	METER INSTALLATIONS	06/30/84	ST LINE	33/00	N	5,404.79	4,845.16	81.22	4,926.38
334-4012	METERS	01/30/85	ST LINE	33/00	N	3,777.50	3,319.63	56.76	3,376.39
334-4017	METER INSTALLATIONS	01/30/85	ST LINE	33/00	N	4,329.96	3,805.09	65.07	3,870.16
334-4001	METER & METER SETTINGS	07/01/85	ST LINE	40/00	N	71,860.00	51,200.25	890.87	52,091.12
334-4002	METERS	07/01/85	ST LINE	40/00	N	96,100.00	68,471.25	1,191.38	69,662.63
334-4007	METERS	09/01/85	ST LINE	30/00	N	12,480.32	11,786.95	206.30	11,993.25
334-4015	METER INSTALLATIONS	09/01/85	ST LINE	30/00	N	11,512.44	10,872.92	190.30	11,063.22
334-4003	METER SET-TURKEY CREEK EX	10/23/85	ST LINE	40/00	N	14,000.00	9,887.50	173.56	10,061.06
334-4018	METER INSTALLATIONS	01/30/86	ST LINE	33/00	N	5,915.20	5,019.00	88.89	5,107.89
334-4004	METER HOOKUPS	04/01/86	ST LINE	40/00	N	1,989.24	1,380.01	24.66	1,404.67
334-4013	METERS	07/01/86	ST LINE	40/00	N	4,888.17	3,360.53	60.60	3,421.13
334-4019	METER INSTALLATIONS	12/31/86	ST LINE	33/00	N	5,826.27	4,781.57	87.55	4,869.12
334-4021	NEW HOOKUPS	02/28/87	ST LINE	40/00	N	691.17	465.12	8.57	473.69
334-4024	NEW METER HOOKUPS	02/28/87	ST LINE	40/00	N	140.78	94.75	1.75	96.50
334-4020	NEW METER HOOKUPS	03/31/87	ST LINE	40/00	N	453.72	304.29	5.62	309.91
334-4022	NEW METER HOOKUPS	03/31/87	ST LINE	40/00	N	535.17	359.03	6.64	365.67
334-4025	NEW METER HOOKUPS	03/31/87	ST LINE	40/00	N	446.36	299.46	5.53	304.99
334-4026	NEW METER HOOKUPS	03/31/87	ST LINE	40/00	N	338.70	227.28	4.20	231.48
334-4023	NEW METER HOOKUPS	04/30/87	ST LINE	40/00	N	1,123.31	751.14	13.92	765.06

MWD (RIF 6-30-14)
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For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1034-04 NEW TAPS/METERS & SERVICES									
334-4027	NEW METER HOOKUPS	04/30/87	ST LINE	40/00	N	947.13	633.44	11.74	645.18
334-4028	NEW METER HOOKUPS	05/31/87	ST LINE	40/00	N	882.36	588.27	10.94	599.21
334-4029	NEW METER HOOKUPS	06/30/87	ST LINE	40/00	N	1,254.92	833.92	15.56	849.48
334-4030	NEW METER HOOKUPS	06/30/87	ST LINE	40/00	N	1,103.16	733.17	13.68	746.85
334-4031	NEW METER HOOKUPS	06/30/87	ST LINE	40/00	N	1,306.98	868.51	16.20	884.71
334-4032	NEW METER HOOKUPS	07/31/87	ST LINE	40/00	N	2,139.96	1,417.75	26.53	1,444.28
334-4033	NEW METER HOOKUPS	07/31/87	ST LINE	40/00	N	829.47	549.61	10.28	559.89
334-4034	NEW METER HOOKUPS	07/31/87	ST LINE	40/00	N	788.78	522.58	9.78	532.36
334-4035	NEW METER HOOKUPS	08/31/87	ST LINE	40/00	N	631.94	417.38	7.84	425.22
334-4036	NEW METER HOOKUPS	08/31/87	ST LINE	40/00	N	1,514.43	1,000.14	18.77	1,018.91
334-4037	NEW METER HOOKUPS	08/31/87	ST LINE	40/00	N	329.78	217.71	4.09	221.80
334-4038	NEW METER HOOKUPS	09/30/87	ST LINE	40/00	N	296.65	195.39	3.68	199.07
334-4039	NEW METER HOOKUPS	09/30/87	ST LINE	40/00	N	852.79	561.43	10.57	572.00
334-4042	NEW METER HOOKUPS	09/30/87	ST LINE	40/00	N	3,321.78	2,186.75	41.18	2,227.93
334-4051	METERS PURCHASED	09/30/87	ST LINE	40/00	N	744.00	489.80	9.22	499.02
334-4049	METERS-CONTRACT INSTALL	10/13/87	ST LINE	40/00	N	117,956.88	77,409.15	1,462.34	78,871.49
334-4040	NEW METER HOOKUPS	10/31/87	ST LINE	40/00	N	2,634.59	1,728.87	32.66	1,761.53
334-4041	NEW METER HOOKUPS	10/31/87	ST LINE	40/00	N	2,091.93	1,372.87	25.94	1,398.81
334-4043	NEW METER HOOKUPS	10/31/87	ST LINE	40/00	N	257.77	169.07	3.19	172.26
334-4045	NEW METER HOOKUPS	10/31/87	ST LINE	40/00	N	953.86	626.06	11.83	637.89
334-4052	4" METER PURCHASED	10/31/87	ST LINE	40/00	N	1,720.66	1,129.27	21.33	1,150.60
334-4044	NEW METER HOOKUPS	11/30/87	ST LINE	40/00	N	1,044.47	683.21	12.95	696.16
334-4046	NEW METER HOOKUPS	11/30/87	ST LINE	40/00	N	669.05	437.77	8.30	446.07
334-4047	NEW METER HOOKUPS	11/30/87	ST LINE	40/00	N	409.52	267.95	5.08	273.03
334-4048	LINE EXTENSIONS	11/30/87	ST LINE	40/00	N	937.78	613.38	11.62	625.00
334-4053	METERS	11/30/87	ST LINE	40/00	N	930.00	608.38	11.53	619.91
334-4050	METERS-CONTRACTER INSTALL	12/08/87	ST LINE	40/00	N	8,233.83	5,369.23	102.08	5,471.31
334-4054	NEW METER HOOKUPS	12/31/87	ST LINE	40/00	N	318.93	207.88	3.95	211.83
334-4055	NEW METER HOOKUPS	12/31/87	ST LINE	40/00	N	830.66	541.75	10.30	552.05
334-4056	NEW METER HOOKUPS	12/31/87	ST LINE	40/00	N	1,527.90	996.38	18.94	1,015.32
334-4057	RUNYONS BRANCH LINE EXTEN	12/31/87	ST LINE	40/00	N	2,093.08	1,364.94	25.95	1,390.89
334-4058	METERS & INSTALLATIONS	09/23/88	ST LINE	40/00	N	77,592.96	49,142.11	961.94	50,104.05
334-4061	HOOKUPS FOR YEAR 1989	06/30/89	ST LINE	40/00	N	70,393.17	43,262.49	872.68	44,135.17
334-4059	METERS & INSTALLATIONS	12/31/89	ST LINE	40/00	N	140,168.50	84,393.06	1,737.70	86,130.76
334-4060	METERS & INSTALLATIONS	12/31/89	ST LINE	40/00	N	156,610.12	94,292.27	1,941.53	96,233.80
334-4062	HOOKUPS FOR YEAR 1990	06/30/90	ST LINE	40/00	N	61,159.02	36,058.43	758.21	36,816.64
334-4063	METERS & INSTALLATIONS	12/31/90	ST LINE	40/00	N	181,044.61	104,477.91	2,244.46	106,722.37
334-4064	HOOKUPS FOR YEAR 1991	06/30/91	ST LINE	40/00	N	55,441.74	31,301.41	687.32	31,988.73
334-4066	METERS & INSTALLATIONS	06/01/92	ST LINE	40/00	N	126,156.86	68,072.11	1,564.00	69,636.11
334-4065	HOOKUPS FOR YEAR 1992	06/30/92	ST LINE	40/00	N	67,384.28	36,359.50	835.38	37,194.88
334-4067	SERVICE HOOKUPS FOR 1993	06/30/93	ST LINE	40/00	N	67,697.19	34,694.81	839.26	35,534.07
334-4068	SERVICE HOOKUPS	01/15/94	ST LINE	40/00	N	2,438.00	1,219.00	30.22	1,249.22
334-4069	SERVICE HOOKUPS 2/94	02/15/94	ST LINE	40/00	N	5,220.00	2,588.25	64.71	2,652.96
334-4070	SERVICE HOOKUPS 3/94	03/15/94	ST LINE	40/00	N	5,590.00	2,771.71	69.30	2,841.01

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1034-04 NEW TAPS/METERS & SERVICES									
334-4071	SERVICE HOOKUPS 4/94	04/15/94	ST LINE	40/00	N	9,976.00	4,925.65	123.68	5,049.33
334-4072	METERS & INSTALLATIONS	05/09/94	ST LINE	40/00	N	101,349.92	49,830.42	1,256.46	51,086.88
334-4073	SERVICE HOOKUPS 5/94	05/15/94	ST LINE	40/00	N	9,380.00	4,611.83	116.29	4,728.12
334-4074	SERVICE HOOKUPS 6/94	06/15/94	ST LINE	40/00	N	15,360.00	7,520.00	190.42	7,710.42
334-4081	SERVICE HOOKUPS 6/94	06/15/94	ST LINE	40/00	N	6,236.00	3,053.04	77.31	3,130.35
334-4075	SERVICE HOOKUPS 7/94	07/15/94	ST LINE	40/00	N	5,715.00	2,786.14	70.85	2,856.99
334-4076	SERVICE HOOKUPS 8/94	08/15/94	ST LINE	40/00	N	8,970.00	4,354.19	111.20	4,465.39
334-4077	SERVICE HOOKUPS 9/94	09/15/94	ST LINE	40/00	N	7,405.00	3,579.16	91.80	3,670.96
334-4078	SERVICE HOOKUPS 10/94	10/15/94	ST LINE	40/00	N	7,980.00	3,840.38	98.93	3,939.31
334-4079	SERVICE HOOKUPS 11/94	11/15/94	ST LINE	40/00	N	7,952.00	3,810.33	98.58	3,908.91
334-4080	SERVICE HOOKUPS 12/94	12/15/94	ST LINE	40/00	N	7,097.91	3,386.34	88.00	3,474.34
334-4082	METER HOOKUPS	01/31/95	ST LINE	40/00	N	6,634.80	3,151.53	82.25	3,233.78
334-4083	METER HOOKUPS	02/01/95	ST LINE	40/00	N	3,285.00	1,553.61	40.73	1,594.34
334-4084	METER HOOKUPS 3/95	03/31/95	ST LINE	40/00	N	6,410.00	3,018.04	79.47	3,097.51
334-4085	METER HOOKUPS 4/95	04/01/95	ST LINE	40/00	N	7,049.31	3,304.31	87.39	3,391.70
334-4086	METER HOOKUPS 5/95	05/01/95	ST LINE	40/00	N	8,188.00	3,821.07	101.51	3,922.58
334-4087	METER HOOKUPS 6/95	06/01/95	ST LINE	40/00	N	9,823.10	4,563.69	121.78	4,685.47
334-4088	METERS 7/95	07/01/95	ST LINE	40/00	N	4,956.50	2,292.34	61.45	2,353.79
334-4089	METER HOOKUPS 8/95	08/01/95	ST LINE	40/00	N	5,451.00	2,509.81	67.58	2,577.39
334-4090	METER HOOKUPS 9/95	09/01/95	ST LINE	40/00	N	4,381.50	2,008.23	54.32	2,062.55
334-4091	METER HOOKUPS 10/95	10/01/95	ST LINE	40/00	N	8,280.00	3,777.75	102.65	3,880.40
334-4092	METER HOOKUPS 11/95	11/01/95	ST LINE	40/00	N	6,141.00	2,789.12	76.13	2,865.25
334-4093	METER HOOKUPS 12/95	12/01/95	ST LINE	40/00	N	2,346.00	1,060.59	29.08	1,089.67
334-4094	I.C. WATER SUPPLY PROJECT	12/26/95	ST LINE	40/00	N	191,972.32	86,787.52	2,379.93	89,167.45
334-4095	S.F. AML WATER SUPPLY PROJ	12/26/95	ST LINE	40/00	N	102,461.34	46,321.00	1,270.24	47,591.24
334-4096	METERS & INSTALLATIONS 1/96	01/31/96	ST LINE	40/00	N	1,854.12	834.30	22.98	857.28
334-4097	METERS & INSTALLATIONS 2/96	02/28/96	ST LINE	40/00	N	4,879.98	2,185.83	60.50	2,246.33
334-4098	METERS & INSTALLATIONS 3.96	03/31/96	ST LINE	40/00	N	5,954.94	2,654.85	73.82	2,728.67
334-4099	METERS & INSTALLATIONS 4/96	04/01/96	ST LINE	40/00	N	5,073.36	2,251.23	62.89	2,314.12
334-4100	METERS & INSTALLATIONS 5/96	05/01/96	ST LINE	40/00	N	6,031.35	2,663.78	74.77	2,738.55
334-4101	METERS & INSTALLATIONS 6/96	06/01/96	ST LINE	40/00	N	9,202.86	4,045.40	114.09	4,159.49
334-4102	METERS & INSTALLATIONS 7/96	07/01/96	ST LINE	40/00	N	6,896.60	3,017.34	85.50	3,102.84
334-4103	METERS & INSTALLATIONS 8/96	08/01/96	ST LINE	40/00	N	6,594.16	2,871.14	81.75	2,952.89
334-4104	METERS & INSTALLATIONS 9/96	09/01/96	ST LINE	40/00	N	5,995.99	2,598.27	74.33	2,672.60
334-4105	METERS & INSTALLATIONS 10/96	10/01/96	ST LINE	40/00	N	10,689.93	4,610.06	132.53	4,742.59
334-4106	METERS & INSTALLATIONS 11/96	11/01/96	ST LINE	40/00	N	4,756.82	2,041.46	58.97	2,100.43
334-4107	METERS & INSTALLATIONS 12/96	12/01/96	ST LINE	40/00	N	4,766.89	2,035.82	59.10	2,094.92
334-4108	METERS & INSTALLATIONS	01/01/97	ST LINE	40/00	N	2,720.02	1,156.00	33.72	1,189.72
334-4109	MATERIALS & INSTALLATIONS	02/01/97	ST LINE	40/00	N	3,152.92	1,333.37	39.09	1,372.46
334-4110	METERS & INSTALLATIONS	03/01/97	ST LINE	40/00	N	3,241.61	1,364.17	40.19	1,404.36
334-4111	METERS & INSTALLATION	04/01/97	ST LINE	40/00	N	3,445.04	1,442.68	42.71	1,485.39
334-4112	METERS & INSTALLATIONS	05/01/97	ST LINE	40/00	N	4,515.39	1,881.33	55.98	1,937.31
334-4113	METERS & INSTALLATIONS	06/01/97	ST LINE	40/00	N	4,541.58	1,882.87	56.30	1,939.17
334-4114	METERS & INSTALLATIONS	07/01/97	ST LINE	40/00	N	4,469.43	1,843.71	55.41	1,899.12

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1034-04 NEW TAPS/METERS & SERVICES									
334-4115	METERS & INSTALLATIONS	08/01/97	ST LINE	40/00	N	3,028.07	1,242.74	37.54	1,280.28
334-4116	METER & INSTALLATIONS	09/01/97	ST LINE	40/00	N	3,230.71	1,319.24	40.05	1,359.29
334-4117	METERS & INSTALLATIONS	09/01/97	ST LINE	40/00	N	187,250.11	76,460.42	2,321.39	78,781.81
334-4118	METERS & INSTALLATION	10/01/97	ST LINE	40/00	N	9,228.71	3,749.20	114.41	3,863.61
334-4119	METERS & INSTALLATIONS	11/01/97	ST LINE	40/00	N	6,326.76	2,557.08	78.43	2,635.51
334-4120	METERS & INSTALLATIONS	12/01/97	ST LINE	40/00	N	3,597.28	1,446.37	44.60	1,490.97
334-4121	AML HURRICANE PROJECT	12/01/97	ST LINE	40/00	N	137,762.96	55,392.13	1,707.88	57,100.01
334-4122	METERS & INSTALLATIONS 1/98	01/31/98	ST LINE	40/00	N	830.33	330.45	10.29	340.74
334-4123	NEW TAPS METERS & INSTALL.	02/28/98	ST LINE	40/00	N	3,587.57	1,420.79	44.48	1,465.27
334-4125	TAP FOR HOOPWOOD	03/10/98	ST LINE	40/00	N	2,500.00	988.36	30.99	1,019.35
334-4124	NEW TAPS METERS & INSTALL.	03/31/98	ST LINE	40/00	N	9,775.59	3,850.65	121.19	3,971.84
334-4126	NEW TAPS METERS & INSTALL	04/01/98	ST LINE	40/00	N	7,167.77	2,822.86	88.86	2,911.72
334-4127	NEW TAPS METER & INSTALL 5/98	05/31/98	ST LINE	40/00	N	3,766.83	1,468.02	46.70	1,514.72
334-4128	NEW TAPS METERS & SERVICE	06/01/98	ST LINE	40/00	N	5,808.23	2,263.28	72.01	2,335.29
334-4129	NEW TAPS METERS & INSTALL	07/01/98	ST LINE	40/00	N	7,470.82	2,895.70	92.62	2,988.32
334-4130	NEW TAPS METER & INSTALL 8/98	08/01/98	ST LINE	40/00	N	6,759.77	2,605.69	83.80	2,689.49
334-4131	NEW TAPS METERS & INSTALL.	09/01/98	ST LINE	40/00	N	5,672.96	2,174.70	70.33	2,245.03
334-4132	NEW TAPS METERS & INSTALL	10/01/98	ST LINE	40/00	N	7,659.23	2,920.46	94.95	3,015.41
334-4133	NEW TAPS METERS & INSTALL	11/30/98	ST LINE	40/00	N	6,732.59	2,539.41	83.46	2,622.87
334-4132	NEW HOOKUPS METERS	12/31/98	ST LINE	20/00	N	4,283.82	3,213.44	106.21	3,319.65
334-4135	METERS & INSTALLS WATER	01/01/99	ST LINE	40/00	N	3,996.08	1,498.50	49.54	1,548.04
334-4136	METERS & INSTALLS WATER	02/01/99	ST LINE	40/00	N	3,269.12	1,219.01	40.53	1,259.54
334-4137	METERS & INSTALLS WATER	03/01/99	ST LINE	40/00	N	4,712.53	1,748.11	58.42	1,806.53
334-4138	METERS & INSTALLS WATER	04/01/99	ST LINE	40/00	N	7,185.59	2,650.31	89.08	2,739.39
334-4139	METERS & INSTALLS WATER	05/01/99	ST LINE	40/00	N	4,577.54	1,678.97	56.75	1,735.72
334-4140	METERS & INSTALLS WATER	06/01/99	ST LINE	40/00	N	4,133.08	1,507.20	51.24	1,558.44
334-4141	METERS & INSTALLS WATER	07/01/99	ST LINE	40/00	N	5,648.25	2,048.12	70.02	2,118.14
334-4143	METERS & INSTALLS WATER	08/01/99	ST LINE	40/00	N	6,363.25	2,293.80	78.89	2,372.69
334-4145	METERS & INSTALLS WATER	09/01/99	ST LINE	40/00	N	10,067.39	3,607.64	124.81	3,732.45
334-4146	METERS & INSTALLS WATER- O	10/01/99	ST LINE	40/00	N	4,315.48	1,537.65	53.50	1,591.15
334-4148	METERS & INSTALLS-NOVEMBE	11/01/99	ST LINE	40/00	N	5,183.04	1,835.78	64.26	1,900.04
334-4149	METERS & INSTALLS- DECEMBE	12/01/99	ST LINE	40/00	N	3,185.72	1,121.72	39.49	1,161.21
334-4150	METERS & INSTALLS	01/01/00	ST LINE	40/00	N	2,482.51	868.84	30.77	899.61
334-4151	METERS & INSTALLS	02/01/00	ST LINE	40/00	N	7,476.62	2,601.04	92.69	2,693.73
334-4152	METERS & INSTALLS	03/01/00	ST LINE	40/00	N	7,741.23	2,677.69	95.97	2,773.66
334-4153	METERS & INSTALLS	04/01/00	ST LINE	40/00	N	7,931.80	2,726.89	98.34	2,825.23
334-4155	METERS & INSTALLS	05/01/00	ST LINE	40/00	N	5,927.46	2,025.67	73.49	2,099.16
334-4157	METERS & INSTALLS	06/01/00	ST LINE	40/00	N	8,389.93	2,849.39	104.01	2,953.40
334-4158	METERS & INSTALLS	07/01/00	ST LINE	40/00	N	8,250.52	2,785.08	102.28	2,887.36
334-4159	METERS & INSTALLS	08/01/00	ST LINE	40/00	N	9,531.02	3,197.25	118.16	3,315.41
334-4160	METERS & INSTALLS	09/01/00	ST LINE	40/00	N	13,165.97	4,388.67	163.22	4,551.89
334-4162	METERS & INSTALLS	10/01/00	ST LINE	40/00	N	10,523.55	3,486.30	130.46	3,616.76
334-4163	METERS & INSTALLS	11/01/00	ST LINE	40/00	N	7,756.67	2,553.28	96.16	2,649.44
334-4164	METERS & INSTALLS WATER	12/01/00	ST LINE	40/00	N	5,759.58	1,884.07	71.40	1,955.47

**Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14**

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1054-04 NEW TAPS/METERS & SERVICES									
334-4165	NEW HOOKUPS-METERS & INST	01/01/01	ST LINE	40/00	N	6,207.69	2,017.47	76.96	2,094.43
334-4166	NEW HOOKUPS-METERS & INST	02/01/01	ST LINE	40/00	N	7,892.40	2,548.27	97.84	2,646.11
334-4168	NEW HOOKUPS-METERS & INST	03/01/01	ST LINE	40/00	N	5,366.08	1,722.27	66.52	1,788.79
334-4170	NEW HOOKUPS-METERS & INST	04/01/01	ST LINE	40/00	N	8,592.84	2,739.69	106.53	2,846.22
334-4171	NEW HOOKUPS - METERS & INS	05/01/01	ST LINE	40/00	N	6,734.56	2,133.33	83.49	2,216.82
334-4172	NEW HOOKUPS-METERS & INST	06/01/01	ST LINE	40/00	N	9,064.44	2,852.18	112.37	2,964.55
334-4174	NEW HOOKUPS - METERS & INS	07/01/01	ST LINE	40/00	N	7,088.22	2,215.85	87.88	2,303.73
334-4175	NEW HOOKUPS - METERS & INS	08/01/01	ST LINE	40/00	N	8,252.70	2,562.32	102.31	2,664.63
334-4177	NEW HOOKUPS - METERS & INS	09/01/01	ST LINE	40/00	N	10,158.24	3,132.40	125.94	3,258.34
334-4179	NEW HOOKUPS - METERS & INS	10/01/01	ST LINE	40/00	N	17,642.92	5,404.01	218.72	5,622.73
334-4180	NEW HOOKUPS - METERS & INS	11/01/01	ST LINE	40/00	N	9,957.47	3,028.88	123.45	3,152.33
334-4182	NEW HOOKUPS - METERS & INS	12/01/01	ST LINE	40/00	N	4,846.66	1,464.33	60.09	1,524.42
334-4183	NEW HOOKUPS - METERS & INS	01/31/02	ST LINE	40/00	N	4,969.06	1,480.55	61.60	1,542.15
334-4184	NEW HOOKUPS - METERS & INS	02/28/02	ST LINE	40/00	N	6,282.67	1,859.88	77.89	1,937.77
334-4185	NEW HOOKUPS - METERS & INS	03/01/02	ST LINE	40/00	N	6,777.16	2,005.77	84.02	2,089.79
334-4186	NEW HOOKUPS - METERS & INS	04/01/02	ST LINE	40/00	N	10,562.16	3,103.49	130.94	3,234.43
334-4187	NEW HOOKUPS - METERS & INS	05/01/02	ST LINE	40/00	N	7,875.88	2,298.06	97.64	2,395.70
334-4188	NEW HOOKUPS - METERS & INS	06/01/02	ST LINE	40/00	N	8,435.37	2,443.32	104.57	2,547.89
334-4189	NEW HOOKUPS - METERS & INS	07/31/02	ST LINE	40/00	N	10,515.41	3,002.71	130.36	3,133.07
334-4190	New Hookups - Services	08/31/02	ST LINE	40/00	N	10,178.60	2,884.92	126.19	3,011.11
334-4191	New Hookups - Meters & Installs	09/30/02	ST LINE	40/00	N	13,850.59	3,897.09	171.71	4,068.80
334-4192	New Hookups - Meters & Installs	10/31/02	ST LINE	40/00	N	15,691.88	4,381.94	194.54	4,576.48
334-4193	New Hookups - Meters & Installs	11/30/02	ST LINE	40/00	N	9,927.42	2,751.85	123.08	2,874.93
334-4194	New Hookups - Meters & Installs	12/31/02	ST LINE	40/00	N	8,274.33	2,276.03	102.58	2,378.61
334-4211	NEW HOOKUPS - METERS/INST/	01/31/03	ST LINE	40/00	N	4,678.88	1,277.06	58.00	1,335.06
334-4196	NEW HOOKUPS - METERS & INS	02/28/03	ST LINE	40/00	N	4,938.31	1,338.44	61.22	1,399.66
334-4216	NEW HOOKUPS - METERS & INS	03/31/03	ST LINE	40/00	N	9,515.01	2,558.67	117.96	2,676.63
333-4213	NEW HOOKUPS - METERS & INS	04/30/03	ST LINE	40/00	N	8,094.01	2,159.88	100.34	2,260.22
334-4215	NEW HOOKUPS - METERS & INS	05/31/03	ST LINE	40/00	N	14,551.32	3,852.08	180.40	4,032.48
334-4217	NEW HOOKUPS - METERS & INS	06/30/03	ST LINE	40/00	N	7,553.42	1,984.11	93.64	2,077.75
334-4218	NEW HOOKUPS - METERS & INS	07/31/03	ST LINE	40/00	N	11,642.17	3,033.30	144.33	3,177.63
334-4219	NEW HOOKUPS - METERS & INS	08/31/03	ST LINE	40/00	N	12,713.51	3,285.51	157.61	3,443.12
334-4220	NEW HOOKUPS - METERS & INS	09/30/03	ST LINE	40/00	N	10,600.02	2,717.52	131.41	2,848.93
334-4221	NEW HOOKUPS - METERS & INS	10/31/03	ST LINE	40/00	N	13,829.49	3,516.13	171.45	3,687.58
334-4222	NEW HOOKUPS - METERS & INS	11/30/03	ST LINE	40/00	N	5,532.09	1,395.13	68.58	1,463.71
334-4223	NEW HOOKUPS - METERS & INS	12/31/03	ST LINE	40/00	N	3,172.78	793.42	39.33	832.75
334-4224	NEW HOOKUPS - METERS/INST/	01/31/04	ST LINE	40/00	N	6,552.49	1,624.68	81.23	1,705.91
334-4225	NEW HOOKUPS - METERS/INST/	02/28/04	ST LINE	40/00	N	7,422.13	1,826.10	92.01	1,918.11
334-4226	NEW HOOKUPS - METERS/INST/	03/31/04	ST LINE	40/00	N	9,089.39	2,216.43	112.68	2,329.11
334-4227	NEW HOOKUPS - METERS/INST/	04/30/04	ST LINE	40/00	N	3,761.71	909.57	46.63	956.20
334-4228	NEW HOOKUPS - METERS/INST/	05/31/04	ST LINE	40/00	N	7,003.89	1,678.76	86.83	1,765.59
334-4229	NEW HOOKUPS - METERS/INST/	06/30/04	ST LINE	40/00	N	7,040.33	1,673.06	87.28	1,760.34
334-4230	NEW HOOKUPS - METERS/INST/	07/31/04	ST LINE	40/00	N	9,200.62	2,166.96	114.06	2,281.02
334-4231	NEW HOOKUPS - METERS/INST/	08/31/04	ST LINE	40/00	N	9,852.70	2,299.66	122.15	2,421.81

Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1034-04 NEW TAPS/METERS & SERVICES									
334-4232	NEW HOOKUPS - METERS/INST/	09/30/04	ST LINE	40/00	N	9,365.03	2,166.66	116.10	2,282.76
334-4233	NEW HOOKUPS - METERS/INST/	10/31/04	ST LINE	40/00	N	7,892.98	1,809.31	97.85	1,907.16
334-4234	NEW HOOKUPS - METERS/INST/	11/30/04	ST LINE	40/00	N	7,261.39	1,649.64	90.02	1,739.66
334-4235	NEW HOOKUPS - METERS/INST/	12/31/04	ST LINE	40/00	N	6,498.28	1,462.58	80.56	1,543.14
334-4236	NEW HOOKUPS - METERS & INS	01/31/05	ST LINE	40/00	N	4,851.78	1,081.65	60.15	1,141.80
334-4237	NEW HOOKUPS - METERS & INS	02/28/05	ST LINE	40/00	N	8,992.02	1,987.48	111.48	2,098.96
334-4238	NEW HOOKUPS - METERS & INS	03/31/05	ST LINE	40/00	N	8,214.48	1,798.17	101.84	1,900.01
334-4239	NEW HOOKUPS - METERS & INS	04/30/05	ST LINE	40/00	N	8,637.03	1,872.97	107.08	1,980.05
334-4240	NEW HOOKUPS - METERS & INS	05/31/05	ST LINE	40/00	N	5,499.49	1,180.91	68.18	1,249.09
334-4241	NEW HOOKUPS - METERS & INS	06/30/05	ST LINE	40/00	N	8,403.55	1,787.20	104.18	1,891.38
334-4242	NEW HOOKUPS - METERS & INS	07/31/05	ST LINE	40/00	N	15,784.52	3,323.37	195.68	3,519.05
334-4243	NEW HOOKUPS - METERS & INS	08/31/05	ST LINE	40/00	N	4,633.14	965.67	57.44	1,023.11
334-4244	NEW HOOKUPS - METERS & INS	09/30/05	ST LINE	40/00	N	5,142.76	1,061.32	63.76	1,125.08
334-4245	NEW HOOKUPS - METERS & INS	10/31/05	ST LINE	40/00	N	4,805.01	981.44	59.57	1,041.01
334-4246	NEW HOOKUPS - METERS & INS	11/30/05	ST LINE	40/00	N	3,635.76	735.09	45.07	780.16
334-4247	NEW HOOKUPS - METERS & INS	12/31/05	ST LINE	40/00	N	2,022.28	404.62	25.07	429.69
334-4248	NEW HOOKUPS-METERS & INST	01/31/06	ST LINE	40/00	N	3,858.43	1,001.21	43.59	1,044.80
334-4249	NEW HOOKUP-METERS & INST.-	02/28/06	ST LINE	40/00	N	5,564.27	1,043.32	68.98	1,112.30
334-4250	NEW HOOKUPS-METERS & INST	03/31/06	ST LINE	40/00	N	2,236.05	419.25	27.72	446.97
334-4251	NEW HOOKUPS-METERS & INS	04/30/06	ST LINE	40/00	N	2,223.16	416.85	27.56	444.41
334-4252	NEW HOOKUPS-METERS & INST	05/31/06	ST LINE	40/00	N	2,917.81	547.10	36.17	583.27
334-4253	NEW HOOKUP -METERS & INST.	06/30/06	ST LINE	40/00	N	2,767.93	519.00	34.32	553.32
334-4254	NEW HOOKUPS-METERS & INST	07/31/06	ST LINE	40/00	N	6,361.86	1,192.87	78.87	1,271.74
334-4255	NEW HOOKUPS -METERS & INS	09/01/06	ST LINE	40/00	N	945.35	245.32	10.68	256.00
334-4256	NEW HOOKUPS-METERS & INST	10/30/06	ST LINE	40/00	N	2,553.56	478.80	31.66	510.46
334-4257	NEW HOOKUPS METERS & INST	11/30/06	ST LINE	40/00	N	3,869.95	725.62	47.98	773.60
334-4258	NEW HOOKUPS-METERS & INST	12/31/06	ST LINE	40/00	N	4,022.00	754.13	49.86	803.99
334-4264	NEW HOOKUPS METERS AND IN	01/31/07	ST LINE	40/00	N	1,668.90	271.18	20.69	291.87
334-4265	NEW HOOKUPS-METERS & INST	02/28/07	ST LINE	40/00	N	1,092.16	177.45	13.54	190.99
334-4266	NEW HOOKUPS -METERS & INS	04/30/07	ST LINE	40/00	N	1,472.74	239.33	18.26	257.59
334-4267	NEW HOOKUPS-METERS & INST	05/31/07	ST LINE	40/00	N	6,713.92	1,091.02	83.24	1,174.26
334-4268	NEW HOOKUPS-METERS & INST	06/30/07	ST LINE	40/00	N	5,694.33	925.34	70.59	995.93
334-4275	NEW HOOKUPS -SERVICE JULY	07/31/07	ST LINE	40/00	N	5,800.53	942.57	71.91	1,014.48
334-4276	NEW HOOKUPS -SERVICE-AUG.	08/31/07	ST LINE	40/00	N	16,360.07	2,658.50	202.82	2,861.32
3344277	NEW HOOKUPS-SERVICE-SEPT.	09/30/07	ST LINE	40/00	N	11,140.26	1,810.31	138.11	1,948.42
334-4278	NEW HOOKUPS -SERVICE-OCT.	10/31/07	ST LINE	40/00	N	11,054.39	1,796.34	137.04	1,933.38
334-4279	NEW HOOKUPS -SERVICE-NOV.	11/30/07	ST LINE	40/00	N	6,980.54	1,134.32	86.54	1,220.86
334-4280	NEW HOOKUPS SERVICE-DEC.	12/31/07	ST LINE	40/00	N	5,506.88	894.86	68.27	963.13
334-4281	JAN WATER HOOKUPS METERS	01/31/08	ST LINE	40/00	N	2,599.85	357.50	32.23	389.73
334-4282	FEB WATER HOOKUPS METERS	02/28/08	ST LINE	40/00	N	3,607.77	496.05	44.72	540.77
334-4283	MAR HOOKUPS METERS	03/31/08	ST LINE	40/00	N	8,516.55	1,171.01	105.58	1,276.59
311-2074	FERRELS CREEK METERS	04/01/08	ST LINE	40/00	N	81,300.00	11,178.75	1,007.90	12,186.65
334-4284	APR WATER HOOKUPS METERS	04/30/08	ST LINE	40/00	N	4,795.45	659.39	59.45	718.84
334-4285	MAY WATER HOOKUPS METERS	05/31/08	ST LINE	40/00	N	6,668.28	916.90	82.67	999.57

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1034-04 NEW TAPS/METERS & SERVICES									
334-4286	JUNE WATER HOOKUPS METER	06/30/08	ST LINE	40/00	N	4,253.51	584.87	52.73	637.60
334-4287	JULY WATER HOOKUPS METER	07/31/08	ST LINE	40/00	N	9,251.51	1,272.09	114.69	1,386.78
334-4288	AUG WATER HOOKUPS METER	08/31/08	ST LINE	40/00	N	7,276.25	1,000.50	90.21	1,090.71
334-4289	SEP WATER HOOKUPS METERS	09/30/08	ST LINE	40/00	N	6,604.48	908.11	81.88	989.99
334-4290	OCT WATER HOOKUPS METERS	10/31/08	ST LINE	40/00	N	9,490.70	1,304.98	117.66	1,422.64
334-4291	NOV WATER HOOKUPS METER	11/30/08	ST LINE	40/00	N	5,756.25	791.50	71.36	862.86
334-4292	DEC WATER HOOKUPS METERS	12/31/08	ST LINE	40/00	N	5,543.86	762.30	68.73	831.03
334-4293	JAN 09 WATER HOOKUPS METE	01/31/09	ST LINE	40/00	N	1,895.34	213.21	23.50	236.71
334-4294	FEB 09 WATER HOOKUPS METE	02/28/09	ST LINE	40/00	N	4,666.15	524.93	57.85	582.78
334-4295	MAR 09 WATER HOOKUPS METE	03/31/09	ST LINE	40/00	N	2,851.32	320.76	35.35	356.11
334-4296	APR 09 WATER HOOKUPS METE	04/30/09	ST LINE	40/00	N	4,207.51	473.35	52.16	525.51
334-4297	MAY 09 WATER HOOKUPS METE	05/31/09	ST LINE	40/00	N	2,052.04	230.85	25.44	256.29
334-4298	JUN 09 WATER HOOKUPS METE	06/30/09	ST LINE	40/00	N	4,742.20	533.50	58.79	592.29
334-4299	JUL 09 WATER HOOKUPS METE	07/31/09	ST LINE	40/00	N	4,863.51	547.15	60.30	607.45
334-4300	AUG 09 WATER HOOKUPS METE	08/31/09	ST LINE	40/00	N	6,325.67	711.63	78.42	790.05
334-4301	SEP 09 WATER HOOKUPS METE	09/30/09	ST LINE	40/00	N	5,923.89	666.45	73.44	739.89
334-4302	OCT 09 WATER HOOKUPS METE	10/31/09	ST LINE	40/00	N	3,500.87	393.84	43.40	437.24
334-4303	NOV 09 WATER HOOKUPS METE	11/30/09	ST LINE	40/00	N	6,853.25	770.99	84.96	855.95
334-4304	DEC 09 WATER HOOKUPS METE	12/31/09	ST LINE	40/00	N	4,302.96	484.07	53.34	537.41
334-4305	JAN 10 WATER HOOKUPS METE	01/31/10	ST LINE	40/00	N	3,481.37	304.61	43.16	347.77
334-4306	FEB 10 WATER HOOKUPS METE	02/28/10	ST LINE	40/00	N	1,491.38	130.48	18.49	148.97
334-4307	MAR 10 WATER HOOKUPS METE	03/31/10	ST LINE	40/00	N	6,384.09	558.60	79.14	637.74
334-4308	APR 10 WATER HOOKUPS METE	04/30/10	ST LINE	40/00	N	5,536.62	484.47	68.64	553.11
334-4309	MAY WATER HOOKUPS METERS	05/31/10	ST LINE	40/00	N	4,415.91	386.40	54.75	441.15
334-4310	JUN 10 WATER HOOKUPS METE	06/30/10	ST LINE	40/00	N	5,377.94	470.57	66.67	537.24
334-4311	JULY 10 WATER HOOKUPS METE	07/31/10	ST LINE	40/00	N	3,035.65	265.62	37.63	303.25
334-4312	AUG 10 WATER HOOKUPS METE	08/31/10	ST LINE	40/00	N	6,260.41	547.79	77.61	625.40
334-4313	SEP 10 WATER HOOKUPS METE	09/30/10	ST LINE	40/00	N	10,698.50	936.11	132.63	1,068.74
334-4314	OCT 10 WATER HOOKUPS METE	10/31/10	ST LINE	40/00	N	8,966.95	784.60	111.16	895.76
334-4315	NOV 10 WATER HOOKUPS METE	11/30/10	ST LINE	40/00	N	4,654.71	407.29	57.71	465.00
334-4316	DEC 10 WATER HOOKUPS METE	12/31/10	ST LINE	40/00	N	3,130.86	273.95	38.81	312.76
334-4318	HOOKUPS JAN 2011	01/31/11	ST LINE	40/00	N	4,628.51	289.28	57.38	346.66
334-4319	HOOKUPS FEB 2011	02/28/11	ST LINE	40/00	N	5,875.44	367.22	72.84	440.06
334-4320	HOOKUPS MAR 2011	03/31/11	ST LINE	40/00	N	8,641.67	540.10	107.13	647.23
334-4330	PORTAFLOW METER	04/08/11	ST LINE	05/00	N	3,908.95	1,954.48	387.68	2,342.16
334-4321	HOOKUPS APRIL 2011	04/30/11	ST LINE	40/00	N	5,698.02	356.13	70.64	426.77
334-4322	HOOKUPS MAY 2011	05/31/11	ST LINE	40/00	N	3,649.67	228.10	45.25	273.35
334-4323	HOOKUPS JUNE 2011	06/30/11	ST LINE	05/00	N	4,833.11	2,416.55	479.34	2,895.89
334-4324	HOOKUPS JULY 2011	07/31/11	ST LINE	40/00	N	5,974.65	373.42	74.07	447.49
334-4325	HOOKUPS AUG 2011	08/31/11	ST LINE	40/00	N	9,883.27	617.70	122.52	740.22
334-4326	HOOKUPS SEP 2011	09/30/11	ST LINE	40/00	N	6,554.71	409.67	81.26	490.93
334-4327	HOOKUPS OCT 2011	10/31/11	ST LINE	40/00	N	5,553.55	347.10	68.85	415.95
334-4328	HOOKUPS NOV 2011	11/30/11	ST LINE	40/00	N	2,864.49	179.03	35.51	214.54
334-4329	HOOKUPS DEC 2011	12/31/11	ST LINE	40/00	N	4,084.07	255.25	50.63	305.88

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1034-04 NEW TAPS/METERS & SERVICES									
334-4331	HOOKUPS JAN 12	01/31/12	ST LINE	40/00	N	4,128.97	154.83	51.19	206.02
334-4332	HOOKUPS FEB 12	02/29/12	ST LINE	40/00	N	4,258.12	159.68	52.79	212.47
334-4333	HOOKUPS MAR 12	03/31/12	ST LINE	40/00	N	3,591.95	134.70	44.53	179.23
334-4334	HOOKUPS APR 12	04/30/12	ST LINE	40/00	N	3,766.12	141.23	46.69	187.92
334-4335	HOOKUPS MAY 12	05/31/12	ST LINE	40/00	N	5,490.21	205.89	68.07	273.96
334-4336	HOOKUPS JUN 12	06/30/12	ST LINE	40/00	N	4,939.39	185.22	61.23	246.45
334-4337	HOOKUPS JULY 12	07/31/12	ST LINE	40/00	N	6,641.80	249.07	82.34	331.41
334-4338	HOOKUPS AUG 12	08/31/12	ST LINE	40/00	N	5,753.15	215.74	71.32	287.06
334-4339	HOOKUPS SEP 12	09/30/12	ST LINE	40/00	N	9,183.12	344.37	113.85	458.22
334-4340	HOOKUPS OCT 12	10/31/12	ST LINE	40/00	N	6,694.73	251.05	83.00	334.05
334-4341	HOOKUPS NOV 12	11/30/12	ST LINE	40/00	N	4,424.34	165.91	54.85	220.76
334-4342	HOOKUPS DEC 12	12/31/12	ST LINE	40/00	N	2,665.91	99.97	33.05	133.02
334-4343	JAN HOOKUPS	01/31/13	ST LINE	40/00	N	2,710.88	33.89	33.61	67.50
334-4344	FEB HOOKUPS	02/28/13	ST LINE	40/00	N	3,890.83	48.64	48.24	96.88
334-4345	MAR HOOKUPS	03/31/13	ST LINE	40/00	N	2,184.23	27.30	27.08	54.38
334-4346	APR HOOKUPS	04/30/13	ST LINE	40/00	N	4,488.60	56.11	55.64	111.75
334-4347	MAY HOOKUPS	05/31/13	ST LINE	40/00	N	3,576.77	44.71	44.34	89.05
334-4348	JUNE HOOKUPS	06/30/13	ST LINE	40/00	N	4,729.13	59.11	58.63	117.74
334-4349	JULY HOOKUPS	07/31/13	ST LINE	40/00	N	3,982.39	49.78	49.37	99.15
334-4350	AUG HOOKUPS	08/31/13	ST LINE	40/00	N	3,866.21	48.33	47.93	96.26
334-4351	SEP HOOKUPS	09/30/13	ST LINE	40/00	N	2,936.95	36.71	36.41	73.12
334-4352	OCT HOOKUPS	10/31/13	ST LINE	40/00	N	3,987.98	49.85	49.44	99.29
334-4353	NOV HOOKUPS	11/30/13	ST LINE	40/00	N	2,568.78	32.11	31.85	63.96
334-4354	DEC HOOKUPS	12/31/13	ST LINE	40/00	N	1,576.68	19.71	19.55	39.26
334-4355	JAN HOOKUPS	01/31/14	ST LINE	40/00	N	236.26	0.00	1.33	1.33
334-4356	FEB HOOKUPS	02/28/14	ST LINE	40/00	N	1,730.35	0.00	8.67	8.67
334-4357	MAR HOOKUPS	03/31/14	ST LINE	40/00	N	5,171.85	0.00	21.55	21.55
334-4358	MAR TAPS	03/31/14	ST LINE	40/00	N	347.16	0.00	1.45	1.45
334-4359	APRIL TAPS	04/30/14	ST LINE	40/00	N	4,028.55	0.00	12.69	12.69
334-4360	MAY TAPS	05/31/14	ST LINE	40/00	N	3,962.54	0.00	7.14	7.14
334-4361	JUN HOOKUPS	06/30/14	ST LINE	40/00	N	4,520.66	0.00	0.31	0.31
Total for (NEW TAPS/METERS & SERVICES)						3,970,543.75	1,836,602.47	49,631.57	1,886,234.04
1035-04 HYDRANTS									
335-4012	FIRE HYDRANT 9/74	09/01/74	ST LINE	30/00	N	24,023.65	24,022.90	0.00	24,022.90
335-4013	FIRE HYDRANT 8/82	08/01/82	ST LINE	33/00	N	36,000.00	34,272.76	540.97	34,813.73
335-4001	FIRE HYDRANTS	07/01/85	ST LINE	40/00	N	18,000.00	12,825.00	223.15	13,048.15
335-4002	FIRE HYDRANT	07/01/85	ST LINE	40/00	N	1,100.00	783.75	13.64	797.39
335-4003	FIRE HYDRANTS (17)	07/01/85	ST LINE	40/00	N	17,000.00	12,112.50	210.75	12,323.25
335-4005	FIRE HYDRANTS (4)	07/01/85	ST LINE	40/00	N	5,520.00	3,933.00	68.43	4,001.43
335-4006	FIRE HYDRANT	10/01/85	ST LINE	30/00	N	919.45	865.86	15.20	881.06
335-4004	FIRE HYDRANTS (3)	11/01/85	ST LINE	40/00	N	3,000.00	2,112.50	37.19	2,149.69
335-4007	FIRE HYDRANT 11/85	11/01/85	ST LINE	30/00	N	669.49	628.66	11.07	639.73
335-4008	FIRE HYDRANT 1/86	01/01/86	ST LINE	30/00	N	855.34	798.28	14.14	812.42
335-4009	FIRE HYDRANT 3/86	03/01/86	ST LINE	30/00	N	2,003.68	1,858.99	33.12	1,892.11

**Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14**

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1035-04 HYDRANTS									
335-4010	FIRE HYDRANT 6/86	06/01/86	ST LINE	30/00	N	1,607.01	1,477.64	26.56	1,504.20
335-4011	FIRE HYDRANT 6/86	06/01/86	ST LINE	30/00	N	223.56	205.50	3.69	209.19
335-4014	HYDRANT EXTENSION 6/86	06/01/86	ST LINE	33/00	N	397.84	332.62	5.98	338.60
335-4015	HYDRANTS 7/86	07/01/86	ST LINE	40/00	N	400.00	275.00	4.96	279.96
335-4018	HYDRANT 3/87	03/16/87	ST LINE	40/00	N	195.22	130.95	2.42	133.37
335-4019	HYDRANT INSTALLATION 3/87	03/18/87	ST LINE	40/00	N	231.70	155.37	2.87	158.24
335-4016	HYDRANT 4/87	04/30/87	ST LINE	40/00	N	810.75	542.22	10.05	552.27
335-4020	HYDRANT INSTALLATION 5/87	05/16/87	ST LINE	40/00	N	120.74	80.53	1.50	82.03
335-4017	HYDRANTS 5/87	05/31/87	ST LINE	40/00	N	1,654.80	1,103.20	20.51	1,123.71
335-4022	HYDRANT INSTALLATION 8/87	08/13/87	ST LINE	40/00	N	137.50	90.87	1.71	92.58
335-4021	HYDRANTS 8/87	08/31/87	ST LINE	40/00	N	2,058.00	1,359.14	25.51	1,384.65
335-4023	HYDRANT INSTALLATION 10/87	10/09/87	ST LINE	40/00	N	532.22	349.36	6.60	355.96
335-4024	HYDRANTS ORIGINAL CONTRAC	10/13/87	ST LINE	40/00	N	14,644.13	9,610.13	181.55	9,791.68
335-4026	HYDRANT INSTALLMENT	11/30/87	ST LINE	40/00	N	131.96	86.35	1.64	87.99
335-4025	HYDRANTS ORIGINAL CONTRAC	12/08/87	ST LINE	40/00	N	4,826.09	3,146.95	59.83	3,206.78
335-4028	HYDRANT	09/23/88	ST LINE	40/00	N	61,340.44	38,848.92	760.45	39,609.37
335-4027	HYDRANT 10/88	10/31/88	ST LINE	40/00	N	2,319.05	1,463.99	28.75	1,492.74
335-4029	HYDRANTS	12/18/89	ST LINE	40/00	N	20,556.54	12,376.67	254.84	12,631.51
335-4030	HYDRANTS	12/19/89	ST LINE	40/00	N	73,536.32	44,275.04	911.65	45,186.69
335-4032	HYDRANTS	07/09/90	ST LINE	40/00	N	51,539.22	30,279.28	638.94	30,918.22
335-4031	HYDRANT INSTALLATIONS	07/25/90	ST LINE	40/00	N	1,251.03	735.07	15.51	750.58
335-4033	HYDRANTS FOR 1991	06/30/91	ST LINE	40/00	N	2,926.26	1,652.19	36.28	1,688.47
335-4035	HYDRANTS	06/01/92	ST LINE	40/00	N	61,372.69	33,115.74	760.85	33,876.59
335-4034	HYDRANTS FOR 1992	06/20/92	ST LINE	40/00	N	2,105.83	1,136.36	26.11	1,162.47
335-4036	SERVICE HOOKUPS FOR 1993	06/30/93	ST LINE	40/00	N	1,430.01	732.87	17.73	750.60
335-4037	HYDRANTS	05/09/94	ST LINE	40/00	N	111,781.11	54,959.09	1,385.78	56,344.87
335-4038	I.C. WATER SUPPLY PROJECT	12/26/95	ST LINE	40/00	N	40,568.86	18,340.48	502.94	18,843.42
335-4039	S.F. AML WATER SUPPLY PROJ	12/26/95	ST LINE	40/00	N	12,692.88	5,738.20	157.36	5,895.56
335-4040	HYDRANTS	09/01/97	ST LINE	40/00	N	62,485.47	25,514.95	774.65	26,289.60
335-4041	AML HURRICANE PROJECT	12/01/97	ST LINE	40/00	N	15,656.81	6,295.34	194.10	6,489.44
335-9831	HYDRANTS	10/01/98	ST LINE	20/00	N	35,200.00	26,843.62	872.77	27,716.39
335-4042	CAPITALIZE FIRE HYDRANT @ C	02/01/99	ST LINE	40/00	N	15,372.08	5,731.86	190.57	5,922.43
335-4043	CAPTILIZE FIRE HYDRANT FOR I	06/01/99	ST LINE	40/00	N	994.69	362.76	12.33	375.09
335-4044	CAPTILIZE FIRE HYDRANT @ ED	09/01/99	ST LINE	40/00	N	3,676.57	1,317.46	45.58	1,363.04
335-4045	CAPITALIZE FIRE HYDRANT @ I	10/01/99	ST LINE	40/00	N	1,733.41	617.68	21.49	639.17
335-4046	CAPTILIZE FIRE HYDRANT@GR/	10/01/99	ST LINE	40/00	N	1,955.33	696.64	24.24	720.88
335-4047	CAPTILIZE FIRE HYDRANT @ HA	11/01/99	ST LINE	40/00	N	1,878.55	665.29	23.29	688.58
335-4048	CAPITALIZE FIRE HYDRANTS @	04/01/00	ST LINE	40/00	N	1,112.92	382.57	13.80	396.37
335-4049	CAPITALIZE FIRE HYDRANTS @	04/01/00	ST LINE	40/00	N	1,145.93	393.98	14.21	408.19
335-4050	CAPITALIZE FIRE HYDRANT @ V	09/01/00	ST LINE	40/00	N	1,762.27	587.47	21.85	609.32
335-1051	CAPITALIZE FIRE HYDRANTS @	10/01/00	ST LINE	40/00	N	1,922.49	636.86	23.83	660.69
335-4052	CAPITALIZE FIRE HYDRANT @ K	10/01/00	ST LINE	40/00	N	2,345.39	776.93	29.07	806.00
335-4053	CAPITALIZE FIRE HYDRANTS @	11/01/00	ST LINE	40/00	N	1,685.31	554.71	20.89	575.60
335-4054	CAPTILIZE FIRE HYDRANTS @ C	11/01/00	ST LINE	40/00	N	2,034.92	669.79	25.23	695.02

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1035-04 HYDRANTS									
335-4055	CAPITILIZE FIRE HYDRANTS @ F	11/01/00	ST LINE	40/00	N	2,130.53	701.26	26.41	727.67
335-4056	CAPITILIZE FIRE HYDRANTS @ F	11/01/00	ST LINE	40/00	N	2,991.36	984.60	37.08	1,021.68
335-4057	FIRE HYDRANT - FROZEN/RACC	02/01/01	ST LINE	40/00	N	3,230.13	1,042.89	40.04	1,082.93
335-4059	FIRE HYDRANT - SLATERS BRAN	03/01/01	ST LINE	40/00	N	2,345.29	752.71	29.07	781.78
335-4060	FIRE HYDRANT - POUNDING MIL	03/01/01	ST LINE	40/00	N	1,713.16	549.87	21.24	571.11
335-4061	FIRE HYDRANT - POUNDING MILL	03/01/01	ST LINE	40/00	N	1,776.20	570.15	22.02	592.17
335-4062	FIRE HYDRANT - FARLEY GROCI	03/01/01	ST LINE	40/00	N	2,583.91	829.36	32.03	861.39
335-4063	FIRST HYDRANT - WILLIAMSON	03/01/01	ST LINE	40/00	N	2,616.49	839.76	32.44	872.20
335-4064	FIRE HYDRANT - LONGFORK (VII	04/01/01	ST LINE	40/00	N	2,292.95	731.03	28.42	759.45
335-4065	FIRE HYDRANT - RACCOON RAIL	04/01/01	ST LINE	40/00	N	2,561.52	816.73	31.76	848.49
335-4066	FIRE HYDRANT - RIDGELINE RD	04/01/01	ST LINE	40/00	N	1,907.89	608.34	23.65	631.99
335-4067	FIRE HYDRANT - LONGFORK (KII	04/01/01	ST LINE	40/00	N	2,368.77	755.26	29.37	784.63
335-4068	FIRE HYDRANT - LONGFORK (KII	04/01/01	ST LINE	40/00	N	2,430.74	775.02	30.14	805.16
335-4069	FIRE HYDRANTS - CANADA, KIMI	04/01/01	ST LINE	40/00	N	2,626.23	837.39	32.56	869.95
335-4070	FIRE HYDRANT - SMITH RD (PHE	04/01/01	ST LINE	40/00	N	2,390.52	762.15	29.63	791.78
335-4071	FIRE HYDRANT - HUDDY	04/01/01	ST LINE	40/00	N	2,234.09	712.28	27.70	739.98
335-4072	FIRE HYDRANT - WINWRIGHT RI	04/01/01	ST LINE	40/00	N	2,442.02	778.60	30.27	808.87
335-4073	FIRE HYDRANT - 1041 DOG FORI	04/01/01	ST LINE	40/00	N	1,668.30	531.94	20.68	552.62
335-4074	FIRE HYDRANT - FOREST HILLS	07/01/01	ST LINE	40/00	N	1,683.68	526.30	20.87	547.17
335-4075	FIRE HYDRANT - HUDDY	07/01/01	ST LINE	40/00	N	2,258.55	705.98	28.00	733.98
335-4076	FIRE HYDRANTS @ LEFT FORK	01/31/02	ST LINE	40/00	N	2,813.67	838.30	34.88	873.18
335-4077	FIRE HYDRANT - GABRIEL BR (K	01/31/02	ST LINE	40/00	N	1,790.35	533.44	22.20	555.64
335-4078	FIRE HYDRANT - ELISHA FK OF I	01/31/02	ST LINE	40/00	N	1,461.72	435.48	18.12	453.60
335-4079	FIRE HYDRANTS - FERRELLS CF	01/31/02	ST LINE	40/00	N	2,594.24	772.99	32.16	805.15
335-4080	FIRE HYDRANTS @ LONG FORK	01/31/02	ST LINE	40/00	N	2,672.94	796.35	33.14	829.49
335-4081	FIRE HYDRANTS @ POMPEY	01/31/02	ST LINE	40/00	N	2,380.36	709.23	29.51	738.74
335-4082	FIRE HYDRANT - FERRELLS CRE	03/01/02	ST LINE	40/00	N	1,580.33	467.73	19.59	487.32
335-4083	FIRE HYDRANT - LAWSON BOTT	03/01/02	ST LINE	40/00	N	2,582.83	764.40	32.02	796.42
335-4084	FIRE HYDRANT - LONG FORK OF	03/01/02	ST LINE	40/00	N	2,534.60	750.19	31.42	781.61
335-4086	Fire Hydrant - 528 Collins Hwy	08/31/02	ST LINE	40/00	N	1,530.35	433.75	18.97	452.72
335-4087	Fire Hydrant - Wolfpit (EOL)	08/31/02	ST LINE	40/00	N	1,495.23	423.78	18.54	442.32
335-4088	Fire Hydrant - Millard Lane	08/31/02	ST LINE	40/00	N	2,482.51	703.57	30.77	734.34
335-4089	Fire Hydrant - Little Creek	08/31/02	ST LINE	40/00	N	1,645.99	466.52	20.41	486.93
335-4090	Fire Hydrant - Ford Bottom	08/31/02	ST LINE	40/00	N	1,769.61	501.55	21.94	523.49
335-4091	Fire Hydrant - May Hollow	08/31/02	ST LINE	40/00	N	1,716.60	486.58	21.28	507.86
335-4092	Fire Hydrant - Left Fork Hurricane	08/31/02	ST LINE	40/00	N	1,669.06	473.09	20.69	493.78
335-4093	Fire Hydrant - Knox Creek @ Fork	08/31/02	ST LINE	40/00	N	1,634.58	463.23	20.26	483.49
335-4095	FIRE HYDRANT - WOLFPIT	08/31/02	ST LINE	40/00	N	1,553.81	440.44	19.27	459.71
335-4085	Fire Hydrant @ Burning Fork	09/30/02	ST LINE	40/00	N	1,752.53	493.07	21.72	514.79
335-4094	Fire Hydrant @ Burning Fork	09/30/02	ST LINE	40/00	N	1,608.89	452.67	19.94	472.61
335-4096	FIRE HYDRANT -MCVEIGH BPS	08/31/03	ST LINE	40/00	N	3,069.90	793.36	38.06	831.42
335-4097	FIRE HYDRANT - JUSTICEVILLE	02/29/04	ST LINE	40/00	N	4,049.22	995.98	50.20	1,046.18
335-4098	FIRE HYDRANT - KIMPER TANK I	05/31/04	ST LINE	40/00	N	2,776.37	665.46	34.42	699.88
335-4099	FIRE HYDRANT - LONG FORK OF	05/31/04	ST LINE	40/00	N	2,285.02	547.73	28.33	576.06

Depreciation Schedule by G/L Account Number For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1035-04 HYDRANTS									
335-4100	FIRE HYDRANT - SMILEY FORK	06/30/04	ST LINE	40/00	N	2,254.89	535.82	27.95	563.77
335-4101	FIRE HYDRANT - LITTLE CREEK	12/31/04	ST LINE	40/00	N	3,104.06	698.61	38.48	737.09
335-4102	FIRE HYDRANT - BEVINS BRANC	02/28/05	ST LINE	40/00	N	1,476.00	326.24	18.30	344.54
335-4103	FIRE HYDRANT - HONEY FORK	05/31/05	ST LINE	40/00	N	1,451.69	311.70	18.00	329.70
335-4104	FIRE HYDRANT - RIDGELINE RO.	11/30/05	ST LINE	40/00	N	3,643.24	736.63	45.17	781.80
335-4105	FIRE HYDRANTS CIP 2006	11/05/06	ST LINE	40/00	N	68,398.52	12,824.70	847.95	13,672.65
335-4106	MAR FIRE HYDRANTS	03/31/08	ST LINE	40/00	N	14,854.91	2,042.54	184.16	2,226.70
335-4125	FERRELLS CREEK HYDRANTS	04/01/08	ST LINE	40/00	N	31,700.00	4,358.75	392.99	4,751.74
335-4107	FIRE HYDRANTS 7112 HWY 194	05/31/08	ST LINE	40/00	N	2,739.63	376.70	33.96	410.66
335-4108	FIRE HYDRANTS 271 LOWES BR	05/31/08	ST LINE	40/00	N	2,602.31	357.83	32.26	390.09
335-4109	FIRE HYDRANTS BEAR FORK JE	05/31/08	ST LINE	40/00	N	3,390.65	466.23	42.04	508.27
335-4124	FIRE HYDRANTS LICK BRANCH	05/31/08	ST LINE	40/00	N	3,464.78	476.41	42.95	519.36
335-4110	JUNE FIRE HYDRANTS	06/30/08	ST LINE	40/00	N	2,608.30	358.65	32.34	390.99
335-4111	FIRE HYDRANTS LAWSON RD	06/30/08	ST LINE	40/00	N	1,466.26	201.63	18.18	219.81
335-4112	FIRE HYDRANTS BELCHER	06/30/08	ST LINE	40/00	N	1,689.05	232.26	20.94	253.20
335-4113	FIRE HYDRANTS RUNYON ELEM	06/30/08	ST LINE	40/00	N	3,288.90	452.21	40.77	492.98
335-4114	FIRE HYDRANTS HATFIELD BR	06/30/08	ST LINE	40/00	N	2,828.38	388.90	35.06	423.96
335-4115	FIRE HYDRANTS MORRISS BOT	06/30/08	ST LINE	40/00	N	2,541.55	349.47	31.51	380.98
335-4116	FIRE HYDRANTS FRANCIS SUBC	06/30/08	ST LINE	40/00	N	2,752.65	378.51	34.13	412.64
335-4126	IN HOUSE FIRE HYDRANTS	07/01/08	ST LINE	40/00	N	61,673.76	8,480.12	764.58	9,244.70
335-4117	FIRE HYDRANTS SENG BRANCH	07/31/08	ST LINE	40/00	N	2,483.67	341.50	30.79	372.29
335-4118	FIRE HYDRANTS UPPER BLACKI	07/31/08	ST LINE	40/00	N	2,409.01	331.25	29.86	361.11
335-4119	FIRE HYDRANTS FERRELLS CRE	08/31/08	ST LINE	40/00	N	3,935.60	541.15	48.79	589.94
335-4120	FIRE HYDRANTS OLD FERRELLS	08/31/08	ST LINE	40/00	N	3,491.31	480.04	43.28	523.32
335-4121	FIRE HYDRANTS 706 ABNER FOI	08/31/08	ST LINE	40/00	N	3,328.23	457.65	41.26	498.91
335-4122	FIRE HYDRANT 1340 LICK FORK	08/31/08	ST LINE	40/00	N	2,483.36	341.44	30.78	372.22
335-4123	FIRE HYDRANTS 307 GAP BRAN	09/30/08	ST LINE	40/00	N	1,945.49	267.52	24.12	291.64
335-4127	FIRE HYDRANTS - DRY BRANCH	01/31/09	ST LINE	40/00	N	2,494.43	280.62	30.92	311.54
335-4128	FIRE HYDRANTS - ROBINSON CF	02/28/09	ST LINE	40/00	N	3,833.19	431.23	47.52	478.75
335-4129	FIRE HYDRANTS NOV 09	11/30/09	ST LINE	40/00	N	14,277.85	1,606.27	177.01	1,783.28
335-4130	FIRE HYDRANTS - 192 STRAIGH	01/31/10	ST LINE	40/00	N	2,863.66	250.57	35.50	286.07
335-4131	FIRE HYDRANTS - 1438 ROAD FC	02/28/10	ST LINE	40/00	N	2,797.80	244.81	34.68	279.49
335-4132	FIRE HYDRANTS -159 KEENE VIL	02/28/10	ST LINE	40/00	N	3,449.58	301.84	42.77	344.61
335-4133	FIRE HYDRANT - 1940 FOREST F	03/31/10	ST LINE	40/00	N	2,606.79	228.09	32.32	260.41
335-4134	FIRE HYDRANTS - APRIL 10	04/30/10	ST LINE	40/00	N	2,277.30	199.26	28.23	227.49
335-4135	FIRE HYDRANTS - 739 LICK FOR	05/31/10	ST LINE	40/00	N	4,128.15	361.20	51.18	412.38
335-4136	FIRE HYDRANTS - 998 MULLENS	05/31/10	ST LINE	40/00	N	2,835.69	248.12	35.15	283.27
335-4137	FIRE HYDRANT - HARDY PARK	05/31/10	ST LINE	40/00	N	2,660.12	232.75	32.98	265.73
335-4138	FIRE HYDRANTS - 368 BUCKFIEL	06/30/10	ST LINE	40/00	N	2,435.38	213.08	30.19	243.27
335-4139	FIRE HYDRANTS - 478 BLACKGE	08/31/10	ST LINE	40/00	N	1,519.20	132.93	18.83	151.76
335-4140	FIRE3 HYDRANTS - 1362 RT FOR	08/31/10	ST LINE	40/00	N	2,321.44	203.14	28.78	231.92
335-4141	FIRE HYDRANTS - 31 ZION LANE	11/30/10	ST LINE	40/00	N	2,248.67	196.77	27.88	224.65
335-4142	FIRE HYDRANTS - 202 FIFTY EIG	11/30/10	ST LINE	40/00	N	2,509.70	219.59	31.11	250.70
335-4145	2011 CIP HYDRANTS	01/11/11	ST LINE	40/00	N	69,864.08	4,366.50	866.12	5,232.62

MWD (RIF 6-30-14)
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For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1035-04 HYDRANTS									
335-4143	HYDRANTS - HARDY PARK	04/30/11	ST LINE	40/00	N	2,762.43	172.65	34.25	206.90
335-4144	HYDRANTS - ROCKHOUSE	04/30/11	ST LINE	40/00	N	1,660.89	103.80	20.59	124.39
335-4146	FIRE HYDRANTS 594 LICK FORK	06/30/12	ST LINE	40/00	N	3,567.65	133.79	44.23	178.02
335-4149	2012 CIP HYDRANTS	07/01/12	ST LINE	40/00	N	5,515.94	206.85	68.38	275.23
335-4147	FIRE HYDRANTS 16678 GRAPEV	11/30/12	ST LINE	40/00	N	3,148.03	118.05	39.03	157.08
335-4148	FIRE HYDRANTS 5973 GREASY C	12/31/12	ST LINE	40/00	N	2,672.77	100.23	33.14	133.37
335-4150	HYDRANTS	03/14/13	ST LINE	40/00	N	1,904.04	23.80	23.60	47.40
335-4151	META HYDRANTS	04/08/14	ST LINE	40/00	N	2,073.95	0.00	8.12	8.12
335-4152	ROCKHOUSE HYDRANTS	05/31/14	ST LINE	40/00	N	3,045.33	0.00	5.49	5.49
335-4153	E. BIG CREEK HYDRANTS	06/30/14	ST LINE	40/00	N	2,751.41	0.00	0.19	0.19
Total for (HYDRANTS)						1,221,380.22	505,772.75	15,318.14	521,090.89
1040-05 Office furniture and equipment									
340-5002	WATER HEATER	02/01/81	ST LINE	05/00	N	119.95	119.95	0.00	119.95
340-5007	SIGN	10/01/82	ST LINE	10/00	N	130.00	130.00	0.00	130.00
340-5008	COPIER	12/01/82	ST LINE	10/00	N	919.70	919.70	0.00	919.70
340-5009	TYPEWRITER	12/01/82	ST LINE	10/00	N	1,086.75	1,086.75	0.00	1,086.75
340-5003	OFFICE FURNITURE	03/01/85	ST LINE	08/00	N	550.00	550.00	0.00	550.00
340-5001	FILE CABINET	07/01/85	ST LINE	10/00	N	231.93	231.93	0.00	231.93
340-5005	FURNITURE PLANT	12/01/85	ST LINE	08/00	N	777.99	739.24	0.00	739.24
340-5006	HEATER-WATER PLANT	12/01/85	ST LINE	10/00	N	550.00	550.00	0.00	550.00
340-5010	AIR CONDITIONER	07/01/86	ST LINE	10/00	N	509.24	509.24	0.00	509.24
340-5011	OFFICE FURNITURE	05/20/88	ST LINE	06/00	N	200.00	191.66	0.00	191.66
340-5012	ZEROX COPIER	01/01/89	ST LINE	10/00	N	2,904.00	2,904.00	0.00	2,904.00
340-5014	8 FOLDING TABLES	06/30/89	ST LINE	10/00	N	488.20	488.20	0.00	488.20
340-5013	MACOLA PROGRAMS	10/19/89	ST LINE	02/00	N	3,335.00	3,335.00	0.00	3,335.00
340-5015	SHELVING	10/30/89	ST LINE	10/00	N	1,000.00	999.41	0.00	999.41
340-5016	COMPUTER CMS TAPE BACKUP	06/29/90	ST LINE	05/00	N	399.00	399.00	0.00	399.00
340-5017	PAN PANAFAX	08/28/91	ST LINE	05/00	N	795.00	795.00	0.00	795.00
340-5018	PRINTER	02/06/92	ST LINE	05/00	N	472.77	472.77	0.00	472.77
340-5019	COMPUTER BILLING SYSTEM	02/25/92	ST LINE	05/00	N	7,445.00	7,445.00	0.00	7,445.00
340-5020	IBM PERSONAL TYPEWRITER	02/26/92	ST LINE	10/00	N	498.00	498.00	0.00	498.00
340-5021	CANNON COPIER	02/26/92	ST LINE	10/00	N	2,900.00	2,900.00	0.00	2,900.00
340-5022	VIDEO CAM RECORDER	02/28/92	ST LINE	05/00	N	595.00	595.00	0.00	595.00
340-5023	RCA TV & VCR	03/02/92	ST LINE	10/00	N	509.22	509.22	0.00	509.22
340-5024	HON 4 DRAWER LEGAL FILE CAI	04/15/92	ST LINE	10/00	N	339.90	339.90	0.00	339.90
340-5025	COMPUTER SYSTEM WORK	05/05/92	ST LINE	05/00	N	292.51	292.51	0.00	292.51
340-5026	GATEWAY 2000 COMPUTER	11/18/92	ST LINE	05/00	N	2,790.00	2,790.00	0.00	2,790.00
340-5027	PRINTER INCLUDING CABLE	12/17/92	ST LINE	05/00	N	633.52	633.52	0.00	633.52
340-5028	XEROX COPIER	01/21/93	ST LINE	07/00	N	3,750.00	3,734.73	0.00	3,734.73
340-5029	GATEWAY 2000 COMPUTER	08/03/93	ST LINE	05/00	N	1,440.00	1,440.00	0.00	1,440.00
340-5030	MACOLA A/R SOFTWARE	10/31/93	ST LINE	05/00	N	999.00	998.36	0.00	998.36
340-5031	COMPUTER TELXON PTC860ES	01/13/94	ST LINE	05/00	N	2,391.24	2,391.24	0.00	2,391.24
340-5032	LAP TOP COMPUTER & PRINTEF	07/14/94	ST LINE	04/00	N	875.00	875.00	0.00	875.00
340-5033	GATEWAU CP, ITER & MONITER	05/18/95	ST LINE	05/00	N	2,544.00	2,544.00	0.00	2,544.00

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Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1040-05 Office furniture and equipment									
340-5035	BROTHER FAX MFC 1950MC	02/15/96	ST LINE	04/00	N	729.00	729.00	0.00	729.00
340-5034	GATEWAY COMPUTER & MONIT	02/23/96	ST LINE	05/00	N	1,594.00	1,594.00	0.00	1,594.00
340-5036	GATEWAY MONITOR & COMPUT	05/21/96	ST LINE	05/00	N	1,993.00	1,993.00	0.00	1,993.00
340-9701	OKIDATA ML COLOR PRINTER	05/31/96	ST LINE	05/00	N	1,379.00	1,379.00	0.00	1,379.00
340-5037	LEXMARK OPTRA E LASER PRIN	06/21/96	ST LINE	05/00	N	699.00	699.00	0.00	699.00
340-5038	260 SC WORD PROC 5500	07/17/96	ST LINE	05/00	N	379.99	379.99	0.00	379.99
340-5039	BILLING PROGRAM	01/01/97	ST LINE	10/00	N	15,300.00	15,300.00	0.00	15,300.00
340-5040	P5-133 PENTIUM PC	01/01/97	ST LINE	05/00	N	1,694.00	1,694.00	0.00	1,694.00
340-5042	US ROBOTICS 336 MODEM	05/01/97	ST LINE	05/00	N	221.00	220.80	0.00	220.80
340-5041	1530-4 VICTOR CALCULATOR	05/06/97	ST LINE	05/00	N	184.45	184.45	0.00	184.45
340-5043	SOFTWARE, NORTON UTILITIES	07/01/97	ST LINE	05/00	N	140.00	139.88	0.00	139.88
340-5044	PRINTER, OKIDATA PACEMAKEF	08/01/97	ST LINE	07/00	N	1,500.00	1,499.47	0.00	1,499.47
340-5045	TRIPPLITE 325 INTERNET	09/01/97	ST LINE	05/00	N	339.90	339.84	0.00	339.84
340-5046	2 LEGAL 4-dR FILE CABINETS	09/01/97	ST LINE	10/00	N	450.00	450.00	0.00	450.00
340-5047	1 WORKDIRECTOR SOFTWARE	11/01/97	ST LINE	05/00	N	1,800.00	1,799.84	0.00	1,799.84
340-5048	COMPUTER UPGRADE	11/01/97	ST LINE	04/00	N	681.70	681.62	0.00	681.62
340-5049	1 PEDESTAL DESK	12/01/97	ST LINE	05/00	N	179.99	179.93	0.00	179.93
340-5050	1 H324L HON FILE CABINET	12/01/97	ST LINE	05/00	N	179.00	178.94	0.00	178.94
340-5051	1 COMTR-71204-01 COMPUTER	12/01/97	ST LINE	05/00	N	1,330.00	1,329.58	0.00	1,329.58
340-5052	CARTEGRAPH WATERVIEW SOF	02/01/98	ST LINE	05/00	N	2,095.00	2,095.00	0.00	2,095.00
340-5053	UPS BACKUP, TRIPPLITE BC 45C	02/13/98	ST LINE	05/00	N	199.95	199.95	0.00	199.95
340-5054	SERVER W/P233,56K MOD, JET I	02/28/98	ST LINE	03/00	N	5,512.00	5,512.00	0.00	5,512.00
340-5055	UNITED SOFTWARE UPDATES	02/28/98	ST LINE	05/00	N	2,540.00	2,540.00	0.00	2,540.00
340-5056	NORTON ANTI VIRUS SOFTWARE	02/28/98	ST LINE	05/00	N	850.00	850.00	0.00	850.00
340-5057	WINDOWS NT SERVER SOFTWARE	02/28/98	ST LINE	05/00	N	875.00	875.00	0.00	875.00
340-5058	TRIPPLITE BAT BACKUP 325VA	03/04/98	ST LINE	05/00	N	319.90	319.90	0.00	319.90
340-5059	WHEELWRITER 2000 TYPEWRIT	03/19/98	ST LINE	07/00	N	805.50	805.50	0.00	805.50
340-5060	LEXMARK 3000 INK JET PRINTEF	03/23/98	ST LINE	05/00	N	260.95	260.95	0.00	260.95
340-5061	GRAY EXEC. OFFICE CHAIR	03/23/98	ST LINE	10/00	N	199.00	199.00	0.00	199.00
340-5062	RODEO 5000ECX LAPTOP COMP	03/25/98	ST LINE	04/00	N	4,100.00	4,100.00	0.00	4,100.00
340-9823	NEW TELEPHONES	04/30/98	ST LINE	07/00	N	9,927.00	9,927.00	0.00	9,927.00
340-5069	WATER STANDARDS ON CD ROI	05/15/98	ST LINE	05/00	N	705.00	705.00	0.00	705.00
340-4065	NETWORK LINE DROPS	06/17/98	ST LINE	04/00	N	1,625.00	1,625.00	0.00	1,625.00
340-5064	EQU FOR NETWORK	06/17/98	ST LINE	04/00	N	2,701.95	2,701.95	0.00	2,701.95
340-5066	P200MMX COMPUTER	06/17/98	ST LINE	03/00	N	900.00	900.00	0.00	900.00
340-5067	CARPET FOR OFFICE	07/08/98	ST LINE	10/00	N	1,386.95	1,386.95	0.00	1,386.95
340-5063	COFFEE BAR FOR OFFICE	07/10/98	ST LINE	10/00	N	199.00	199.00	0.00	199.00
340-5068	10' CONFERENCE TABLE	07/27/98	ST LINE	10/00	N	638.00	638.00	0.00	638.00
340-9817	PITNEY BOWES MACHINE	07/31/98	ST LINE	07/00	N	5,602.00	5,602.00	0.00	5,602.00
340-5071	COMPUTER DESK FOR WILL	08/07/98	ST LINE	10/00	N	350.00	350.00	0.00	350.00
340-5070	TRIPPLITE BATTERY BACKUP	08/11/98	ST LINE	05/00	N	139.95	139.95	0.00	139.95
340-5073	UNILINK ACCOUNTING SOFTWARE	09/01/98	ST LINE	05/00	N	1,557.00	1,557.00	0.00	1,557.00
340-5074	WINDOW FOR SHOP	09/01/98	ST LINE	20/00	N	353.00	270.65	8.75	279.40
340-5072	MATERIALS & CARPET FOR HOL	09/09/98	ST LINE	20/00	N	3,553.13	2,720.39	88.10	2,808.49

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Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1040-05	Office furniture and equipment								
340-5076	OFFICE RENOVATIONS	10/01/98	ST LINE	20/00	N	5,176.03	3,947.23	128.34	4,075.57
340-5077	HOUSE RENOVATIONS	10/01/98	ST LINE	20/00	N	743.31	566.92	18.43	585.35
340-5078	SHOP RENOVATIONS	10/01/98	ST LINE	20/00	N	1,625.57	1,239.69	40.31	1,280.00
340-5082	SECURITY SYSTEM FOR OFFICE	11/08/98	ST LINE	10/00	N	1,184.40	1,184.40	0.00	1,184.40
340-5083	OFFICE CHAIRS FOR CONFERENCE	11/09/98	ST LINE	10/00	N	99.88	99.88	0.00	99.88
340-5080	SHELF FOR JAN STORAGE	11/20/98	ST LINE	10/00	N	202.14	202.14	0.00	202.14
340-5079	COMPUTER FOR CONTROLLER	11/23/98	ST LINE	05/00	N	1,475.00	1,475.00	0.00	1,475.00
340-5084	OFFICE CHAIRS FOR CONF AND	11/23/98	ST LINE	10/00	N	449.40	449.40	0.00	449.40
340-5088	COMPUTER HUTCH FOR CONTR	12/01/98	ST LINE	20/00	N	365.65	275.75	9.06	284.81
340-5087	OVERHEAD PROJECTOR	12/07/98	ST LINE	10/00	N	267.88	267.88	0.00	267.88
340-5089	OFFICE SAFE	12/11/98	ST LINE	20/00	N	301.75	227.22	7.48	234.70
340-5086	STORAGE CABINET FOR JAN	12/28/98	ST LINE	20/00	N	280.08	210.15	6.94	217.09
340-5090	CARPET	02/01/99	ST LINE	20/00	N	977.00	728.60	24.22	752.82
340-5092	PITNEY BOWES COPIER	03/01/99	ST LINE	07/00	N	8,857.00	8,857.00	0.00	8,857.00
340-5093	UTILITY TABLE MAHOGANY	06/01/99	ST LINE	20/00	N	143.95	105.02	3.57	108.59
340-5094	5 SHELF STEEL BOOKCASE	08/01/99	ST LINE	20/00	N	139.36	100.50	3.46	103.96
340-5095	25" FILE , 4 DRAWER	09/01/99	ST LINE	20/00	N	123.63	88.59	3.06	91.65
340-5097	OKIDATA ML-590 PRINTER	10/01/99	ST LINE	03/00	N	477.36	477.36	0.00	477.36
340-5098	SOUND SYSTEM FOR CONFERENCE	10/01/99	ST LINE	07/00	N	965.00	965.00	0.00	965.00
340-5099	SCADAview for windows	12/01/99	ST LINE	03/00	N	3,510.00	3,510.00	0.00	3,510.00
340-5100	CHAIN LINK FENCE	01/01/00	ST LINE	20/00	N	2,866.00	2,006.20	71.06	2,077.26
340-5101	OFFICE CHAIR	02/01/00	ST LINE	10/00	N	193.95	193.95	0.00	193.95
340-5102	PRIVACY SLANTS FOR FENCE	03/01/00	ST LINE	20/00	N	1,150.00	795.57	28.51	824.08
340-5103	FILING CABINETS	03/01/00	ST LINE	40/00	N	466.72	161.47	5.79	167.26
340-5104	COMPUTER	04/01/00	ST LINE	03/00	N	3,570.00	3,570.00	0.00	3,570.00
340-5105	MSA-MMR SCBA STEALTH	04/01/00	ST LINE	03/00	N	2,036.60	2,036.60	0.00	2,036.60
340-5106	FENCE ROBINSON CRK.	05/01/00	ST LINE	20/00	N	1,038.64	709.85	25.75	735.60
340-5107	COMPUTER FOR BILLING	06/01/00	ST LINE	03/00	N	1,500.00	1,500.00	0.00	1,500.00
340-5109	56K MODEM	06/01/00	ST LINE	03/00	N	79.95	79.95	0.00	79.95
340-5110	OFFICE CHAIR	06/01/00	ST LINE	10/00	N	139.88	139.88	0.00	139.88
340-5111	OFFICE CHAIR	06/01/00	ST LINE	10/00	N	139.88	139.88	0.00	139.88
340-5112	COMPUTER DESK	06/01/00	ST LINE	20/00	N	368.74	250.50	9.14	259.64
340-5113	OKI PAGEMARK PRINTER	06/01/00	ST LINE	05/00	N	3,172.51	3,172.51	0.00	3,172.51
340-5114	FENCE AT BEECH FORK	07/01/00	ST LINE	20/00	N	1,004.00	677.84	24.89	702.73
340-5115	FENCE @ HOMEMADE HOLLOW	07/01/00	ST LINE	20/00	N	1,633.00	1,102.50	40.49	1,142.99
340-5116	GATE FOR OFFICE LOT	08/01/00	ST LINE	20/00	N	1,500.00	1,006.35	37.19	1,043.54
340-5117	DIGITAL CAMERA	09/01/00	ST LINE	03/00	N	809.58	809.58	0.00	809.58
340-5118	COMPUTER	11/01/00	ST LINE	03/00	N	1,463.00	1,463.00	0.00	1,463.00
340-5119	COMPUTER	11/01/00	ST LINE	03/00	N	1,463.00	1,463.00	0.00	1,463.00
340-5120	DESK FOR STAFF ACCOUNTANT	12/01/00	ST LINE	20/00	N	166.24	108.73	4.12	112.85
340-5121	WORKSTATION FOR CASHIERS	12/01/00	ST LINE	20/00	N	395.84	258.95	9.81	268.76
340-5122	PC FOR STAFF ACCOUNTANT UI	12/01/00	ST LINE	03/00	N	1,458.00	1,458.00	0.00	1,458.00
340-5123	PC FOR CASH REGISTER	12/01/00	ST LINE	03/00	N	1,458.00	1,458.00	0.00	1,458.00
340-5124	LEXMARK Z52 PRINTER	02/01/01	ST LINE	03/00	N	144.97	144.97	0.00	144.97

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Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1040-05	Office furniture and equipment								
340-5125	DELL PC - HR OFFICE	02/01/01	ST LINE	02/00	N	1,843.00	1,843.00	0.00	1,843.00
340-5126	FILING CABINET - BILLING	05/01/01	ST LINE	20/00	N	163.74	103.78	4.06	107.84
340-5127	DELL SERVER	10/01/01	ST LINE	03/00	N	2,785.00	2,785.00	0.00	2,785.00
340-5128	MACOLA UPGRADE 7.5 INVESTM	11/01/01	ST LINE	05/00	N	4,995.00	4,995.00	0.00	4,995.00
340-5129	DELL COMPUTER - A/P OFFICE	12/01/01	ST LINE	03/00	N	1,199.45	1,199.45	0.00	1,199.45
340-5130	DELL COMPUTER - ACCOUNTING	01/31/02	ST LINE	03/00	N	985.00	985.00	0.00	985.00
340-5131	DELL COMPUTER - ADMIN ASST	01/31/02	ST LINE	03/00	N	985.00	985.00	0.00	985.00
340-5132	HARD DRIVE FOR LAPTOP (SUP	02/28/02	ST LINE	03/00	N	261.00	261.00	0.00	261.00
340-5133	DELL INSPIRON 4100 LAPTOP	03/01/02	ST LINE	03/00	N	1,384.00	1,384.00	0.00	1,384.00
340-5134	BOOKCASE - SUPERINTENDENT	03/01/02	ST LINE	20/00	N	141.02	83.46	3.50	86.96
340-5135	DELL INSPIRON 2500 LAPTOP	04/01/02	ST LINE	40/00	N	860.00	252.70	10.66	263.36
340-5136	HP Laserjet 1200SE Printer	07/31/02	ST LINE	03/00	N	399.99	399.99	0.00	399.99
340-5137	Dell Dimension 4500S	07/31/02	ST LINE	03/00	N	1,115.00	1,115.00	0.00	1,115.00
340-5138	DELL DIMENSION 2350 COMPUT	03/01/03	ST LINE	03/00	N	550.14	550.14	0.00	550.14
340-5141	HEAT PUMP UNIT	03/31/03	ST LINE	10/00	N	2,026.21	2,026.21	0.00	2,026.21
340-5139	DELL DIMENSION 2300	05/01/03	ST LINE	03/00	N	709.00	709.00	0.00	709.00
340-5140	DELL DIMENSION 2350	05/01/03	ST LINE	03/00	N	577.86	577.86	0.00	577.86
340-5142	HVAC WORK - OFFICE ADDITION	09/30/03	ST LINE	10/00	N	5,992.78	5,992.78	0.00	5,992.78
340-5143	DELL COMPUTER - BILLING OFF	09/30/03	ST LINE	03/00	N	624.34	624.34	0.00	624.34
340-5144	LEXMARK T630 PRINTER - BILLI	09/30/03	ST LINE	03/00	N	893.00	893.00	0.00	893.00
340-5145	LEXMARK T630 PRINTER - BILLI	09/30/03	ST LINE	03/00	N	893.00	893.00	0.00	893.00
340-5146	FILING CABINET - BILLING	10/31/03	ST LINE	20/00	N	144.43	73.43	3.58	77.01
340-5147	47" METAL BOOKCASE	10/31/03	ST LINE	20/00	N	103.93	52.88	2.58	55.46
340-5148	59" METAL BOOKCASE	10/31/03	ST LINE	20/00	N	126.42	64.27	3.13	67.40
340-5149	FILING CABINET (PUTTY) - BILLI	10/31/03	ST LINE	20/00	N	165.94	84.41	4.12	88.53
340-5150	DIGITAL VIDEO CAMERA	10/31/03	ST LINE	03/00	N	519.39	519.39	0.00	519.39
340-5163	DESK - OFFICE ADDITION	10/31/03	ST LINE	20/00	N	147.94	75.26	3.67	78.93
340-5164	FILING CABINET - BILLING OFFIC	10/31/03	ST LINE	20/00	N	144.43	73.43	3.58	77.01
340-5151	COMPUTER WORK CENTER - OF	11/30/03	ST LINE	15/00	N	210.40	141.53	6.96	148.49
340-5152	EXECUTIVE DESK - OFFICE ADD	11/30/03	ST LINE	20/00	N	242.52	122.36	6.02	128.38
340-5153	(5) 30"x60" DESKS - OFFICE AD	11/30/03	ST LINE	40/00	N	889.74	224.35	11.03	235.38
340-5154	(2) COMPUTER WORKCENTERS	11/30/03	ST LINE	20/00	N	359.98	181.58	8.93	190.51
340-5155	72" BOOKCASE (MAPLE) - OFFIC	11/30/03	ST LINE	20/00	N	80.90	40.85	2.01	42.86
340-5156	72" BOOKCASE (CHERRY) - OFF	11/30/03	ST LINE	20/00	N	80.99	40.86	2.01	42.87
340-5157	COMPUTER WORKSTATION - OF	11/30/03	ST LINE	20/00	N	237.94	120.04	5.90	125.94
340-5158	BLACK METAL BOOKCASE (OFFI	11/30/03	ST LINE	20/00	N	147.94	74.65	3.67	78.32
340-5159	DELL COMPUTER (JENNY'S OFF	12/31/03	ST LINE	03/00	N	689.00	689.00	0.00	689.00
340-5160	EUREKA SANITAIRE VACUUM CL	12/31/03	ST LINE	03/00	N	260.55	260.55	0.00	260.55
340-5161	CORNER WORKSTATION - OFFIC	12/31/03	ST LINE	20/00	N	197.90	99.03	4.91	103.94
340-5162	OFFICE CHAIR (OFFICE ADDITIO	12/31/03	ST LINE	10/00	N	502.20	502.20	0.00	502.20
340-5165	DESK/DRAWER SUPERINTENDE	01/31/04	ST LINE	20/00	N	632.17	313.51	15.68	329.19
340-5166	DELL COMPUTER - WATER PLAN	02/29/04	ST LINE	05/00	N	619.00	619.00	0.00	619.00
340-5167	DELL COMPUTER - CASHIER'S C	04/30/04	ST LINE	05/00	N	676.39	676.39	0.00	676.39
340-5168	DELL COMPUTER - SECURITY S'	12/31/04	ST LINE	05/00	N	915.51	915.51	0.00	915.51

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1040-05 Office furniture and equipment									
340-5169	OFFICE & SHOP SECURITY SYS	01/31/05	ST LINE	05/00	N	9,158.00	9,158.00	0.00	9,158.00
340-5170	SECURITY CAMERA - SHOP	01/31/05	ST LINE	05/00	N	625.00	625.00	0.00	625.00
340-5171	DELL PC - SUPERINTENDENT OF	03/31/05	ST LINE	03/00	N	1,160.59	1,160.59	0.00	1,160.59
340-5172	DELL COMPUTER - TELEMETRY	03/31/05	ST LINE	03/00	N	613.74	613.74	0.00	613.74
340-5173	DELL SERVER	03/31/05	ST LINE	05/00	N	9,450.42	9,450.42	0.00	9,450.42
340-5174	AIR CONDITIONING UNIT	04/30/05	ST LINE	05/00	N	3,567.00	3,567.00	0.00	3,567.00
340-5175	DELL COMPUTER - CUSTOMER :	05/31/05	ST LINE	03/00	N	856.49	856.49	0.00	856.49
340-5176	DELL COMPUTER - CUSTOMER :	05/31/05	ST LINE	03/00	N	1,502.02	1,502.02	0.00	1,502.02
340-5177	OFFICE TRAILER - BELFRY LOT	05/31/05	ST LINE	10/00	N	3,500.00	3,006.16	173.56	3,179.72
340-5178	SECURITY SYSTEM & INSTALLA	06/30/05	ST LINE	05/00	N	6,530.32	6,530.32	0.00	6,530.32
340-5179	PC - EXEC ASST OFFICE	06/30/05	ST LINE	03/00	N	1,762.00	1,762.00	0.00	1,762.00
340-5180	PC - STAFF ACCT OFFICE	06/30/05	ST LINE	03/00	N	1,762.00	1,762.00	0.00	1,762.00
340-5181	PC-CUSTOMER SERVICE	06/30/05	ST LINE	03/00	N	1,762.00	1,762.00	0.00	1,762.00
340-5182	PC-CUSTOMER SERVICE	06/30/05	ST LINE	03/00	N	1,762.00	1,762.00	0.00	1,762.00
340-5186	DIGITAL PHONE	02/25/09	ST LINE	05/00	N	10,000.00	9,000.00	994.51	9,994.51
340-5184	POSTAGE MACHINE	03/18/09	ST LINE	05/00	N	1,477.00	1,329.30	146.89	1,476.19
340-5183	COMPUTER DOMAIN	03/30/09	ST LINE	05/00	N	300.00	270.00	29.84	299.84
340-5185	PAYROLL SOFTWARE CSA	04/21/09	ST LINE	03/00	N	1,590.00	1,590.00	0.00	1,590.00
Total for (Office furniture and equipment)						271,081.84	259,676.10	2,049.27	261,725.37
1040-05 TRANSPORTATION EQUIPMENT									
341-5001	1986 DODGE RAM TRUCK	06/30/88	ST LINE	03/00	N	4,420.62	4,420.62	0.00	4,420.62
341-5002	5 89 FORD PU'S & 1 BRONCO	06/09/89	ST LINE	05/00	N	59,478.00	55,512.81	0.00	55,512.81
341-5022	GMC TRUCK/DUMP D304D	09/24/92	ST LINE	10/00	N	26,500.00	26,500.00	0.00	26,500.00
341-5018	87 4D FORD	10/28/92	ST LINE	03/00	N	950.00	950.00	0.00	950.00
341-5027	1975 FORD TRUCK	02/07/94	ST LINE	03/00	N	400.00	400.00	0.00	400.00
341-5029	CHEVY PICKUP	02/09/94	ST LINE	03/00	N	3,791.70	3,791.70	0.00	3,791.70
341-5034	84 CHEVY BLAZER	11/10/94	ST LINE	03/00	N	1,600.00	1,600.00	0.00	1,600.00
341-5038	91 FORD CROWN VICTORIA 4 DF	04/05/95	ST LINE	03/00	N	2,750.00	2,750.00	0.00	2,750.00
341-5039	91 FORD CROWN VICTORIA 4 DF	04/05/95	ST LINE	03/00	N	2,750.00	2,750.00	0.00	2,750.00
341-5040	84 CHEVY BLAZER SURPLUS PR	11/01/95	ST LINE	02/00	N	1,500.00	1,500.00	0.00	1,500.00
341-5041	84 CHEVY BLAZER SURP PROP	11/01/95	ST LINE	02/00	N	1,500.00	1,500.00	0.00	1,500.00
341-5042	85 DODGE RAM SURPLUS PROP	11/01/95	ST LINE	02/00	N	1,500.00	1,500.00	0.00	1,500.00
341-5043	87 CHEVY SEDAN SURP PROP	11/01/95	ST LINE	02/00	N	1,000.00	1,000.00	0.00	1,000.00
341-5044	88 FORD SEDAN SURPLUS PROI	11/01/95	ST LINE	02/00	N	1,000.00	1,000.00	0.00	1,000.00
341-5045	88 FORD SEDAN SURPLUS PROI	11/01/95	ST LINE	02/00	N	1,000.00	1,000.00	0.00	1,000.00
341-5046	96 FORD F250 3/4 TON PICKUP	07/01/96	ST LINE	07/00	N	18,700.00	18,470.09	0.00	18,470.09
341-5047	97 FORD RANGER	07/01/96	ST LINE	07/00	N	19,000.00	18,766.39	0.00	18,766.39
341-5048	97 FORD RANGER MAN-O-WAR	07/01/96	ST LINE	07/00	N	19,000.00	18,766.39	0.00	18,766.39
341-5052	97 FORD RANGER PICKUP #60	05/01/97	ST LINE	05/00	N	15,800.00	15,785.57	0.00	15,785.57
341-5053	97 FORD RANGER PICKUP # 61	05/01/97	ST LINE	05/00	N	15,800.00	15,785.57	0.00	15,785.57
341-5054	97 FORD F250 PICKUP #62	05/01/97	ST LINE	05/00	N	15,800.00	15,785.57	0.00	15,785.57
341-5055	NEWSOMES ASHLAND	06/01/97	ST LINE	05/00	N	795.00	794.53	0.00	794.53
341-5056	SOUTHERN STATES	06/01/97	ST LINE	05/00	N	190.00	189.89	0.00	189.89
341-5057	97 FORD 139 REG CAB 4 X 2 F25	08/01/97	ST LINE	05/00	N	17,000.00	16,991.46	0.00	16,991.46

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For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1041-05 TRANPORTATION EQUIPMENT									
341-5058	97 FORD 125 RANGER PICKUP #	08/01/97	ST LINE	05/00	N	17,803.00	17,794.05	0.00	17,794.05
341-9706	FORD RANGER	08/01/97	ST LINE	07/00	N	17,880.00	17,880.00	0.00	17,880.00
341-5061	RACK FOR TRUCK # 35	08/17/98	ST LINE	10/00	N	435.00	435.00	0.00	435.00
341-5063	TOOL BOX FOR LOW-BOY	09/01/98	ST LINE	03/00	N	199.95	199.95	0.00	199.95
341-5065	POWER SHUTTLE FO BH #6	09/04/98	ST LINE	07/00	N	2,662.12	2,662.12	0.00	2,662.12
341-5064	BODY REPAIR TO VEH. #67	09/14/98	ST LINE	05/00	N	1,750.24	1,750.24	0.00	1,750.24
341-5066	METAL RACK FOR TRUCK #62	10/26/98	ST LINE	05/00	N	450.00	450.00	0.00	450.00
341-5067	4'X8' TRAILER	04/01/99	ST LINE	05/00	N	423.00	423.00	0.00	423.00
341-5068	6.5'X12' TANDOM DIFFERENCE C	04/01/99	ST LINE	05/00	N	417.00	417.00	0.00	417.00
341-5069	1999 ECONOLINE 12 TON TRAILER	06/01/99	ST LINE	07/00	N	6,280.00	6,280.00	0.00	6,280.00
341-5071	VEH#70, 1999 FORD RANGER	06/01/99	ST LINE	05/00	N	11,965.60	11,965.60	0.00	11,965.60
341-5076	LEASE SETUP VEH #76	12/01/00	ST LINE	05/00	N	27,950.00	27,950.00	0.00	27,950.00
341-5081	2001 CHEVY S-10 PICKUP VEH #	08/01/01	ST LINE	05/00	N	12,013.00	12,013.00	0.00	12,013.00
341-5083	2002 CHEVY S-10 PICKUP VEH #	06/01/02	ST LINE	05/00	N	12,295.13	12,295.13	0.00	12,295.13
341-5086	2002 Chevy 2500 HD Veh #85	08/31/02	ST LINE	05/00	N	28,300.00	28,300.00	0.00	28,300.00
341-5090	2002 Hughes 16 ft. Trailer	08/31/02	ST LINE	05/00	N	850.00	850.00	0.00	850.00
341-5093	2003 CHEVY SILVERADO VEH #9	06/30/03	ST LINE	05/00	N	22,300.00	20,322.02	0.00	20,322.02
341-5094	2004 DODGE DAKOTA - VEHICLE	02/29/04	ST LINE	05/00	N	16,172.00	16,172.00	0.00	16,172.00
341-5100	CASE BACKHOE MODEL 580M #	09/30/04	ST LINE	05/00	N	44,842.50	44,842.50	0.00	44,842.50
341-5097	2005 DODGE DAKOTA - VEHICLE	11/30/04	ST LINE	05/00	N	19,599.00	19,599.00	0.00	19,599.00
341-5101	UTILITY TRAILER M9D24	05/31/05	ST LINE	05/00	N	6,950.00	6,950.00	0.00	6,950.00
341-5102	2005 FORD RANGER - VEHICLE #	12/31/05	ST LINE	05/00	N	17,840.65	17,840.65	0.00	17,840.65
341-5105	FORD RANGER V# 104	07/26/06	ST LINE	05/00	N	18,446.00	18,446.00	0.00	18,446.00
341-5106	FORD RANGER V# 105	07/27/06	ST LINE	05/00	N	14,179.00	14,179.00	0.00	14,179.00
341-5103	REDI- HAUL TRAILER	08/04/06	ST LINE	05/00	N	7,656.00	7,656.00	0.00	7,656.00
341-5108	FORD F250 V#106	08/31/06	ST LINE	05/00	N	31,400.00	31,400.00	0.00	31,400.00
341-5110	FORD F350 V# 111	08/31/06	ST LINE	05/00	N	36,089.00	36,089.00	0.00	36,089.00
341-5115	DUMP TRUCK	05/19/07	ST LINE	05/00	N	70,772.00	70,772.00	0.00	70,772.00
341-5113	2008 NISSAN V. # 116	10/24/07	ST LINE	05/00	N	24,769.00	24,769.00	0.00	24,769.00
341-5114	2008 FORD RANGER V.#117	12/02/07	ST LINE	05/00	N	19,090.00	19,090.00	0.00	19,090.00
341-5116	2008 FORD RANGER VEH.#118	07/29/08	ST LINE	05/00	N	16,404.00	16,404.00	0.00	16,404.00
341-5117	2008 FORD RANGER VEH.#119	07/29/08	ST LINE	05/00	N	16,404.00	16,404.00	0.00	16,404.00
341-5119	2009 CHEVY PICKUP	09/29/09	ST LINE	05/00	N	34,406.24	30,965.62	3,421.72	34,387.34
341-5120	2009 CHEVY PICKUP	09/29/09	ST LINE	05/00	N	34,406.24	30,965.62	3,421.72	34,387.34
341-5121	2010 CHEVY COLO # 128	08/02/10	ST LINE	05/00	N	16,495.00	11,546.50	1,635.94	13,182.44
341-5122	2010 CHEVY COLO # 129	08/02/10	ST LINE	05/00	N	16,495.00	11,546.50	1,635.94	13,182.44
341-5123	2011 CHEVY COLO #132	10/07/10	ST LINE	05/00	N	19,311.70	13,518.19	1,915.30	15,433.49
341-5124	2011 CHEVY COLO #131	10/07/10	ST LINE	05/00	N	19,311.70	13,518.19	1,915.30	15,433.49
341-5125	2011 CHEVY COLO #130	10/08/10	ST LINE	05/00	N	15,488.00	10,841.60	1,536.07	12,377.67
341-5128	2011 CHEVY SILVERADO	07/14/11	ST LINE	05/00	N	30,260.20	15,130.10	3,001.15	18,131.25
341-5126	2011 CHEVY SILVERADO	07/15/11	ST LINE	05/00	N	30,260.20	15,130.10	3,001.15	18,131.25
341-5127	2011 NISSAN FRONTIER	09/19/11	ST LINE	05/00	N	22,742.69	11,371.35	2,255.58	13,626.93
341-5129	2012 CHEVY COLORADO	11/16/11	ST LINE	05/00	N	20,865.16	10,432.58	2,069.37	12,501.95
341-5130	2012 CHEVY SILVERADO VEH. #	04/25/12	ST LINE	05/00	N	34,625.24	10,387.57	3,434.07	13,821.64

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Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1041-05 TRANSPORTATION EQUIPMENT									
341-5131	2012 SILVERADO VEH.# 139	04/25/12	ST LINE	05/00	N	34,625.24	10,387.57	3,434.07	13,821.64
341-5132	2012 SIVERADO VEH.# 140	05/11/12	ST LINE	05/00	N	27,255.98	8,176.80	2,703.19	10,879.99
341-5133	2012 SILVERADO VEH.# 141	09/12/12	ST LINE	05/00	N	27,580.14	8,274.04	2,735.35	11,009.39
341-5134	2013 F-150	05/20/13	ST LINE	05/00	N	20,039.00	2,003.90	1,987.43	3,991.33
Total for (TRANSPORTATION EQUIPMENT)						1,160,980.24	964,307.08	40,103.35	1,004,410.43
1043-05 TOOLS, SHOP & GARAGE EQUIPMENT									
343-5001	GAS TANK & PUMP	12/31/87	ST LINE	35/00	N	2,382.43	1,775.49	33.76	1,809.25
343-5006	HEATH AQUA-SCOPE	01/30/92	ST LINE	15/00	N	1,311.12	1,311.12	0.00	1,311.12
343-5005	SUMP PUMP	02/11/92	ST LINE	10/00	N	159.95	159.95	0.00	159.95
343-5002	TOOLS	02/26/92	ST LINE	10/00	N	558.31	558.31	0.00	558.31
343-5007	SIGNS, DISPLAYS, ETC	03/11/92	ST LINE	15/00	N	2,562.92	2,562.92	0.00	2,562.92
343-5011	TELEMETRY	06/30/92	ST LINE	10/00	N	1,600.25	1,600.25	0.00	1,600.25
343-5003	350 CUTOFF SAW	08/31/92	ST LINE	10/00	N	849.95	849.95	0.00	849.95
343-5004	2 JABSCO PUMPS	10/15/92	ST LINE	10/00	N	230.00	230.00	0.00	230.00
343-5012	LS-300 FERRO-POINTER	02/28/94	ST LINE	10/00	N	575.00	574.56	0.00	574.56
343-5013	5'T-HANDLE VALVE WRENCH	03/14/94	ST LINE	10/00	N	1,296.00	1,296.00	0.00	1,296.00
343-5014	350 STIHL CUT OFF SAW	06/01/96	ST LINE	05/00	N	600.00	599.84	0.00	599.84
343-5015	ONE #72 STIHL TRIMMER	06/18/96	ST LINE	05/00	N	199.95	199.95	0.00	199.95
343-5017	ONE 350 STIHL CUT OFF SAW	07/17/96	ST LINE	05/00	N	750.00	750.00	0.00	750.00
343-5018	HAMMER DRILL MAG 1/2 REV	11/12/96	ST LINE	05/00	N	220.00	220.00	0.00	220.00
343-5019	2416 DRILL DRIVER CORDLESS	12/01/96	ST LINE	03/00	N	339.74	339.59	0.00	339.59
343-5020	"U" RACK 6000 FOR F-250 PICKU	12/01/96	ST LINE	05/00	N	495.00	494.86	0.00	494.86
343-5021	ENGINE HOIST NATIONWIDE AU	02/01/97	ST LINE	05/00	N	280.05	280.05	0.00	280.05
343-5022	3- TON JACK G493L	04/01/97	ST LINE	03/00	N	119.95	119.82	0.00	119.82
343-5023	1 FS 75 TRIMMER	04/01/97	ST LINE	03/00	N	199.95	199.72	0.00	199.72
343-5024	1 FS 44 TRIMMER	04/01/97	ST LINE	03/00	N	199.95	199.72	0.00	199.72
343-5025	3 3/4 EXPANDER	05/17/97	ST LINE	05/00	N	414.00	414.00	0.00	414.00
343-5026	TRI COUNTY TRUCK PARTS	06/01/97	ST LINE	05/00	N	342.10	341.90	0.00	341.90
343-5027	ONE FS 85 WEEDEATER	07/01/97	ST LINE	05/00	N	359.95	359.66	0.00	359.66
343-5028	ONE FS 44 WEEDEATER	07/01/97	ST LINE	05/00	N	239.95	239.76	0.00	239.76
343-5029	TOOLS, SHOP & GARAGE EQUIP	09/01/97	ST LINE	20/00	N	17,179.67	14,030.01	425.96	14,455.97
343-5030	1550 GAL WATER TANK	10/01/97	ST LINE	05/00	N	489.00	488.80	0.00	488.80
343-5031	1 TS 350 SAW & BLADE	11/01/97	ST LINE	05/00	N	840.00	839.92	0.00	839.92
343-5032	2 RIDGID 836 ALUM PIPE WRENCH	11/01/97	ST LINE	05/00	N	235.90	235.90	0.00	235.90
343-5033	1 FLOOR JACK	12/01/97	ST LINE	05/00	N	89.95	89.92	0.00	89.92
343-5034	1 TS 350 CONCRETE SAW	12/01/97	ST LINE	05/00	N	780.00	779.75	0.00	779.75
343-5035	1 REED CS01 COPPER SHUT OFF	12/01/97	ST LINE	02/00	N	156.00	155.88	0.00	155.88
343-5036	1-RDG7 # 818 ALUM PIPE WRENCH	12/01/97	ST LINE	02/00	N	115.65	115.56	0.00	115.56
343-5038	PORTAFLOW LEAK DETECTION	01/05/98	ST LINE	10/00	N	7,311.94	7,311.94	0.00	7,311.94
343-5037	PUMP FOR MUD HOLES	01/12/98	ST LINE	03/00	N	1,150.00	1,150.00	0.00	1,150.00
343-5039	CONFINED SPACE BLOWER EQ	01/19/98	ST LINE	06/00	N	815.43	815.43	0.00	815.43
343-5040	F5 79 TRIMMER	05/26/98	ST LINE	03/00	N	200.40	200.40	0.00	200.40
343-5043	WATER SHUT OFF TOOL	06/10/98	ST LINE	03/00	N	117.00	117.00	0.00	117.00
343-5044	BORING BAR 2" CORP	06/10/98	ST LINE	05/00	N	2,182.50	2,182.50	0.00	2,182.50

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Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1043-05 TOOLS, SHOP & GARAGE EQUIPMENT									
343-5046	COPPER SHUT OFF TOOL	06/18/98	ST LINE	03/00	N	350.00	350.00	0.00	350.00
343-5045	PORTABLE TRASH WATER PUMI	06/29/98	ST LINE	10/00	N	287.31	287.31	0.00	287.31
343-5041	3/4" IMPACT GUN	07/10/98	ST LINE	03/00	N	299.95	299.95	0.00	299.95
343-5042	CHLORGUARD FOR WTR PLANT	07/20/98	ST LINE	08/00	N	2,730.94	2,730.94	0.00	2,730.94
343-5049	PLEXI WINDOW RENOV. FOR SH	09/01/98	ST LINE	15/00	N	443.00	443.00	0.00	443.00
343-5076	BATTERY CHARGER FOR J. MILI	11/13/98	ST LINE	05/00	N	233.95	233.95	0.00	233.95
343-5078	TAPPING MACHINE	03/01/99	ST LINE	04/00	N	956.50	956.50	0.00	956.50
343-5079	GRUNDOMAT, 75 P BASIC PACK	11/01/99	ST LINE	04/00	N	3,987.30	3,987.30	0.00	3,987.30
343-5080	HYDRAULIC LIFT FOR GARAGE	03/01/00	ST LINE	10/00	N	1,299.99	1,299.99	0.00	1,299.99
343-5081	TS 350 SAW	07/01/00	ST LINE	02/00	N	916.29	916.29	0.00	916.29
343-5082	TOOL BOX & STIHL SAW	09/01/00	ST LINE	02/00	N	1,060.52	1,060.52	0.00	1,060.52
343-5083	FLOOR SAW	09/01/00	ST LINE	02/00	N	3,990.00	3,990.00	0.00	3,990.00
343-5084	GRUNDOMAT	10/01/00	ST LINE	03/00	N	4,050.75	4,050.75	0.00	4,050.75
343-5085	200,000 BTU HEATER W/250 GAL	11/01/00	ST LINE	10/00	N	3,995.00	3,995.00	0.00	3,995.00
343-5086	CONCRETE SAW TS350	11/01/00	ST LINE	02/00	N	949.95	949.95	0.00	949.95
343-5087	CUTQUIK 12" SAW	01/01/01	ST LINE	02/00	N	759.95	759.95	0.00	759.95
343-5088	CUTQUIK 12" SAW	01/01/01	ST LINE	02/00	N	759.95	759.95	0.00	759.95
343-5089	5.5 HP HONDA GENERATOR	03/01/01	ST LINE	05/00	N	1,515.46	1,515.46	0.00	1,515.46
343-5090	AQUA KING W/CASE	04/01/01	ST LINE	02/00	N	842.69	842.69	0.00	842.69
343-5091	GENERATOR - 5500W W/CORD	03/01/02	ST LINE	05/00	N	666.95	666.95	0.00	666.95
343-5092	AQUA SCOPE KIT	03/01/02	ST LINE	15/00	N	1,776.13	1,401.78	58.72	1,460.50
343-5093	TRUCK MOUNTED HOIST	04/01/02	ST LINE	07/00	N	7,995.00	7,995.00	0.00	7,995.00
343-5094	14" Cutquik Saw TS400	09/30/02	ST LINE	02/00	N	725.36	725.36	0.00	725.36
343-5095	PIPE SAW	03/31/03	ST LINE	10/00	N	877.45	877.45	0.00	877.45
343-5096	CUTQUICK PIPE SAW	04/30/03	ST LINE	02/00	N	894.04	894.04	0.00	894.04
343-5097	ALTIMETER	06/30/03	ST LINE	10/00	N	1,039.15	1,039.15	0.00	1,039.15
343-5098	14" CUTKWIK PIPE SAW	11/30/03	ST LINE	05/00	N	1,061.25	1,061.25	0.00	1,061.25
343-5099	WELDING MACHINE	03/31/04	ST LINE	05/00	N	1,908.55	1,908.55	0.00	1,908.55
343-5100	LEAK DETECTOR	04/30/04	ST LINE	02/00	N	2,860.00	2,860.00	0.00	2,860.00
343-5101	HAMMER/DRILL	05/31/04	ST LINE	50/00	N	822.43	157.71	8.16	165.87
343-5102	VERMEER CUTTING HEAD/BITS	05/31/04	ST LINE	05/00	N	1,031.47	1,031.47	0.00	1,031.47
343-5103	HONDA 5.5HP GENERATOR	06/30/04	ST LINE	05/00	N	699.99	699.99	0.00	699.99
343-5104	VERMEER HAMMERHEAD MOLE	07/31/04	ST LINE	05/00	N	3,560.00	3,560.00	0.00	3,560.00
343-5105	HONDA 1/5 HP MINI PUMP	08/31/04	ST LINE	05/00	N	1,760.07	1,760.07	0.00	1,760.07
343-5106	STIHL WEEDEATERS (2)	04/30/05	ST LINE	03/00	N	439.04	439.04	0.00	439.04
343-5107	WACKER BTS935 SAW	05/31/05	ST LINE	05/00	N	795.00	795.00	0.00	795.00
343-5108	WACKER BTS935 SAW	05/31/05	ST LINE	05/00	N	795.00	795.00	0.00	795.00
343-5109	TROYBILT 5500W GENERATOR	05/31/05	ST LINE	05/00	N	699.00	699.00	0.00	699.00
343-5110	VERMEER HAMMERHEAD MOLE	06/30/05	ST LINE	03/00	N	3,700.00	3,700.00	0.00	3,700.00
343-5111	PRESSURE WASHER	06/22/09	ST LINE	05/00	N	2,200.00	1,980.00	218.79	2,198.79
343-5112	LEAK DETECTOR	09/21/10	ST LINE	05/00	N	10,077.43	7,054.20	999.46	8,053.66
343-5113	HEATING & AC WATER PLANT	09/24/10	ST LINE	05/00	N	5,745.52	4,021.86	569.83	4,591.69
343-5114	METAL DETECTOR	03/07/11	ST LINE	05/00	N	599.98	299.99	59.51	359.50
343-5117	VERMEER 2.5 HAMMERHEAD MC	03/31/11	ST LINE	05/00	N	4,300.00	2,150.00	426.47	2,576.47

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1043-05 TOOLS, SHOP & GARAGE EQUIPMENT									
343-5115	RIDING MOWER	04/19/11	ST LINE	05/00	N	1,299.00	649.50	128.83	778.33
343-5116	TRASH PUMP	06/09/11	ST LINE	05/00	N	499.97	249.98	49.59	299.57
Total for (TOOLS, SHOP & GARAGE EQUIPMENT)						136,207.24	123,092.27	2,979.08	126,071.35
1044-05 LABORATORY EQUIPMENT									
344-5001	METER TESTING EQUIPMENT	05/01/85	ST LINE	10/00	N	3,696.37	3,696.37	0.00	3,696.37
344-5002	CHEMICAL MIXER	07/01/93	ST LINE	10/00	N	925.00	924.62	0.00	924.62
344-5003	TURBIDIMETER/ANALYZER	09/30/93	ST LINE	10/00	N	3,923.95	3,922.05	0.00	3,922.05
344-5004	HACH COMPANY	04/19/13	ST LINE	10/00	N	2,979.50	148.98	147.75	296.73
Total for (LABORATORY EQUIPMENT)						11,524.82	8,692.02	147.75	8,839.77
1045-05 POWER OPERATED EQUIPMENT									
345-5002	DRILLING MACHINE	07/01/83	ST LINE	05/00	N	476.75	476.75	0.00	476.75
345-5003	HELIX FEEDER	04/01/86	ST LINE	10/00	N	3,364.65	3,364.65	0.00	3,364.65
345-5004	HOMELITE SAW	07/01/86	ST LINE	10/00	N	850.00	850.00	0.00	850.00
345-5005	MODEL E4 PIPE PUSHER	08/10/87	ST LINE	10/00	N	7,475.00	7,475.00	0.00	7,475.00
345-5006	PIPE PUSHER TOOLS & ADDN	12/31/87	ST LINE	10/00	N	360.07	360.07	0.00	360.07
345-5009	KAMCO AIR BORE MACH-AUGE	02/10/90	ST LINE	10/00	N	1,500.00	1,500.00	0.00	1,500.00
345-5011	BACKHOE #1 - 90 CASE 580K	10/11/90	ST LINE	10/00	N	25,566.00	25,566.00	0.00	25,566.00
345-5012	JD 310D BACKHOE LOADER	08/30/91	ST LINE	10/00	N	26,683.20	26,683.20	0.00	26,683.20
345-5013	CASE BACKHOE 580K	02/28/92	ST LINE	10/00	N	28,674.00	28,674.00	0.00	28,674.00
345-5014	CASE BACKHOE 580K	02/28/92	ST LINE	10/00	N	28,674.00	28,674.00	0.00	28,674.00
345-5016	4000 LB. DIESEL FORKLIFT	02/07/94	ST LINE	05/00	N	4,500.00	4,500.00	0.00	4,500.00
345-5017	HH0433 ALLIED 1000C HOLE HO	07/21/95	ST LINE	10/00	N	4,846.25	4,846.25	0.00	4,846.25
345-5018	JIB CRANE 8X8 FT. 1000 LB.	06/20/96	ST LINE	10/00	N	722.25	722.25	0.00	722.25
345-5019	UTILITY TRAILER	07/18/96	ST LINE	10/00	N	840.00	840.00	0.00	840.00
345-5021	RTM-003 3" HAMMERHEAD MOLE	08/02/96	ST LINE	10/00	N	5,000.00	5,000.00	0.00	5,000.00
345-5022	5000W GENERATOR	10/01/97	ST LINE	05/00	N	498.88	498.68	0.00	498.68
345-5023	JUMPING JACK COMPACTOR	12/01/97	ST LINE	05/00	N	1,850.00	1,849.41	0.00	1,849.41
345-9708	TAPPING MACHINE	01/01/98	ST LINE	05/00	N	7,208.65	7,208.65	0.00	7,208.65
345-5025	1230 DITCH WITCH	02/13/98	ST LINE	05/00	N	7,065.07	7,065.07	0.00	7,065.07
345-5026	4" PIERCE ARROW BORING MAC	03/18/98	ST LINE	05/00	N	7,896.07	7,896.07	0.00	7,896.07
345-5028	ACCESSORIES FOR DRILL MACH	06/24/98	ST LINE	05/00	N	1,151.55	1,151.55	0.00	1,151.55
345-5027	GRUNDOMAT BORING TOOL	07/16/98	ST LINE	05/00	N	3,724.38	3,724.38	0.00	3,724.38
345-5029	ACCESSORIES FOR BORING MA	08/21/98	ST LINE	05/00	N	1,382.73	1,382.73	0.00	1,382.73
345-5030	3" BULLETT	11/30/98	ST LINE	05/00	N	5,339.00	5,339.00	0.00	5,339.00
345-5033	AIR COMPRESSOR/DIESEL ENGI	06/01/99	ST LINE	05/00	N	9,975.00	9,975.00	0.00	9,975.00
345-5036	NEW HOLLAND LEASE FOR BAC	01/01/00	ST LINE	07/00	N	51,450.00	51,450.00	0.00	51,450.00
345-5037	CHAIN-CUP	02/01/00	ST LINE	02/00	N	2,230.68	2,230.68	0.00	2,230.68
345-5039	SMITH AIR COMPRESSOR	04/01/01	ST LINE	05/00	N	6,317.00	6,317.00	0.00	6,317.00
345-9709	VERMEER VIBRATORY PLOW	04/03/02	ST LINE	07/00	N	29,800.00	29,800.00	0.00	29,800.00
345-9826	AIR COMPRESSOR	05/31/02	ST LINE	07/00	N	9,995.00	9,995.00	0.00	9,995.00
345-5041	SL4835 Skid Steer Loader	09/30/02	ST LINE	10/00	N	18,285.00	18,285.00	0.00	18,285.00
345-5046	10" FLIGHTS FOR AUGER	08/13/03	ST LINE	07/00	N	4,051.00	4,051.00	0.00	4,051.00
345-5043	AC/DC WELDER	08/31/03	ST LINE	07/00	N	460.38	460.38	0.00	460.38
345-5044	HONDA PORTABLE GENERATOR	11/30/03	ST LINE	05/00	N	749.99	749.99	0.00	749.99

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
1045-05 POWER OPERATED EQUIPMENT									
345-5045	SUBPANEL CIRCUIT BOARD POW	12/29/03	ST LINE	07/00	N	2,968.00	2,968.00	0.00	2,968.00
345-5047	(2) SAWS - WILSON EQUIPMENT	02/28/05	ST LINE	03/00	N	1,698.00	1,698.00	0.00	1,698.00
345-5048	SAW- WILSON EQUIPMENT	02/28/05	ST LINE	03/00	N	849.00	849.00	0.00	849.00
345-5050	WEEDEATER - BOB'S CHAIN SA	08/31/05	ST LINE	03/00	N	275.00	275.00	0.00	275.00
345-5051	HONDA TRASH PUMP	08/31/05	ST LINE	03/00	N	892.62	892.62	0.00	892.62
345-5049	CUT OFF SAW - RADIO SHACK	10/31/05	ST LINE	05/00	N	821.08	821.08	0.00	821.08
345-5052	2006 MINI-EXCAVATOR	08/30/06	ST LINE	05/00	N	29,503.00	29,503.00	0.00	29,503.00
345-5053	Komatsu PC27MR-3 Serial #20196	04/30/09	ST LINE	05/00	N	37,580.00	33,822.00	3,737.35	37,559.35
Total for (POWER OPERATED EQUIPMENT)						383,549.25	379,790.46	3,737.35	383,527.81
1046-05 COMMUNICATION EQUIPMENT									
346-5001	RADIO USED AS BASE	04/30/87	ST LINE	10/00	N	910.00	910.00	0.00	910.00
346-5003	RADIOS (3)	07/02/87	ST LINE	10/00	N	2,457.00	2,457.00	0.00	2,457.00
346-5007	TELEPHONE SYSTEM	05/06/88	ST LINE	05/00	N	2,919.40	2,919.40	0.00	2,919.40
346-5002	RADIOS	06/21/88	ST LINE	05/00	N	4,415.00	4,415.00	0.00	4,415.00
346-5004	RADIOS	06/30/88	ST LINE	05/00	N	1,400.00	1,400.00	0.00	1,400.00
346-5005	RADIOS HIGHLAND COMM	07/29/88	ST LINE	05/00	N	225.59	225.59	0.00	225.59
346-5006	RADIOS	08/16/88	ST LINE	05/00	N	775.00	775.00	0.00	775.00
346-5008	TELEPHONE SYSTEM (ADDL)	01/01/89	ST LINE	05/00	N	373.22	373.22	0.00	373.22
346-5009	TDD6670 ANTENNA DIRECTION	04/26/91	ST LINE	05/00	N	350.90	350.90	0.00	350.90
346-5010	MOBILE PLUS ANTENA	04/27/91	ST LINE	05/00	N	685.00	685.00	0.00	685.00
346-5011	COMMUNICATION EQUIPMENT	01/17/92	ST LINE	10/00	N	29,999.96	29,999.96	0.00	29,999.96
346-5012	ANTENNA, ETC	04/21/92	ST LINE	15/00	N	676.77	676.77	0.00	676.77
346-5013	COMM EQUIPMENT	07/08/92	ST LINE	20/00	N	8,559.99	8,559.99	0.00	8,559.99
346-5014	M-216 MOBILE RADIO	05/25/93	ST LINE	05/00	N	751.00	747.68	0.00	747.68
346-5015	MAXRAD MOBILE ANTENNA (3)	03/14/94	ST LINE	10/00	N	2,297.77	2,297.77	0.00	2,297.77
346-5016	M43GNC20D2-A GM-300 MOBILE	05/31/96	ST LINE	10/00	N	600.00	600.00	0.00	600.00
346-5017	1 M1225 MOBILE RADIO, ANTEN	09/01/97	ST LINE	10/00	N	692.70	692.64	0.00	692.64
346-5018	COMMUNICATION EQUIPMENT	09/01/97	ST LINE	20/00	N	40,868.93	33,376.35	1,013.33	34,389.68
346-5019	1 M43DGC90J2-A M1225 MOBILE	12/01/97	ST LINE	10/00	N	692.70	692.59	0.00	692.59
346-5020	2 MOTOROLA BRAVO LX PAGER	12/01/97	ST LINE	04/00	N	168.00	167.93	0.00	167.93
346-5021	AML HURRICANE PROJECT	12/01/97	ST LINE	40/00	N	19,929.73	8,013.36	247.07	8,260.43
346-5022	PORTABLE RADIO P-1225	01/12/98	ST LINE	05/00	N	1,500.00	1,500.00	0.00	1,500.00
346-5024	ONECARD II W/110 RADIO EQUIF	02/10/98	ST LINE	07/00	N	2,700.00	2,700.00	0.00	2,700.00
346-5025	MOTOROLA RADIO (SM50)	02/10/98	ST LINE	07/00	N	2,220.50	2,220.50	0.00	2,220.50
346-5026	M1225 MOBILE RADIO & ANTENN	03/05/98	ST LINE	07/00	N	1,384.50	1,384.50	0.00	1,384.50
346-5029	K19A-TWD W/2' CABLE	05/30/98	ST LINE	07/00	N	685.00	685.00	0.00	685.00
346-5027	RADIO & ANTENNA	06/11/98	ST LINE	07/00	N	670.00	670.00	0.00	670.00
346-5028	CONTROL CARDS	06/22/98	ST LINE	07/00	N	235.00	235.00	0.00	235.00
346-5030	ONE CARD FOR TELEMETRY	07/27/98	ST LINE	07/00	N	85.00	85.00	0.00	85.00
346-5031	DOW KEY, PATCH CORD	08/21/98	ST LINE	07/00	N	1,018.25	1,018.25	0.00	1,018.25
346-5032	PAGERS FOR CALLOUT	09/14/98	ST LINE	03/00	N	165.00	165.00	0.00	165.00
346-5033	MOTOROLA REPEATE TONE CO	01/01/99	ST LINE	15/00	N	8,008.81	8,008.81	0.00	8,008.81
346-5034	MOBILE RADIO, ANTENNA	03/01/99	ST LINE	07/00	N	1,360.00	1,360.00	0.00	1,360.00
346-5035	RADIO,PARTS	04/01/99	ST LINE	07/00	N	1,368.80	1,368.80	0.00	1,368.80

MWD (RIF 6-30-14)
Depreciation Schedule by G/L Account Number
For the 6 Months Ended 06/30/14

09/05/14
01:30PM

Asset No.	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/14	Current Depreciation	Accum Depr 06/30/14
10-05 COMMUNICATION EQUIPMENT									
346-5036	RADIO,PARTS	06/01/99	ST LINE	07/00	N	451.75	451.75	0.00	451.75
346-5037	RADIO	06/01/99	ST LINE	07/00	N	684.40	684.40	0.00	684.40
346-5038	DIGICORR SYSTEM, ANTENNA K	08/01/99	ST LINE	05/00	N	33,118.75	33,118.75	0.00	33,118.75
346-5039	RADIO	08/01/99	ST LINE	07/00	N	591.70	591.70	0.00	591.70
346-5040	RADIO	10/01/99	ST LINE	07/00	N	394.72	394.72	0.00	394.72
346-5041	MOTOROLA 4 CHANNEL RADIO	10/01/99	ST LINE	07/00	N	425.75	425.75	0.00	425.75
346-5042	RADIOS, PARTS	12/01/99	ST LINE	07/00	N	495.15	495.15	0.00	495.15
346-5043	RADIO, PARTS	01/01/00	ST LINE	07/00	N	2,090.85	2,090.85	0.00	2,090.85
346-5044	RADIO, PARTS	02/01/00	ST LINE	07/00	N	564.55	564.55	0.00	564.55
346-5045	MOTOROLA 4 CH MOBILE	05/01/00	ST LINE	07/00	N	1,277.25	1,277.25	0.00	1,277.25
346-5046	MOTOROLA 4 CH MOBILE & MOL	07/01/00	ST LINE	07/00	N	555.48	555.48	0.00	555.48
346-5047	UHF RADIOS (2)	02/01/01	ST LINE	07/00	N	2,930.35	2,930.35	0.00	2,930.35
346-5048	DIGI FLOW DCT7088 FLOW METI	04/01/02	ST LINE	07/00	N	6,295.00	6,295.00	0.00	6,295.00
346-5049	FLOW METER	02/11/03	ST LINE	07/00	N	4,830.00	4,830.00	0.00	4,830.00
346-5050	TRANSDUCER, ONE CARD	09/25/03	ST LINE	05/00	N	1,940.00	1,940.00	0.00	1,940.00
346-5051	ONECARD II 2 WAY RADIO	11/24/03	ST LINE	05/00	N	3,101.00	3,101.00	0.00	3,101.00
346-5052	5.5 HP HONDA PORTABLE	12/03/03	ST LINE	05/00	N	749.99	749.99	0.00	749.99
346-5053	RADIO/WALKIE-TALKIE	04/30/04	ST LINE	05/00	N	1,228.50	1,228.50	0.00	1,228.50
346-5054	RADIO W/STANDARD ACCESSOI	05/31/04	ST LINE	05/00	N	1,262.25	1,262.25	0.00	1,262.25
346-5055	MOBILE RADIOS/ANTENNA	05/31/04	ST LINE	05/00	N	1,452.80	1,452.80	0.00	1,452.80
346-5056	WALKIE TALKIES & CHARGERS	11/30/05	ST LINE	05/00	N	1,361.00	1,361.00	0.00	1,361.00
346-5057	COLORIMETER	11/30/05	ST LINE	05/00	N	1,018.54	1,018.54	0.00	1,018.54
346-5058	AUTOMATED METER READER	02/01/06	ST LINE	15/00	N	1,760,000.00	880,000.00	58,184.47	938,184.47
Total for (COMMUNICATION EQUIPMENT)						1,967,969.30	1,068,556.79	59,444.87	1,128,001.66
Client Subtotal Before Sales						102,351,140.81	38,590,997.92	1,325,641.15	39,916,639.07
Less Assets Sold						0.00			0.00
Total						102,351,140.81	38,590,997.92	1,325,641.15	39,916,639.07